ST. MARY UNIVERSITY

SCHOOL OF GRADUATE STUDIES

BUYERS' BEHAVIORAL ATTITUDE TOWARDS LIFE INSURANCE POLICY PURCHASE IN ETHIOPIAN LIFE AND GENERAL INSURANCE

BY:

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JANUARY, 2023

Addis Ababa, Ethiopia

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A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY COLLEGE, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (HRM CONCENTRATION)

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of <u>Asst. Professor Zemenu Aynadis</u>. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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Name   Signature

St. Mary's University College, Addis Ababa   January, 2023

ENDORSEMENT

This thesis has been submitted to St. Mary's University Collage, School of Graduate Studies for examination with my approval as a university advisor.

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Advisor   Signature

St. Mary's University College, Addis Ababa   **January, 2023**

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ACRONYMS AND ABBREVIATIONS

ISD   Insurance Supervision Directorate

RMPs   Risk Management Programs

SCF   Survey of Consumer Finances

NLSY   National Longitudinal Survey of Youth

SPSS   Statistical Packages for Social Science

ABSTRACT

The purpose of this research was to examine the factors that are psychological, personal, cultural and social factors that affect buyers attitude toward life insurance.. A descriptive research design was used for the study The research approach which used for this study was Quantitative and Quantitative. From 10,475 total customers s, 385 respondents were selected, to undertake the study. To achieve the objectives of this study, data was collected through self-administered questionnaire from a sample of 304 customers. The primary information was collected through questionnaires and interviews; the data was analyzed with the help of Statistical Package for Social Sciences (SPSS) version 20 software. As this paper finds the research outcome have a positive and negative outcome. The finding of the research generally reveal buyer's decision on life insurance and how a company image has a great impact on buyers while purchasing a life insurance.

Keyword: Psychological factors, personal factors, cultural factors and social factors, Buyers behavioral attitude toward life insurance.

CHAPTER ONE

Introduction

1.1.   Background of the study

Life Insurance is an arrangement under which the insured agrees to pay certain amounts of money, known as premiums, at specified times and the insurer agrees to pay a certain amount of money under certain terms and in a specified manner if a certain event occurs during the insured's existence. It is also known as pure life insurance, a type of death benefits that pays the heirs of the policyholder throughout a specified period of time. Depending on the insurance company, it may be possible to turn term life like 10, 15 or   20 years into whole life insurance.

The insurance industry is an important financial institution which contributes for a country economic growth. Insurance has a long history, according to Pfeffer and Klock (1974), insurance has its beginnings in ancient Babylon. Ethiopia insurance industry was introduced in 1905. At the time, Emperor Menelik II and a representative of the British owned National Bank of Egypt come to terms. Similarly, modern insurance service, which were introduced in Ethiopia by foreigners, mark out their origin as far back as 1905 when the bank of Abyssinia began to transact fire and marine insurance as an agent of a foreign insurance company.

In Ethiopia at the end of June 2014 there are 17 insurance companies with 332 branch offices throughout the country and total annual non-life gross premium reached to Birr 4.6 billion (around 300 million U.S dollar) Insurance industry development depends on the country economic development.

Insurance provides various benefits to individuals, families, organizations and the county as whole, firstly, insurance companies are business organization and hence they strive to remain profitable and

create value to their owners, creditors, managers and employees will derive direct benefits from the profitable operations of insurance companies. Governments will also benefits in the form tax collection. Organizations will be protected against variety of risks; insurance enables the sustainability of such organization. Insurance is one basic tool of risk management.

Some studies shows in relation to buyers' attitude to purchase life insurance are that thinking of it as a "regular" expense. When something is considered as an expense, generally the public avoid having that thing. A person who purchases policy can't enjoy the benefits of life insurance before the completion of the tenure of the policy. In this situation he/she may feel paying premiums as an expense. In some instances, people may not have trust on insurance companies regarding paybacks of their premiums at the end of the policy (Ahuja, 2012).

Under the Ethiopian commercial code, there are three types of insurances. They are insurance against damages, insurance of liability for damages and insurance of persons. And my research will focus on the insurance of persons in other word life insurance.

Life insurance is an arrangement under which the insured agrees to pay certain amounts of money, known as premiums, at specified times and the insurer agrees to pay a certain amount of money under certain terms and in a specified manner, if a certain event occurs during the insured's existence.

1.2. Background of Ethiopian Life and General Insurance

Ethio-Life Insurance S.C was founded by 117 shareholders with clear vision of introducing and promoting long term long term insurance to the homes of millions. It obtained its license from the National Bank of Ethiopia and commenced operation in October 2008 to transact Long-term (life) insurance business. Ethio-Life continued to be the only specialized company in the life insurance business In the Ethiopian insurance industry until august, 2012.

In consideration of the immense potentials and viability of the general insurance business emanating from the rapid economic growth of the company, shareholders of Ethio-Life were determined to expand the service of the company by including Non-life (general) insurance products into its business portfolio. Accordingly, the company was registered as composite insurer and started providing innovative life and Non-life insurance products since August 2012. Hence the name Ethio Life and General Insurance S.C emerged and it is located at Addis Ababa Kirkos sub city, Woreda 2, H.No 659 around Meskel Flower.

The company has different kinds insurance categorized into two which are Life and Health Insurance that contains Individual Level Term Insurance, Group Term Insurance, Endowment Insurance with and without profit, Anticipated Endowment with and without profit, School Fee Guarantee Insurance, Medical Expense Reimbursement Insurance and Mortgage/ Loan Protection Insurance. And the other one is General Insurance that contains Fire & Lightning Policy, Motor Policy, Marine policy, Workmen's Compensation, Personal Accidents, Money Insurance Policy (in safe & transit), Fidelity Guarantee Insurance, Bonds, Burglary & House Breaking, Public Liability, Travel Insurance, Green House/ Horticulture Insurance, Engineering Insurance and Other Insurance policies.

1.3.   Statement of the problem

With the aim of achieving radical and fundamental changing in all areas of its operation (core and support), the National Bank of Ethiopia has carried out Business Process Reengineering (BPR) studies and currently its implementations have been well in progress. With respect to insurance supervision, the move from compliance based to risk based supervision (RBS) is among the major initiatives taken up by the BPR study. To carry on RBS, building up its infrastructures is essential, which in turn calls for the direct involvement, participation and collaboration of all stakeholders.

In view of the foregoing, Insurance Supervision Directorate (ISD) has compiled the first draft of the risk management guideline for eight commonly identified and known as inherent and significant risks of insurers. In the process of these risks management, the role to be played by the board of directors, management, internal control system and other concerned parties are clearly addressed. The need to formulate risk management philosophy, strategies, policies and procedures have also been given due coverage.

This guideline, first be delivered to all insurance companies for comments. Secondly, after incorporating valid comments of insurers on the guideline, the final draft will be issued for all insurance companies to be used as a basis for developing their own inherent and significant risks management programs (RMPs), which again will be approved by the Bank. All insurance companies are expected to design their RMPs in such a way that it serves as a sufficient standard to gauge and rate their risk management practices which basically focusing on inherent and significant risks.

In brief, risks inherent in their nature and significant in their impact are always prevalent in one form or another in insurance operations. How effectively an insurance company alleviates these risks would bring the level of risk exposure down from high category to moderate or from moderate to low. On the contrary,

poor management of low inherent risks would push the risk level up to the moderate risk category or from moderate to high-risk category. In this way ISD and insurance companies can manage "net risks" in line with commonly agreed risk measure standards embedded in the RMPs.

To sum up, risk management is not a one go affair and hence need to be carried out as an ongoing basis. The whole aim of this study is, therefore, directed towards ensuring the safety and soundness of the insurance company's ongoing basis, focusing on the management of inherent and significant risks, which obviously enable the sector to continue to play its role in supporting the economic development of the country.

And Life insurance is one of them. Even though it is not very much understood by all, Life insurance is not only for death benefit it's also for cover major expenses during your lifetime, it can protect or supplement your retirement assets and generate and transfer wealth,

Generally, it is important to notice that, when you purchase life insurance, you are providing for the future perhaps the fulfillment of promises to loved ones to maintain a lifestyle, to have the necessary funds for a college education, to be able to comfortably pay off bills, even a mortgage, or to provide the edge to help the continuation of your business by providing funds to help cover outstanding loans, or to make a gift to your favorite charity.

Moreover, purchase of life insurance policy is economically justified if the insured earns an income, and others are dependent on that earning capacity for at least part of their financial support in case of premature death (risks) but most people buy life insurance without much thought and often unaware of substantial advantage (George E. Rejda 1995, p: 305). Life insurance thus becomes the mechanism for one to ensure a continuous stream of income to the beneficiaries (Black and Skipper 2000 cited in OgenyiEjye Omar, 2007).

For one to purchase a life insurance it faces different factors that are included in psychological, demographical and their behavior as well. After going through some of this, one can purchase a life insurance and fell satisfied with the choice they made. If not, it causes customers to be forced to stop continuing the insurance. And employees have the duty to explain the purpose of life insurance; why it is needed in a simple and clear way for them to understand it. If one buyer is not satisfied after purchasing, an employee uses some types of measures to satisfy buyers to a point of them to not want to have a negative thought.

According to Genet Bekele(2018), she concluded her studies saying that the barriers in purchasing life insurance includes but not limited are lack of education, high premium charges, lack of awareness to various types of life insurance.

This study aims to identify the buyers' attitude towards life insurance policy purchase in Ethiopian Life and General Insurance. It assesses the behavior of buyers and employees and how they handle unsatisfied customers. The researcher will evaluate whether Ethiopian Life and General Insurance follow up on buyers' behavior and employees' work performance. The study recognizes that purchasing life insurance is a long-term commitment, and employees must explain the purpose of life insurance to customers clearly and simply. The study aims to address the barriers that prevent people from purchasing life insurance and provide solutions that benefit both buyers and insurers.

1.4.   Research Questions

The study address the issues described in the problem statement above.

Specific Objectives

1. Does the nature of psychological factors affects buying attitude of customers towards life insurance?

2. Does personal factors drive the buying attitude of customers towards life insurance?

3. Does the cultural factors affect buying attitude of customers towards life insurance?

4. What are the social factors that affect buying attitude of customers towards life insurance?

5. Do demographic factors and buying attitude have connection toward customers' behavior towards life insurance?

6. What is the perception of insurance company staff's perception towards the buying attitude of the customers towards life insurance?

1.5.   Objectives of the study

1.5.1.   General objective

The general objective of the study is to examine the Buyers' attitude towards Life Insurance Policy Purchase in Ethiopian Life and General insurance.

1.5.2.   Specific objectives

Specific Objectives

1. To describe the nature of psychological factors that affect buying attitude of customers towards life insurance

2. To assess what personal factors that drives the buying attitude of customers towards life insurance

3. To analyze the cultural factors that affect buying attitude of customers towards life insurance

4. To describe the social factors that affect buying attitude of customers towards life insurance

5. To investigate the association between selected demographic factors and buying attitude of customers towards life insurance

6. To identify the perception of insurance company staff's perception towards the buying attitude of the customers towards life insurance.

1.6. Scope of the study

Geographical Scope

The study is limited to a branch located at Addis Ababa, Kirkos sub city, Woreda 2, H.No 659 around Meskel Flower.

Conceptual Scope

The study focused on the four factors which are psychological, personal, social and cultural factors that affect buyer's behavioral attitude at purchasing life insurance.

Methodology Scope

The research will concentrate on Buyers' attitude towards Life Insurance. Ethiopian Life and General insurance will be examined in this study. Using SPSS, the study will analysis 385 respondents to examine the four factors which are psychological, personal, social and cultural factors. Attitudes can be considered awareness or feeling not directly accessible to observation but measurable from verbal statements. The inferential method is used most often when questionnaire-type surveys are involved. The research is going to be generalized to groups with similar environmental surroundings. Although generalizing to a large population would be desirable, a determination of the attitudes of the subjects in the sample toward life insurance could contribute to the design of a more sophisticated research tool.

1.7. Significance of the study

The study's contribution is threefold.

- First, it provides the company with insights into the various types of buyer behavior, allowing them to better understand their customers' attitudes and preferences and tailor their services accordingly.

- Second, it provides buyers with more knowledge about the company and how they serve their customers.

- Third, it provides valuable information to other researchers on the different types of attitudes that buyers have when purchasing life insurance. This study can serve as a study guide for other students who are interested in exploring similar topics.

Overall, the research is expected to have practical applications for the insurance industry and contribute to the broader academic literature on consumer behavior.

Organization of the study

This paper contains five chapters, chapter one is about the overview of the study which included introduction of the study, background information of the company, statement of the problem, objectives of the study, research questions, and significance of the study and scope of the study. The second chapter is about the literature review, which is separated in to two parts: theoretical literature review based on theories, concepts and empirical studies conducted by other researchers and empirical literature review based on empirical studies conducted by other researchers.

The third chapter which is research methodology includes topics such as study approach, research design, population, sample size sample techniques, source of data, data collection instruments, data collection procedure, scale validity, scale reliability and ethical consideration of the research. Under the forth chapter, the finding of the study are presented and finally the fifth and last chapter includes the conclusion and recommendations of the study after analyzing the findings of the study.

CHAPHTER TWO

LITERATURE REVIEW

2.1.   Theoretical Literature

This part of the study shows the current knowledge in life insurance and list down pervious major findings related to the study. It includes studies made on buyers' behavior toward life insurance, empirical papers that have looked at socio-economic and demographic determinants of insured status.

2.2.　　　Investigation of life insurance

Since 1960, research in investigating demand for life insurance has been gaining attention (Hwang & Gao, 2003). Afterwards, several researchers had studied the determinants of demand for life insurance, including family income (Beck & Webb, 2003; Browne & Kim, 1993), inflation (Beck & Webb, 2003; Outreville, 1996), insurance price (Browne & Kim, 1993; Outreville, 1996), culture (Chui & Kwok, 2008), demographic variables (Mahdzan & Victorian, 2013), and religion (Souiden & Jabeur, 2015).

K.V. R amanathan (2011) in his article "A study on policy holder's satisfaction with reference to Life Insurance Corporation of India" identified a reliable and valid instrument for assessing customer perceived service quality, awareness level, and satisfaction level of customers for life insurance industry, Here, service quality needs to be measured using a six dimensional hierarchal structure consisting of assurance, competence, personalized financial planning, corporate image, tangibles and technology dimensions. This would help the service managers to efficiently allocate resources, by focusing on important dimensions first.

Addressing the problems and prospects of the insurance business in Bangladesh, past studies pinpointed several problems such as human resource, operational, marketing, and ethical problem (Mamun, 2013), lack of awareness, lack of government supervision, lack of promotional program (Khan & Uddin, 2013), negative image of life insurance (Nekmahmud et al., 2017), strong religious belief against life insurance, lack of diversified products, unethical practices of insurers, and more focus on "push method" rather than "pull method" (Islam & Mamun, 2017; Islam, 2019).

Besides, the prospect areas include economic, operational, new entrants and industry growth (Mamun, 2013), in line with this, Huda (2018) posited that creative internal marketing practices, consumer-oriented offerings and digitalization of the insurance management system are essential for the sustainable life insurance business in Bangladesh. Furthermore, Jahan and Sabbir (2018) concluded that socio-demographic variables, financial literacy, saving motives, and risk aversion motives are significant variables for understanding consumer purchase intention toward life insurance.

And some of the most objective studies of consumer satisfaction in the life insurance industry have been conducted by Daniel Yankelovich, Inc. on a continuing contract basis for the Life Insurance Institute. The MAP (Monitoring Attitudes of the Public) program is a new management tool to spot trends and Identify crucial indicators of public attitudes. The writer has been assisted by the MAP project in determining "anxiety attitudes" that need investigation and analysis.

A life Insurance Industry survey of ownership attitudes Indicated that only a small proportion of household heads expressed negative attitudes toward ownership of life insurance or say that investments are a substitute for life insurance. Although life insurance is a desired product, perceived by many as a necessity, evidence suggests that the consumer is unaware of his total life insurance needs.

The following statement made by Florence Skelly, Executive Vice President of Daniel Yankelovich, Inc., in a 1968 address to the New York State Association of Life Underwriters is very revealing:

In most product fields which are believed to be necessities by the public, the pattern is very different. If a product is believed to be a necessity, the public usually acquires knowledge of the subject and some confidence in its decision-making ability whether warranted or not, but not so in the case of life insurance. In considering all of their research results, they were very impressed by the multiple sources of anxiety that surround consideration of life insurance as a product.

If you mix all of the sources of anxiety together, along with the perception of life insurance as a real necessity, they add up to a picture composed of a great deal of concern, some fear, a little hostility, a touch of resentment and a lot of just plain uneasiness.

Conclusions reached by many observers in the life insurance industry highlight the lack of consumer satisfaction are as follows:-

- Life Insurance in Focus: Attitudes Toward Company Agent and products, (Hartford: Life Insurance Agency Management Association,1961).p. 1
- Life Insurance Goals: A Psychological Model,(Hartford: Life Insurance Agency Management Association, 1959), p. 1.Florence Skelly, "Report on Public Attitude Toward Life Product, Companies and Agent," National Underwriter, (November 9, 1968), summarized by William E. Kingsley, Director, Division of Statistics and Research, Institute of Life Insurance in a 1971 speech to the Midwest Training Director's Association.

Add to these elements the fact that the large majority of the public believe they are poorly informed about life insurance and are generally not confident about their ability to fully comprehend various alternatives, and to make a reasoned and sensible decision on their own.

This lack of confidence in one's own knowledge ability and the absence of rational criteria for deciding on the amount of life insurance is symptomatic of the fact that the life insurance purchase situation, or

any effort to up-grade coverage level, is, by and large, an anxiety ridden one, more than is true of most other product fields.

And the other studies made by other researchers are:-

Mehr and Cammack (1976) agrees that Insurance is usually thought of as a product that spreads the risk of serious, but low-probability, losses among a group of individuals, thus providing some financial protection to each individual. Kunreuther, (1979) said that his product makes good sense, particularly when the protection is purchased against potential losses so large as to be catastrophic, such as total destruction of one's home, a large accident liability judgment, or death of primary family breadwinner. However, it has long been recognized that this sensible product is difficult to sell. V Kotler, (1973) considers insurance to be in the category of "unsought goods," along with products such as preventive dental services and burial plots. He notes that unsought goods pose special challenges to the marketer. Slovic, Fischhoff, Lichtenstein, Corrigan, and Combs (1977) found that subjects were more likely to buy insurance against small, high-probability losses than insurance against large, low-probability losses, Hershey and Schoemaker (1980) reported the opposite result. Kunreuther (1979) "It is not the magnitude of a potential loss that inspires people to buy insurance voluntarily – it is the frequency with which a loss is likely to occur". Kahneman&Tversky, (1979) reported a risk-averse individual, therefore, should avoid nearly all types of risk. Empirical evidence, however, suggests most people are risk averse for gains and risk seeking for losses.

Kahneman&Tversky, (1984) stated indeed, repeated demonstrations have shown most people lack an adequate understanding of probability and risk concepts Dhar, (1997) Greenleaf and Lehmann, (1995) Tversky and Shafir, (1992) have shown that offering more options can generate decision conflict and preference uncertainty, leading to decision deferral.

Michael L. Smith (1982) said that a typical life insurance contract provides a package of options or rights to the policy owner that is not precisely duplicated by any other combination of commonly available contracts. Viewed from this perspective, life insurance enjoys a unique position in the field of investments and should be judged in this light. The paper shows that an options viewpoint provides a more complete explanation of policy owner behavior towards life insurance than the conventional savings-and-protection view.

Michael L. Walden (1985) told that the option's package view of the whole life insurance policy suggests that a whole life policy is a package of options, each of which has value and is expected to influence the

price of the policy. This viewpoint implies the general hypothesis that price differences between whole life policies can be explained by differences in policy contract provisions and differences in selected company characteristics. The option's package theory was empirically investigated using regression analysis on data from a sample of policies marketed in North Carolina. The results suggest support for the options package theory.

Kirchler and Angela-Christian Hubert (1999) found that the present study aims at describing spouses' relative dominance in decisions concerning different forms of investment. As determinants of spouses' dominance, partnership characteristics, such as partnership role attitudes, marital satisfaction and individual expertise in relation to different investments, were considered. A questionnaire on spouses' dominance in making decisions on various investments, on the characteristics of particular investments and on partnership characteristics was completed by 142 Austrian couples. Basically, wives appeared to adapt to the dominance exerted by their husbands in savings and investment decisions. Wives' dominance was highest in egalitarian partnerships, where autonomic and wife-dominated decisions were reported more frequently than in traditional partnerships. Additionally, spouses' relative expertise in relation to the investments in question showed strong effects on dominance distribution: Spouses with higher expertise than their partners exerted more dominance in decision-making processes. Amy Wong, (2004) empirically examined the role of emotional satisfaction in service encounters. Specifically, this study seeks to: investigate the relationship between emotional satisfaction and key concepts, such as service quality, customer loyalty, and relationship quality, and clarify the role of emotional satisfaction in predicting customer loyalty and relationship quality. In doing so, this study used the relationship between emotional satisfaction, service quality, customer loyalty, and relationship quality as a context, as well as data from a sample survey of 1,261 Australian retail customers concerning their evaluation of their shopping experiences to address this issue. The results show that service quality is positively associated with emotional satisfaction, which is positively associated with both customer loyalty and relationship quality. Further investigations showed that customers' feelings of enjoyment serve as the best predictor of customer loyalty, while feelings of happiness serve as the best predictor of relationship quality. The findings imply the need for a service firm to strategically leverage on the key antecedents of customer loyalty and relationship quality in its pursuit of customer retention and long-term profitability.

Stephen Diacon (2004) presents the results of a detailed comparison of the perceptions by individual consumers and expert financial advisers of the investment risk involved in various UK personal financial services' products. Factor similarity tests show that there are significant differences between expert and

lay investors in the way financial risks are perceived. Financial experts are likely to be less loss averse than lay investors, but are prone to affiliation bias (trusting providers and salesmen more than lay investors do), believe that the products are less complex, and are less cynical and distrustful about the protection provided by the regulators.

The traditional response to the finding that experts and non-experts have different perceptions and understandings about risk is to institute risk communication programs designed to re-educate consumers. However, this approach is unlikely to be successful in an environment where individual consumers distrust regulators and other experts.

Helmut Gründl, Thomas Post, Roman Schulze, (2005) found that demographic risk, i.e., the risk that life tables change in a nondeterministic way, is a serious threat to the financial stability of an insurance company having underwritten life insurance and annuity business. The inverse influence of changes in mortality laws on the market value of life insurance and annuity liabilities creates natural hedging opportunities.

Evan Mills, Ph.D.(1999) Studied the insurance industry is rarely thought of as having much concern about energy issues. However, the historical involvement by insurers and allied industries in the development and deployment of familiar technologies such as automobile air bags, fire prevention/suppression systems, and anti-theft devices, shows that this industry has a long history of utilizing technology to improve safety and otherwise reduce the likelihood of losses for which they would otherwise have to pay. We have identified nearly 80 examples of energy-efficient and renewable energy technologies that offer "loss-prevention" benefits, and have mapped these opportunities onto the appropriate segments of the very diverse insurance sector (life, health, property, liability, business interruption, etc.).

Some insurers and risk managers are beginning to recognize these previously "hidden" benefits. Roger. A. Formisano (1981) examined, via consumer interviews, the impact of the National Association of Insurance Commissioner's Model Life Insurance Solicitation Regulation as implemented in New Jersey. A substantial portion of the insurance buyers sampled did not become aware of the provisions of the regulation aimed to improve their buying ability. Further, many life insurance buyers were not well informed concerning the nature and operation of life insurance contracts, and in particular, the life insurance policies that they had purchased.

Other than that, there are also studies made up on the nature of the customers

Based on Odies Collins Ferrell jr.(1972), It has been suggested that attitudes are a general orientation and opinion that is the specific manifestation of the broader attitude. Beliefs have been referred to as the "cognitive component" of attitudes because they can serve as a partial basis for likes and dislikes.

He stated that there have been suggestions that marketing has the responsibility of reshaping basic attitudes to assist planned social change. One goal of investigating attitudes toward life insurance is to determine the acceptability of new concepts as they relate to product, price and promotion. It is assumed that such a coherent and dynamic system of attitudes exists. Hopefully the life insurance industry will not only react to existing attitudes, but will also reshape attitudes to assist consumers in obtaining economic security in a changing environment. Since the insurance product provides such an important public service, it could be argued that the life insurance industry has a responsibility equal to most social institutions.

Generally, Evan Mills, Ph.D. (1999) Studied the insurance industry is rarely thought of as having much concern about energy issues. However, the historical involvement by insurers and allied industries in the development and deployment of familiar technologies such as automobile air bags, fire prevention/suppression systems, and anti-theft devices, shows that this industry has a long history of utilizing technology to improve safety and otherwise reduce the likelihood of losses for which they would otherwise have to pay. It has been identified nearly 80 examples of energy-efficient and renewable energy technologies that offer "loss-prevention" benefits, and have mapped these opportunities onto the appropriate segments of the very diverse insurance sector (life, health, property, liability, business interruption, etc.). Some insurers and risk managers are beginning to recognize these previously "hidden" benefits.

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And Keerhi , R Vijayalakshmi (2009) in their article "A study on the Expectation and perceptions of the services in private life insurance companies" the policy holders' expectations are well met in the case of certain factors like quality. But in the case of other variables, there exists a significant gap which means

that policy holders have experienced low levels of service as against their expectations. If all the players in the life insurance industry focus on the effective delivery of services, they can win the hearts of the customers and anticipate their increased market share.

2.3. Empirical papers that have looked at socio-economic and demographic determinants of insured status

Several studies were made on consumer behavior toward life insurance. The studies have examines various factors including socioeconomic, demographic and psychographic factors that might affect life insurance demand, In this section, I will discuss some of the empirical papers that are made on the consumers' behavior towards life insurance.

Zietz(2003) presented a comprehensive and detailed survey of the empirical literature over five decades. Among the papers she reviewed age, income, education, marital status, family size and occupation were among the most significant determinants of life insurance demand. Higher levels of income and education as well as family size were mostly found to be positively related, while the life insurance premiums and having other avenues of social security were negatively related to life insurance demand. Zietz also pointed out pointed out that some of the studies found conflicting and contradictory results for certain determinants of life insurance demand such as age and family size.

For Germany, Hecht et al. (2010) found that marital status, number of children, financial literacy and number of dependents all have a positive impact on life insurance demand.

Ulbinaite et al. (2013) showed that demographic characteristics and socioeconomic factors have a significant impact on life insurance purchase decisions in Lithuania. They found that families without children take into account a wide range of factors for choosing a life insurance policy and families with children consider only a few factors.

In Malaysia, Annamalah (2013) found that income and education are positively related to life insurance demand while age, number of children, occupation and working spouse were found to be insignificant. Arun et al. (2012) found that participation in micro life insurance is positively correlated with the number of children or dependents in the household indicating a possible bequest motive. They also found that financially better off households participate more in micro-life insurance than their poorer counterparts.

In the Indian context, individual characteristics of life insurance policy holders and choice of life insurance products have been the main focus of the research on life insurance purchase. Bodla and

Verma(2007) found that middle-aged individuals dominate the rural life insurance Market; insurance sales agents are important sources of information and influencers for taking life insurance; and a money-back policy is the most preferred policy in rural areas, followed by endowment policies.

Kakar and Shukla (2010) used NSHIE9 and IFPS10data for 2004-05 and built logistic models for A cross-section of Indian households to understand factors affecting life insurance demand. This study used both directly measurable variables (from NSHIE data) as well as latent traits such as attitudes towards future financial security and propensity to save etc. (from IFPS data). They report that insured households tend to be well off economically, have higher levels of education, have a chief earner who is salaried, and tend to be more optimistic about their financial future.

Selvakumar & Priyan (2010) in their article "A comparative study of public and private life insurance companies in India" found that insurance companies are increasingly taping the semi-urban and rural areas to take across the message of protection of life through insurance cover. Higher level of protection implies that customers are more conscious of the need for risk mitigation, greater security, and about the future of their dependents. Insurance sectors has been evolving and improving its underwriting and risk management abilities.

Liebenberg et al. (2012) used panel data from the Survey of Consumer Finances (SCF) with data over the period of 1983-89. They found a significant relationship between life events and life insurance demand. In particular they found that events such as marriage, birth of a child, starting a new job and income growth are positively related with acquiring a life insurance policy or increasing coverage on previously purchased policy. Death of spouse, separation and becoming unemployed contribute toward terminating life coverage.

Heo et al. (2013) used data from the 2004, 2006 and 2008 National Longitudinal Survey of Youth (NLSY) 1979 cohort in the USA and found that an increase in net worth was associated with increases in life insurance consumption. They also found that women and black individuals increased their life insurance consumption over the period of the study. Finally, they concluded that life insurance acts as a complement to rather than a substitute for wealth.

As explained by Liebenberg et al., dynamic analysis may provide a deeper and better understanding of life insurance purchase decisions. There has been no such study in the context of India or any other emerging market.

In marketing context, it is stated that consumers can develop attitudes to any kind of product or service, or indeed to any aspect of the marketing mix, and these attitudes will affect behaviorBrassington and Pettitt, (2003) as cited in TajudeenOlalekan Yusuf, AyantunjiGbadamosi, &DallahHamadu, (2007).

According to life insurance marketing theory, buyers' life insurance purchase behavior could be influenced by many factors including personal characteristic. More over according to Tsai-Ching Liu and Chin-Shyan Chen, (2002, pp:755–774) analyzed the effects of personal characteristics, such as income, education, sex, age , culture , education and occupation on the buyers' purchase intention and attitude and purchase premium of life insurance. Conceptually insurance is understood by most people to be critical to a well-functioning economy by providing payment in the event of unexpected losses; insurance introduces security into personal and business situation. It also serves as a basis of credit as no financial institution would lend money for purchase of capital goods.

The main themes in the literature of attitude and perception of life insurance buyers have largely focused on factors predicting these attitude (Skinner and Dubinsky, 1984; Ozdemir and Kruse, 2004), purchase decision-making responsibility (Barron and Staten, 1995), consumers perceived Value (Smith, 2006) and satisfaction (Kuhlemeyer and Allen, 1999) as cited in TajudeenOlalekan Yusuf, AyantunjiGbadamosi, &DallahHamadu, 2007. For example, in a survey of 1,462 families, Skinner and Dubinsky found out that employment status of the wife and education of the husband discriminate mostly between which family member(s) is responsible for insurance purchasing decision. Other significant variables include wife's educational level, husband's employment status, family income, and husband's occupation.

According to John H.Magee and David L.Bickelhaupt (1960, P ,604) although the basic use of life insurance is the protection of life values, life insurance contracts are so carefully drawn that they have found additional uses. Particularly they are used holding and accumulating assets, and they may also be used as a means for transferring ownership. Therefore, life insurance has primary function and secondary use; however, in many instances the secondary uses supplement and merge with the primary use and there is no conflict between the secondary uses and the primary function.

Generally, Marketing researchers and practitioners have long been interested in the genesis of buyers' values and beliefs about marketing and how they affect consumers' experiences in the marketplace (Treise al 1994). Buyers' attitudes towards various marketing activities are important knowledge for successful marketing operations. Previous research suggests that buyers' attitudes towards marketing vary greatly due to demographic and psychographic factors and may be influenced by their ethical

ideologies (Crellin 1998; Treise et al 1994). This is also true in the case of life insurance business to according to Truett and Truett (1990) and Browne and Kim (1993) stated in World Bank research group 2002 find a positive relationship between life insurance consumption and demographic factors such as the level of education, hose hold income and other demographic factors of the buyer.

On the other hand buyers' attitudes towards marketing activities are important from both a theoretical and a managerial standpoint (Gaski and Etzel 1986). As consumer attitudes significantly affect their behavioral responses to marketing activities, knowledge of consumers' attitudes toward marketing has been used in economic forecast and found to be linked to several key macroeconomic variables (Chopin and Darrat 2000). TRA (Fishbein & Ajzen, 1975) and Theory of Planned Behavior or TPB (Ajzen, 1991) conceptualized attitude towards a behavior as a significant predictor of an individual's behavioral intention. An attitude can be defined as an individual's approach to react positively or adversely to an item, person, institution, incident, or any other distinguishable characteristic of human life (Ajzen, 1991).Attitude has been found influential in predicting individual intention to purchase luxury fashion goods (Salem & Salem, 2018). Accordingly, former studies on financial decisions illustrated attitude as a significant predictor of an individual's intention. For example, Douglas and Wildavski (1982) as cited in TajudeenOlalekan Yusuf 2007, the demand for life insurance in a country may be affected by the unique culture of the country to the extent that it affects the population's risk aversion. Tolerance and Zelizer studies(1969) cited in Greene and Swadener, (1974) noted that religion historically has provided a strong source of cultural opposition to life insurance as many religious people believe that a reliance on life insurance results from a distrust of God's protecting care (Greene and Swadener, 1974 ,Framework And other example attitude is reported as a significant positive determinant of qarḍhasan financing (Amin et al., 2010), Islamic home financing (Alam et al., 2012), withdrawal of deposits from banks (Abduh et al., 2011), and acceptance of Islamic insurance (Amin, 2012; Rahim & Amin, 2011).

Another factors that affect the buyer's buying life insurance is Subjective norms which is defined as an individual's perception of how most people who are important (e.g., relatives, close friends, coworkers) to them think they should or should not undertake a particular behavior (Fishbein & Ajzen, 1975; Venkatesh & Davis, 2000). The influence of subjective norms on social behaviours becomes higher in workplaces, where people value maintaining their group belongingness and personal relations (Husted & Allen, 2008).

In explaining complex consumer behavior, a few past studies (e.g., Cheng et al., 2006; Salem & Salem, 2018) have clearly indicated the impact of subjective norms. Such subjective norms have also been identified as a primary influencer on acceptance of qarḍḥasan financing (Amin et al., 2010), life insurance purchase in Nigerian context (Omar & Owusu-Frimpong, 2007), and acceptance of Islamic insurance (Amin, 2012; Rahim & Amin, 2011).

Related to complex socio-psychological and psychological processes (Furnham & Argyle, 1998), saving is considered as a factor for influencing buyer's altitude because it is stated as to the task of putting aside some assets for future expenses (Canova et al., 2005), retirement period (Modigliani, 1986), or as an inheritance for dependents (Friedman, 1957).

Some previous studies identified a few more motives of saving, including saving for emergencies like ill-health or unemployment (Katona, 1975), investing in a house (Harris et al., 2002), or medical care (Webley et al., 2000). It appears that all of these mentioned motives for saving are related to an individual's inclination to adverse future risk. However, testing the impact of risk aversion motives on saving motives remains unexplored in the extant literature.

On the other hand, Lewis (1989) and Campbell (1980) as cited in Mark J. Browne (1993) have shown that the demand for life insurance is positively correlated with income. More over the correlation is that as income increases, life insurance becomes more affordable. Still other researchers in other countries have concluded that educational status of buyers has significant influence on their attitude towards life insurance. Educated people have more positive attitude to insurance than less educated ones (TajudeenOlalekan Yusuf, AyantunjiGbadamosi, &DallahHamadu, 2009).

As a conclusion; it is important to notice that, when you purchase life insurance, you are providing for the future-perhaps the fulfillment of promises to loved ones to maintain a lifestyle to have the necessary funds for college education, to be able to comfortably pay off bills, even a mortgage, or to provide the edge to help the continuation of your business by providing funds to help cover outstanding loans, or to make a gift to your favorite charity (Zekarias, 2010).

2.4.   Conceptual Framework

Based on the research objectives and the literature review regarding buyer's attitude toward life insurance policy purchase in Ethiopian life and general insurance, the following framework shows the dependent and independent variables of buyer's attitude toward Life insurance.

Psychological factors

Independent Variable

Personal Factors

Independent Variable

Cultural Factors

Independent Variable

Cultural Factors

BUYERS' ATTITUDE TOWARDS LIFE INSURANCE POLICY PURCHASE IN ETHIOPIAN LIFE AND GENERAL INSURANCE
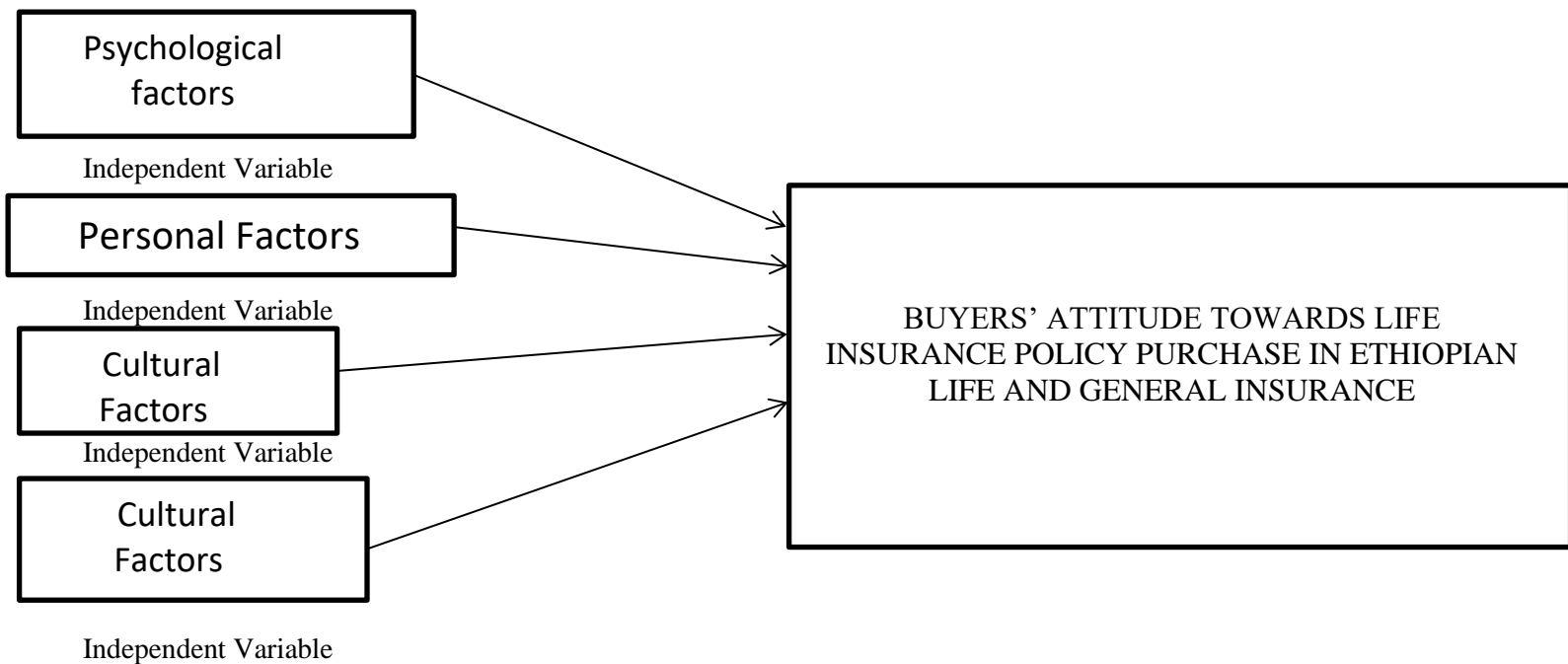
Independent Variable

Figure 1- Conceptual Framework

CHAPTER THREE

3.1.   Research Methodology

The word "research methods" refers to all of the procedures utilized by a researcher throughout a research investigation (Sam2012). The structured procedure of conducting research is referred to as research methodology. Many different techniques are used in different forms of research, although the phrase is commonly used to refer to research design, data collection, and data analysis. The different procedures, systems, algorithms, and other research methods are referred to as research methods.

3.2.   Research Approach

The study overall goal is to look at the buyers' attitude toward purchasing life insurance, and in order to do so; the study applies both quantitative and qualitative methods. Detailed information regarding buyers' attitude were acquired from buyers themselves. When conducting quantitative research, the researcher use numbers as a foundation for generalizing the results of the questionnaires.

Quantitative research method is based on determining the quantity or amount of something. It can be used to describe phenomena that have a numerical value (Sam 2012) whereas Qualitative research method is for studies that do not attempt to qualify results through statistical summary or analysis.

3.3.   Research Design

The research design is a road map to accomplish the research study. This is also a structured means of investigation aimed at identifying variables and their relationship to one another and this is basically used for the purpose of gathering data for the research hypotheses to be tested by the researcher or provide answers to the research questions (Asika, 1991, Saunders et al., 2012). The most significant components of a research process are developing a study design while keeping in mind the research objectives and expected conclusion, and then applying and revising the design during the research process, as needed (Prasad 2020). For this study descriptive research type descriptive research design is used in which the characteristics of an event, situation, or population are described.

And to gather other information regarding to the buyers' attitude towards life insurance questionnaires were distributed to buyers who have been purchasing or new in purchasing life insurance.

3.4. Source of data

Data collection involves gathering of relevant and important data used for conducting particular research work (Arbnor, 2014). There are two types of data collection method; primary and secondary method.

Primary data is a collection of structured questionnaires that are created and delivered to customers and employees. It consist all the data collected throughout the study that can be directly related to the study purpose. While secondary data is gathered from the organization's website, as well as, published and unpublished reports, articles and other sources. It contains relevant data that has been collected for a different purpose, but from which the conclusion is valuable for the purpose. But in this case, only primary data will be used for analysis.

3.5. Population, Sample size and Sampling Technique

3.5.1. Population

Study population is the whole community of people or organizations that the researcher or surveyor is interested in drawing conclusions (Kothari, 2003).

According to ETHIOPIAN LIFE AND GENERAL INSURANCE, the company have different branches under the life insurance and general (non-life) insurance which are Headquarters branch, Africa avenue life and health insurance, Bambis branch, Beklobet branch, Besrate-Gebreal branch, Betel branch, Bole-Medhanialem branch, CMC branch, Goffa branch, Jemo branch, Lideta branch, Megenagna branch, Merkato branch, Mexico branch, Saris branch, Senga-Tera branch, Somale-Tera branch, Teshome Beyene life and heaith and Yerer branch are in Addis Ababa, Ethiopia.

Among them, headquarter is the main data place for the study based on the majority of the customers it have. In Ethiopian life and general insurance's headquarter ten thousand four hundred seventy five customers and three employees who works in the company were considered a target population of the study.

3.5.2. Sample Size

There are two types of ways used to determine the sample size, the Cochran's formula used when the size of the population the exact total population is known the sample size determination formula is used to estimate the sample size.

The Yemane's (1967) formula:

$$n = \frac{N}{1 + Ne^2} = \frac{10{,}475}{1 + (10{,}475 * 0.05^2)} = 385$$

Where:

n = required sample size; N = Total Population; e = Tolerable error (0.05)

In conclusion the sample size for the research is 385 as the number of the total customer is 10,475.

3.5.3. Sampling Techniques

In this study since it is difficult to get the entire customers to get the required survey, a Non-probability convenience method which is a method of selecting units from a population using subjective (non-random) method were used.

Convenience Sampling is a non-probability sampling method where units are selected for inclusion in the sample because they are the easiest to access. This can be due to geographical proximity, availability at a given time, or willingness to participate in the research.

3.6.   Data Collection Instruments

The study collected information from the field using basically the following pointed out investigating methods of data collection:-

Questionnaire

A questionnaire is simply a formalized set of questions for gathering data. The term questionnaire is frequently used by studies to refer to a set of questions that will be mailed to respondents for them to answer and return to the study's sponsor (Blank, 1984). The surveys will be distributed by the researcher to the respondents. Data were obtained through personally administered questionnaires that were prepared based on the literature review and the research questions. The questionnaires were distributed

after the expected participants have been selected and informed about the purpose of the research by the researcher.

The questionnaire are intended to be a structured self-administered five-point Likert scale that are developed based on existing instruments that have been used in previous studies (Neema, 2017). The questionnaires are designed in such a way that it will have two parts. The first part refers to personal demographic characteristics to obtain general demographical information of sampled respondents. It contains five items regarding sex, age, marital status, education, income and customers' time of usage and it also includes the services that are offered in the company, the reason why customers bought the insurance and the person who influenced the customer into buying it. And the second comprises the study variables are the psychological factors (5 statements), personal factors (5 statements), cultural factors (5 statements) and social factors (5 statements).

The variables, used to measure the respondent's perception of the factors that affect the buyers' attitude, are adapted from Asyhari and Yuwalliatin. (2020).

The attributes of the study variables, the respondents will be asked to describe on a 5-point scale with 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

Interview

In addition to questionnaire; qualitative data collection technique, involving one-to-one interviews with the three respondents was conducted. It was held to obtain data for further clarity and credibility of the research with the institution that was selected based on the sampling.

3.7. Data Collection Procedure

ETHIOPIAN LIFE AND GENERAL INSURANCE, have different branches under the life insurance and general (non-life) insurance which are Headquarters branch, Africa avenue life and health insurance, Bambis branch, Beklobet branch, Besrate-Gebreal branch, Betel branch, Bole-Medhanialem branch, CMC branch, Goffa branch, Jemo branch, Lideta branch, Megenagna branch, Merkato branch, Mexico branch, Saris branch, Senga-Tera branch, Somale-Tera branch, Teshome Beyene life and heaith and Yerer branch are in Addis Ababa, Ethiopia. And the Headquarter branch was the targeted area for the study.

The research was conducted in person for the fulfillment of the academic requirement. A total of 385 questionnaires were distributed to the targeted customers and some employees were distributed to pre-test the validity and reliability of the scaling instrument.

3.8.   Methods of Data Analysis

The obtained data were edited, which entails sifting the data to extract information that is relevant to the research variables. The data which is collected based on the conceptual framework, it were analyzed using only the descriptive Statics with: mean, standard deviation, percentage and frequency. The focus groups are ETHIOPIAN LIFE AND GENERAL INSURANCE headquarters' population. Both the questionnaire and the interview were open-ended questions (allows respondents to respond freely) and close-ended questions (selection of fixed responses).

3.9. Scale Validity

The validity of the test reveals the degree to which a measuring instrument measures what it is intended to measure (Saunders, 2004). Content validity is the extent to which a measuring instrument provides suitable coverage for the current study that research items measure the variables of the study while face validity is face to face check. The copies of the survey was managed to be accessible to experts in this study such as advisors for comments and opinions to create validity in terms of construct, content, criterion, and face validity to make it suitable for the objectives of the study. The validity of the research instrument has also been gotten from the various questions posed to the respondents. The student researcher ensured the validity of the study by pre-testing with a scale to correct any missing data in the questions when detected and also by asking clearly stated questions to the respondents.

3.10. Scale Reliability

According to Mugenda (2003), reliability is the ability of a research instrument to produce consistent results after repeated trials. As far as the reliability of the scale measurement, Cronbach's Alpha test was conducted to determine the internal consistency of the scale. The Cronbach's coefficient is calculated or determined based on the data that were collected through distributing 385 questionnaires for pre-test.

3.11.   Ethical Consideration of the Research

It is ethical to guarantee that the research is beneficial to the participants in addressing a specific problem while selecting study participants (cress well, 2003). The researcher attempts to briefly explain the study's goal to the customers and employees of the company. By explaining the purpose and objective

of the study, maximum effort was made to make respondents feel secured and confidentiality is maintained so that no harm can happen to them.

CHAPTER FOUR

DATA PRESENTATION, CONCLUSION AND INTERPRETATION

This chapter comprises data presentation, analysis and interpretation of the collected data by questionnaires and interviews. The analyses comprised of descriptive statistics that describes the demographic profile of the respondents. While the analysis of responses under each attribute namely psychological, personal, cultural and social factor are carried out. Tabular and graphic presentation like tables and graphs were used to illustrate the contents analyzed.

4.1. Results

Referring Table 1, after distributing 385 questionnaires to the targeted customers, 343 questionnaires were collected. The response rate accounted for 89.1% of the total distributed questionnaires. However, after having screened the collected questionnaires for missing data and other discrepancy, a total of 328 valid and usable questionnaires were collected for the analysis. Missing data frequently occurs in a situation in which a respondent cannot respond to one or more questions of a survey and mean substitution is a widely used method for replacing missing data, whereby missing values for a variable are replaced with the mean value based on all valid responses (Hair, 2016). In this case, above 1% missing value on a single item, was considered as incomplete and the response was rejected from further analysis.

Table 1. Response Rate

Number of Replies	343
Not Returned and/or Declined to Participate	42
Total Number of Forms Distributed	385
Responses with discrepancies	15
Response Rate (%)	89.09% (overall response rate)
	85.2% (effective response rate)

Source: Own Survey, 2022

4.2. Demographic Characteristics of the Respondents

The first part of the questionnaire consists of the demographic characteristics of respondents. This part of the questionnaire requested a limited amount of information related to personal and demographic status of the respondents. Accordingly, the following variables about the respondents were summarized and

described in the subsequent table. These variables includegender, age, marital status, education, income level, tenure, type of preferred life insurance policy, reason to purchase, and source of information regarding the case insurance company.

Table 2. Demographic Characteristics of Respondents

Category	Frequency	Present
Sex		
Female	213	64.9
Male	115	35.1
Total	**328**	**100.0%**
Age		
Less than 28 years	17	5.2
28 – 38 years	49	14.9
39 – 48 years	65	19.8
49 – 58 years	99	30.2
Above 58 years	98	29.9
Total	**328**	**100.0%**
Marital Status		
Widow	183	55.8
Divorced	116	35.4
Married	29	8.8
Single	0	0.0
Total	**328**	**100.0%**
Education		
High school	50	15.2
degree	146	44.5
masters and above	82	25.0
Others	50	15.2
Total	**328**	**100.0%**
Income		
Less than 10,000 Birr	0	0.0
10,000 – 20,000 Birr	15	4.6
20,001 – 30,000 Birr	66	20.1
30,001 – 40,000 Birr	99	30.2
Above 40,000 Birr	148	45.1
Total	**328**	**100.0%**
Customer Tenure		
1 – 5 years	98	29.9
6 - 10 Years	197	60.1
Above 10 Years	33	10.1
Total	**328**	**100.0%**

Referring Table -2, male respondents constituted slightly higher percentage 213(64.9%) compared to their female counterparts 115(35.1%). The numbers of male customers were almost twice of their female counterparts. With the scope and sample size of this study, it would be premature to make conclusive statements about what this gender disparity means, other than the sampling diversity. Possibly future endeavours with a gender-specific focus could investigate this venue from a gender-related perspective.

In terms of age, 99(30.2%) and 98(29.9%) of the respondents were found within the age range of 49-58 years and above respectively. While, the respondents within the range of 39-48 years, 28-38 years and less than 28 years represent 65(19%), 49(14.9%), and 17(5.2%) respectively. This implies that the company had about 80% of adult customers above 40 years old. Nonetheless, this can be taken as a positive indication that policy holders were interested customers from all age groups, from adolescents to the elderly.

As far as their marital status is concerned, the majority 183(55.8%) of the respondents were widows followed by 116(35.4%) divorced, and 29(8.8%) married. The marital status of the respondents indicates that policy holders were from different social status that can be taken as a positive indication for marketers to consider the diversification of customers that need to be targeted according to their specific demands. The insurance could take it as a good opportunity for the company to target heterogeneous consumers.

Regarding the educational background of the respondents, 146(44.5%) had first degree holders, followed by 82(25.0%) were master's degree and above holders. While, 50(15.2%) were high school completed, and similarly, 50(15.2%) also were other qualifications holders. This indicates that the majority of the respondents were well educated and very capable to understand the contents of the questionnaire which helps to get reliable or credible data.

The respondent's monthly income status, the results revealed that 15(4.6%) earned in the range of Birr 10,000 – 20,000, while 66(20.1%), 99(30.2%), and 148(45.1%) represented those who got from Birr 21,001 - 30,000, Birr 30,001 – 40,000, and more than Birr 40,000 respectively. But no respondents got less than Birr 10,000. This implies the majority of the respondents were in good financial status that can also be taken as diversified or heterogeneous customers with different financial capability that demands different services of the insurance company.

Regarding customers' subscription tenure in the Ethiopian Life and General Insurance Company, the results reveal that the respondents who have been subscribed for 6 – 10 years took relatively the highest

share 197(60.1%), followed by 98(29.9%), and 33(10.1%) with the tenure ranging from 1 – 5 years, and above 10 years respectively. Almost two-third of the respondents have relatively long subscription years, implying that they would have more information/experience regarding the service provided by the company.

	Term Life Insurance	Ordinary Endowment	Endowment Annuity	Whole Life Insurance	Children Education	Anticipated Endowment	Mortgage Protection Insurance
▪Percent	0.220	0.950	0.171	0.268	0.152	0.430	0.520
▪Freq.	72	31	56	88	50	14	17
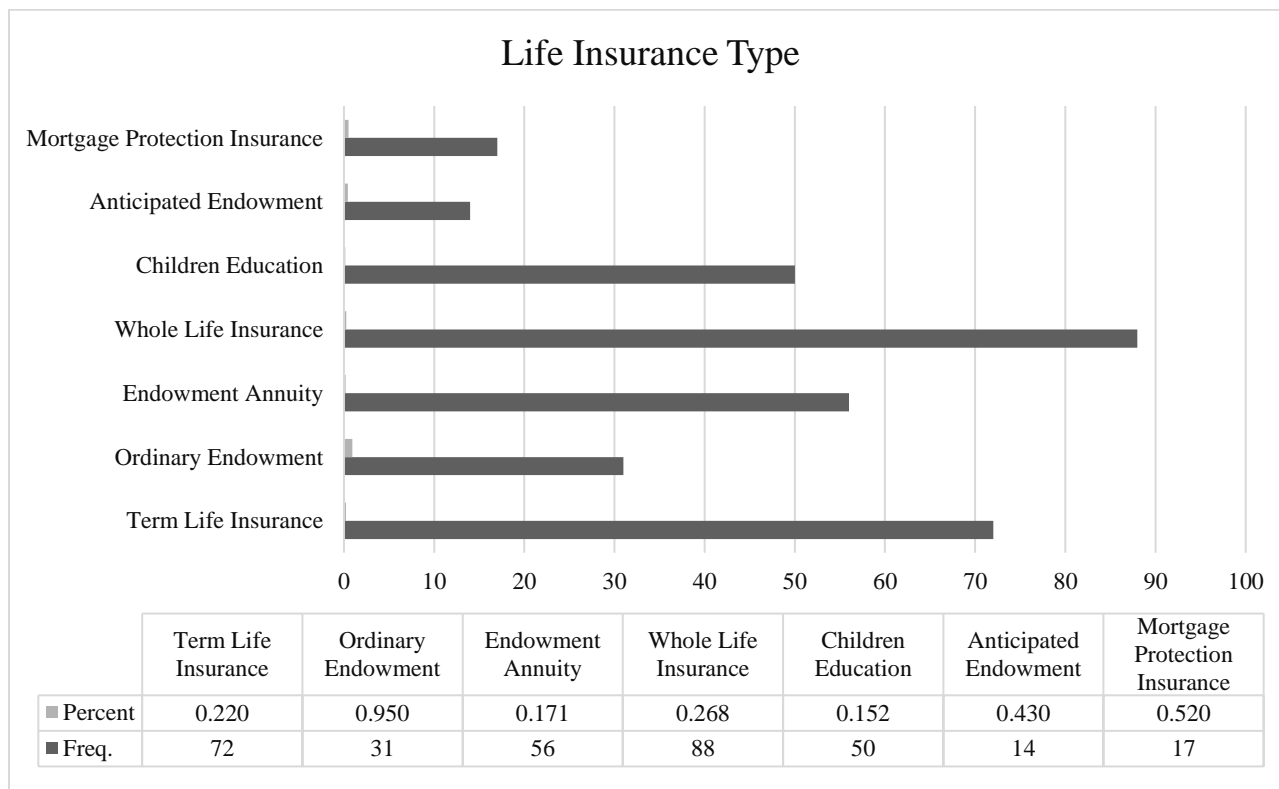
Figure 2. Life Insurance Service offered by Ethiopian Life and General Insurance Company

Finally, regarding the life insurance service of the insurance company, the results in figure 2 illustrated that whole life insurance was the most preferred for 88(26.8%) of the respondents. While Term life insurance, Endowment annuity, Children Education, and Ordinary endowment were preferred by 72(22.0%), 56(17.1%), 50(15.2%) and 31(9.5%) respectively, Whereas, Mortgage protection insurance and Anticipated Endowment were the least preferred as they represent 17(5.2%) and 14(4.3%) respectively. This also indicates the insurance adopted different modern insurance service for facilitating insurance options for users. That means, different customer groups preferred to access different options for utilizing different insurance services.

Figure 4. Reason for Buying Life Insurance

As seen in Figure 4, the results revealed that 107(32.6%) of the respondents reported that they purchased life insurance as they were afraid one day, they would have a bad situation; followed by 99(30.2%) risk mitigation, and 83(25.3%) company sponsor, Whereas, considering the life insurance as a good invest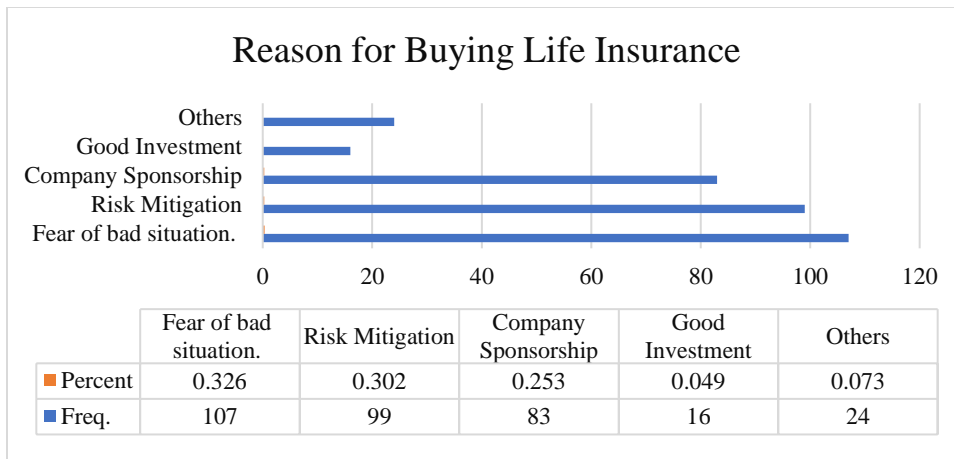ment accounted 16(4.9%) while 24(7.3%) for other reasons. This implies that customers have different reasons for buying life insurance, that means life insurance have many valuable benefits to be purchased.

Overall, demographic characteristics of the respondents show that balanced ratio of gender distribution, well-educated customers from all age groups with medium income levels. The diversified customers of the insurance demanded a diversified life insurance service. Such market potential helps marketers to devise/innovate service variety to address the ever-escalating customers' demand in the Life Insurance market.

4.2.1. Descriptive Statistics of Study Variables

The description of the study variables is presented with mean and standard deviation to compare the respondents' perception towards the study variables. The mean indicates to what extent the sample group averagely agrees or disagrees with the different statements. The scale is set in such a way that respondents strongly disagreed if the mean scored value is in the range of 1.00 – 1.80; disagreed within 1.81 – 2.60; neither agreed nor disagreed within 2.61 - 3.40; agreed if it is in the range of 3.41 – 4.20; while strongly agreed when it falls within 4.21 – 5.00. In addition, standard deviation shows the variability of an observed response, that mean, std. less than 1.000 shows nearly similar outlook whereas above 1.000 shows high variation among their perception.

4.2.1.1. **Psychological Factors**

Table 3. Descriptive Statistics of Psychological Factors, N=328.

	Mean	Std.
I do purchase life insurance services based on my learning concepts towards the life insurance service.	3.89	1.751
I do purchase life insurance services per my attitude towards the life insurance services	3.44	1.735
I do purchase life insurance services considering it is a quality insurance services provider	4.07	1.643
I do purchase life insurance services from company with perceived good reputation	4.32	1.333
I do purchase life insurance services from insurance service provider with good image	3.84	1.708
Average Psychological Factors	**3.84**	**1.143**

Source: Own Survey, 2022

Referring the results in Table -3, the majority of the respondents were strongly agreed with the idea that the respondents purchase life insurance services from company with perceived good reputation (Mean = 4.32, Std. 1.333). Similarly, they also agreed that they purchase life insurance services based on their learning concepts towards the life insurance service (Mean = 3.89, Std. 1.751), considering its quality insurance services (Mean = 4.07, Std. 1.643) with good company image (Mean = 3.84, std. 1.708). However, they slightly agreed with they purchased life insurance services based on their attitude towards the life insurance services (Mean = 3.44, Std. 1.735). Overall, the respondents' perception towards the psychological factors that influence the buying attitudes of the insurance policy was found positive as the average mean scored 3.84, with Std. 1.143. The value of the std. indicates that they had different stands regarding the stated attributes. This implies that psychological factors like service quality, company reputation and image influence their buying attitude.

4.2.1.2. Personal Factors

Table 4. Descriptive Statistics of Personal Factors, N=328.

	Mean	Std.
I do often consider the price of life insurance services before I purchase	4.27	1.524
I do always purchase life insurance services as per my life style	4.21	1.551
My age influences what type of life insurance services I purchase	4.34	1.378
My personality determines the type of life insurance services I want to purchase	4.31	1.418
My gender affects my purchasing behavior life insurance services	3.70	1.773
Average Personal Factors	**4.16**	**1.407**

Source: Own Survey, 2022

As far as the personal factors is concerned, the results in Table 4, the majority of the respondents strongly agreed that they often consider the price (Mean = 4.27, Std. 1.524), disposable income (Mean = 4.21, Std. 1.551), age status (Mean = 4.34, Std. 1.378) and personality of the respondents (Mean = 4.31, Std. 1.418) before buying life insurance. However, they slightly agreed their gender determines the preference towards different life insurance (Mean = 3.70, Std. 1.773). The standard deviation also indicates they had varied perception towards the influence of their personal factors towards their buying attitude as the value of the deviation scored above the threshold (Std. 1.000). This implies that the premium price, disposal income, age, gender and personality influence the attitude of life insurance purchase.

4.2.1.3. Cultural Factors

Table 5. Descriptive Statistics of Cultural Factors, N=328.

	Mean	Std.
My personal income determines the type of life insurance services I purchase	4.04	1.540
My family income status pushes me to purchase the life insurance service	3.45	1.585
My life style plays a role in determining what life insurance services I should buy	4.34	1.320
In our culture, nothing prohibits me from buying life insurance services	4.23	1.449
I believe that purchasing life insurance has become the norm in our society.	4.14	1.441
Average Cultural Factors	**3.79**	**1.286**

Source: Own Survey, 2022

Referring Table 5, the respondents were asked about their perception towards the cultural factors that influence their buying attitude of life insurance. The majority of the respondents strongly with the idea that their life style plays a role in determining what life insurance services they should buy (Mean = 4.34, Std. 1.320) and admitted that their culture didn't prohibit them from buying life insurance services (Mean = 4.23, Std. 1.449). Meanwhile, they also acknowledge that their family income status (Mean = 3.45, Std. 1.585) as well as their individual disposable income (Mean = 4.04, Std. 1.540) determine them which life insurance they have to buy. Moreover, they also believed that purchasing life insurance has become the norm in the society as well (Mean = 4.14, Std. 1.441). In general, as the average mean score of cultural factors was found 3.79 with std. deviation 1.286, their perception towards the cultural traits was positive. This implies that the respondents' buying attitude of life insurance service is affected by their income, personality, cultural norms and threats.

4.2.1.4. Social Factors

Table 6. Descriptive Statistics of Social Factors, N=328.

	Mean	Std.
My self-esteem affects my purchase decision on life insurance services	3.39	1.593
I do only purchase life insurance services which reflects my social stand	3.58	1.885
I often look to my peers' advice when purchase life insurance service	3.72	1.863
I often look to my family/friends' advice when purchase life insurance service	3.80	1.821
I bought the life insurance services which my role models use	3.65	1.843
Average Social Factors	**3.62**	**1.615**

Source: Own Survey, 2022

Table 6 illustrates the responses of the respondents regarding the social factors that affect their purchasing attitude towards the life insurance policy. The majority showed their agreement on purchasing the insurance service bases on the capability of the service to reflect their social stand (Mean = 3.58, Std. 1.885), peers' advice (Mean = 3.72, Std. 1.863), family/friends' influence (Mean = 4.14, Std. 1.441), and influence of role models (Mean = 3.65, Std. 1.843). However, they had neutral stand on whether the service reflects their self-esteem (Mean = 3.39, Std. 1.593). The overall perception of the respondents regarding social factors attributes was found slightly positive as the average mean value scored 3.62 with std. 1.615. The findings also imply that the capability of the service to reflect self-esteem, families', peer groups' and role models' influence affect the buying attitude of the buyers.

4.2.1.5. Demographic Factors towards Buying Attitude

The results in Table 7 illustrated that the relationship between demographic factors and the buying attitude (psychological, physical, cultural and social factors).

Table 7. Chi-Square – Demographic Factors towards Buying Attitude

Chi Square	Value	Sig.
Gender	105.237	.315
Age	475.332	.004
Marital Status	299.075	.000
Education	420.741	.000
Income Level	354.990	.012

The Pearson Chi-Square (x^2) calculated value for gender is 105.237 and it is significant at the level of significance .315. In the above obtained result, since the significance value is more than 0.05, it can be concluded that the respondent's gender orientation was not significance between gender and buying

attitude of life insurance. Whereas, calculated Chi Square (x^2) for Age, Marital status, Education, and Income level values 475.332 @ sig. .004, 299.075 @ .000, 420.741 @ .000, and 354.990 @ .012 respectively indicate that Age, Marital Status, Education and Income Level have significant relationship with buying attitude. This can be taken as good indicators marketing and other concerned managers of the insurance company to take these demographic factors into consideration for setting effective marketing strategies.

4.3. Brief Description of Interview Data

The interview was conducted to the senior managements of the Ethiopian Life and General Insurance Company to gather information regarding their perception towards the buying attitudes of the customers. The data collected through interview were analysed and presented below.

What do you think customers seek for life insurance in the first place?

According to the interview conducted with claim department manager dated on 25th November, 2022). The manager was asked about his opinion regarding the customer's demand for life insurance in the first place. He said *"...One of the main reasons of customers to buy life insurance is to protect their families/beneficiaries in the event they pass away sooner than expected. In particular, buying term life insurance can help reduce the risk the beneficiaries would face in the event of one's death* during the coverage period." Underwriters also believed that the core reasons that the customers prefer to buy life insurance over other investments are to provide protection and relieve oneself/beneficiaries from a substantial financial burden at the time of crisis (Interview conducted with Underwriter dated on 20th November, 2022).

How do you approach a customer?

The underlying principle of the life insurance service is to approach each customer with the idea of helping him or her solves a problem or achieve a problem, not of selling a product or service. However, the society in general had negative perception towards insurance companies as they believed the companies are established for profit with utterly targeting to convince buyers to by the service but not willing to pay compensation during loss faced (Interview conducted with Claim Department officer dated on 23rd November, 2022).

There are ways to convince consumers about the importance of protecting themselves and their loved ones from dire events. The corporate manager explains *"...if customer service officers/agents find*

techniques to relay information about insurance that sheds light on its benefits, the company has already won half the battle. Among the practical experiences, understanding customer motive, finding/assigning reliable agent, educate customer, discussing costs in a positive light, etc. are the major mechanisms to win customer's trust." (Interview conducted with Corporate Manager, dated on 23rd November, 2022).

What kind of difficulties do you face while explaining the uses of Life Insurance?

Regarding the question regarding what sort of challenges the insurance company faces while explaining the use of life insurance, the customer handling officer claimed that the biggest challenges for insurance companies are lack of trust, economic instability, competition, mismanagement, weak marketing staff, and bad image against insurance industry (Interview conducted dated on 30th November 2022). She emphasized on lack of trust by further explain *"…Many insurance firms fail to pay claims, and they don`t own up to offering some benefits. Therefore, most people just see insurance as one of the unnecessary expenses. Many insurance firms do shut down because of financial challenges and individuals who are the victims of the loss don`t even think twice about purchasing insurance policies."*

In your opinion, what is the level of customer satisfaction towards the life insurance service?

According to the Claim Settlement manager (Interview conducted dated on 27th November 2022), he acknowledged that policyholders are positively influenced towards economic growth and negatively influenced towards their economic expectation. In most cases, as he explains, especially regarding the claim settlements, the majority of the customers are dissatisfied towards particular services provided by the company. Among the reasons, timely report of discharge forms, cooperation among employees, and receipt of policy amount contained by due date are the main reasons. The marketing Manager (Interview conducted dated on 2nd December 2022) also admitted that most of the existing general insurance policy holders are dissatisfied with the settlement of claims. Nonetheless, the life insurance holders are more or strongly dissatisfied due to long and boring bureaucratic hassles of claim settlements. This in turn creates mistrust among customers and bad company image.

What kind of measures do you take when there are unsatisfied customers?

The claim settlement department manager pointed out the necessary measures which have already been taken by the company to mitigate customer's dissatisfaction. Amongst the major ones, the mentioned the insurance company kept on measuring the maturity settlement claim for quick settlement to the policyholder and their grievances at the delay in settlement could be satisfied by providing a prompt attention to them when they visit office (Interview conducted dated on 27th November 2022). Besides,

according to the corporate manager (Interview conducted dated on 23rd November 2022), the officers tried to create awareness among the dissatisfied groups for the growth of business by concentrating on more promotional activities by creating economic value for the customers. Moreover, the agents also tried to mitigate lack of trust and privacy, quick repayment and security measure have been taken for attracting more policyholders.

CHAPTER FIVE

MAJOR FINDINGS, CONCLUSION AND RECOMMENDATION

This chapter constitutes the summary of major findings, conclusions based on findings and relevant recommendations based on findings and conclusions.

5.1.   Summary of Major Findings

Based on the analyses, the results of the findings presented the outcomes of descriptive statistics. The descriptive statistics refers to the demographic characteristics of the respondents and the summary of their perception towards the study variables. Meanwhile, the descriptive analysis accounted to address the five specific objectives that focused on the "Buyers' attitude towards life insurance policy purchase in Ethiopian Life and General Insurance." This helps achieve general objective of the study. Referring the results of the analyses, the major findings are summarized as:

▪ Demographic characteristics of the respondents was characterized by:

o Male respondents constituted slightly higher percentage 213(64.9%) compared to their female counterparts.

o 99(30.2%) and 98(29.9%) of the respondents were found within the age range of 49-58 years and above respectively.

o The majority 183(55.8%) of the respondents were widows followed by 116(35.4%) divorced.

o 146(44.5%) had first degree holders, followed by 82(25.0%) were master's degree and above.

o 148(45.1%) represented got more than Birr 40,000 respectively.

o The majority, 197(60.1%) of the respondents have been policy holders for 6 – 10 years.

o Whole -Life insurance was preferred by 88(26.8%) of the respondents.

o   107(32.6%) of the respondents reported that they purchased life insurance as they were afraid one day, they would have a bad situation; followed by 99(30.2%) risk mitigation.

Specific Objective 1- Personal Factors influencing Buying Attitude

▪   The respondents buy life insurance from company with perceived good reputation (Mean = 4.32).

▪   However, they slightly agreed with they purchased life insurance services based on their values and beliefs towards the life insurance services (Mean = 3.44).

Specific Objective 2- Personal Factors influencing Buying Attitude

▪   The respondents often consider their age (Mean = 4.34) and the premium price (Mean = 4.27).

▪   But their gender slightly basis their preferences towards different life insurance (Mean = 3.70).

Specific Objective 3 - Cultural Factors influencing Buying Attitude

▪   Life style plays a role in determining what life insurance services they buy (Mean = 4.34),

▪   They also admitted that their culture didn't prohibit them from buying the services (Mean = 4.23).

▪   However, family income status has relatively the least influence on the respondents them to decide which life insurance they have to buy (Mean = 3.45).

Specific Objective 4 - Social Factors influencing Buying Attitude

▪   The majority bought the life insurance due to their family's' influence (Mean = 4.14),

▪   However, they had neutral stand on whether the service reflects their self-esteem (Mean = 3.39).

Specific Objective 5 - Relation between Demographic Factors and Buying Attitude

The Pearson Chi- Square (x^2) calculated value for:

▪   Gender is not significant as x^2 = 105.237 at Sig. .315 because the sig value is more than 0.05.

▪   Age is significant as x^2 = 475.332 at Sig. .004 since the significance value is less than 0.05.

▪   Marital status is also significant as x^2 = 299.075 at Sig. .000 since the sig value is less than 0.05.

▪   Education is also significant as x^2 = 420.741 at Sig. .000 since the sig value is less than 0.05; and

▪   Income level is also significant as x^2 = 354.990 at Sig. .000 since the sig value is less than 0.05.

Specific Objective 6 - Staff's Perception towards Buying Attitude of the Customers

- The underwriters believed that the core reason of the customers buying life insurance over other investments is to get protection/relieve from a substantial financial burden at the time of crisis.

- The society in general had negative perception towards insurance companies as they believed the companies are established for profit with utterly targeting to convince buyers to by the service.

- Among the practical experiences, understanding of customer motive, finding/assigning reliable agent, educate customer, discussing costs in a positive light, etc. are the major mechanisms to win customer's trust.

- The customer handling officers claimed that the biggest challenges for insurance companies are lack of trust, economic instability, mismanagement, weak marketing staff, and bad image against insurance industry.

- In most cases, especially regarding the claim settlements, the majority of the customers are dissatisfied towards the services provided by the company.

- Amongst the major action taken to improve customer satisfaction, the insurance company kept on measuring the maturity settlement claim for quick settlement to the policyholder and their grievances at the delay in settlement could be satisfied by providing a prompt attention to them when they visit office.

Conclusion

Life insurance allows individuals to secure the financial future of their families in the event of their own premature death. There are numerous factors that drive the buying attitude of policy holders for a specific life insurance service. Among others, the concepts of consumer behavioral factors like psychological, physical, cultural and social factors were the major predictors of buying attitudes of a consumer. In this study, thus, it sought to assess the buying attitudes of the life insurance policy in Addis Ababa by taking Ethiopian Life and General Insurance Company as a case. The survey was conducted on both the customers and the staff of the company. The results of the findings illustrate that the overall attitude of the respondents of Ethiopian Life and General Insurance is relatively favourable. There are however differences among behavioural attitudes regarding the policy purchase.

Specifically, despite the difficulty of measuring human psychology, the influence of psychological factors like service quality, company reputation and image of the company have association with life insurance buying attitudes of a consumer. These attributes are believed to motivate to have protection of oneself/beneficiaries when facing against dire situation. The physical factors had also direct association

with buying attitude towards the service. The premium price, disposal income, age, gender and personality of the individual consumer influence the attitude of life insurance purchase as well. More of premium price and age are taken into consideration by the customers while intending to have the risk mitigation of life insurance. Similarly, the cultural traits like family income, life style, religion and norms play role in affecting the purchase decision significantly as they had direct association with buying attitudes. Nonetheless, individual disposable income and life style took the upper hand. Families, friend, peer groups and role models had also influence on the attitude of the customers to purchase the policy of the life insurance. Of which, family and peer group are more influential.

Except gender orientation, the demographic factors like age, marital status, education and income level have also direct association with buying attitudes towards the life insurance policy. Marketing and other concerned managers of the insurance company can take these demographic factors into consideration for setting diversified and effective marketing strategies. However, like any other business operation, bad company/industry image and mistrust due to bureaucratic claim settlement procedures, customers develop unfavourable attitude towards the service. In general, it can be concluded that traits of consumer behaviour affect the buying attitude and decisions to buy the policy.

Recommendations

Based on the results of the major findings and the respective conclusion, the following possible suggestions are forwarded. The recommendations are:

▪ Low level of young bachelor buyers is an indication of the untapped potential that Ethiopia Life and General Insurance can work on through developing policy options that benefit young potential customers so that they can be attracted towards getting life insurance policy.

▪ Age and income level of the potential buyers were found the major consideration while buying the life insurance policy. The management can take these traits as an opportunity to target niche market by providing service that fits different age groups and income levels.

▪ Family and peer group's influence can also be taken as a good opportunity to promote positive buying attitudes towards the life policy. The company is advised to conduct different promotional activities to pursue or address the families and other peers to push potential customers to utilize the service.

▪ To be competitive in the industry and to encourage the public to explore the benefits of life insurance, the management needs to lower its premium charge and increase values for beneficiaries. Once the vast

majority of population attracted to the terms, then the company can adjust the premium charges to get its fair profit as well.

- Bad industry image and mistrust have also been observed as a barrier in decision making to purchase life insurance policy. There is great expectation from insurance company to provide their policy detail in great clarity to be understood by all levels of society in terms of its benefits as an investment.

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APPENDEX -A

ST. MARY UNIVERSITY

SCHOOL OF GRADUATE STUDIES

MA PROGRAM IN MARKETING MANAGEMENT

Questionnaire to be filled by customers

Dear Respondent,

I am a postgraduate student at St. Mary's University, school of postgraduates, department of marketing management. I am currently conducting my research entitled "BUYERS' ATTITUDE TOWARDS LIFE INSURANCE POLICY PURCHASE IN ETHIOPIAN LIFE AND GENERAL INSURANCE" as a partial fulfillment of the requirements for the award of master of art in marketing management. This particular questionnaire is intended to gather data on perception of the cultural, social personal and psychological factors that influence consumers to buy life insurance by taking Ethiopian Life and General Insurance Company in Addis Ababa. The data to be gathered through this instrument is utterly for academic purpose. Please be honest in filling this questionnaire, as the results of this study can be used as a basis for further study. Your confidentiality will be protected and any information collected in this Study will be granted with full confidentiality. Any information that you provide will be treated with optimum confidentiality applied for academic research. Please don't hesitate to contact me if you have any doubts, comments or suggestions regarding the content and the subject matter as well. My good contact no. is:

My Contact

Yosabet Yeshitila

Telephone: 0966799932

General Information

Your Participation is Voluntary

Do not write your name on the Questionnaire

I. Demographic Profile of Respondents

Direction: The following statements are about your personal information. Please write the necessary information on the blank space provided and, in the optional items, indicate your answer by putting a tick mark (x) in the box.

1. Sex   1. Male ☐   2. Female ☐

2. Age (Years)   2. Less than 28 ☐   2. 28 - 38 ☐   3. 39 – 48 ☐

4. 49 – 59 ☐   5. Other than 59 ☐

3. Marital Status   1. Unmarried ☐   2. Married ☐   3. Divorced ☐

4. Widow   ☐

4. Education   1. High School ☐   2. Degree ☐

3. Master's Degree & Above ☐   4. Others, please specify _____

5. Income   1. Less than 10,000 Birr ☐   2. 10,000 – 20,000 ☐

3. 20,001 – 30,000 Birr ☐   4. 30,001 – 40,000 Birr   ☐

5. Above 40,000 Birr   ☐

5. How long have you been a customer of this insurance?

1. 1 – 5 years   ☐ – 10 years   3. > 10 years   ☐

6. Which service offered by the insurance do you rank the best? (Please select only one service)

1. Term life insurance   ☐   2. Ordinary endowment   ☐

3. Endowment annuity   ☐   4. Whole life insurance   ☐

5. Children's education   ☐   6. Anticipated endowment   ☐

7. Mortgage protection assurance   ☐

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7. 5. What is the reason you bought the life insurance? Because:

1. I'm afraid one day I will have a bad situation. ☐

2. I want to reduce a risk in my family ☐

3. My company covers my insurance ☐

4. I believe that it is a good investment ☐

5. Other reasons please specify......................... ☐

8. What did you get the information that made u decide to purchase the life insurance?

1. Family ☐ 2. Colleagues ☐

3. Friends ☐ 4. Neighbours ☐

5. Media ☐ 6. Others, please specify ☐

II. Part two: Attitude Scale:

Instructions: Please tick (√) the number that you feel most appropriate, using the scale from 1 to 5

(Where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree). **And of you found questions that don't concern you, please pass to the next questions.**

		SDA	DA	N	A	SA
		1	2	3	4	5
	Psychological Factor					
PSY1	I do purchase life insurance services per my learning concept towards the life insurance service					
PSY2	I do purchase life insurance services per my attitude towards the life insurance services					
PSY3	I do purchase life insurance services considering it is a quality insurance services provider					

		1	2	3	4	5
PSY4	I do purchase life insurance services from company with perceived reputation					
PSY5	I do purchase life insurance services from insurance service provider with good image					
Personal Factors		**1**	**2**	**3**	**4**	**5**
PER1	I do often consider the price of life insurance services before I purchase from the company					
PER2	I do always purchase life insurance services as per my disposable income					
PER3	My age influences what type of life insurance services I purchase from the case company					
PER4	My gender affects my purchasing behavior life insurance services					
PER5	My personality determines the type of life insurance services I want to purchase					
Cultural		**1**	**2**	**3**	**4**	**5**
CUL1	My personal income determines the type of life insurance services I purchase					
CUL2	My family income status pushes me to purchase the life insurance service					
CUL3	My life style plays a role in determining what life insurance services I should purchase					
CUL4	In our culture, nothing prohibits me from buying life insurance services					
CUL5	I believe that purchasing life insurance has become the norm in our society.					
Social Factors		**1**	**2**	**3**	**4**	**5**
SOC1	My self-esteem affects my purchase decision on life insurance services					
SOC2	I do only purchase life insurance services which reflects my social stand					
SOC3	I often look to my peers' advice when purchase life insurance service					

SOC4	I often look to my family/friends/colleague's advice when purchase life insurance service					
SOC5	I bought the life insurance services which my role models use					

APPENDEX -B

Interview Questions

Interview Questions to be administered for some selected employees of Ethiopia Life and General Insurance. The selections were based on the researcher judgment to extract firsthand information from respondent which were not clear by close ended questionnaire.

For Employees

1. What do you think customers seek for life insurance in the first place?
2. How do you approach a customer?
3. What kind of difficulties do you face while explaining the uses of Life Insurance?
4. In your opinion, what is the level of customer satisfaction towards the life insurance service?
5. What kind of measures do you take when there are unsatisfied customers?

አባሪ -ሀ

ቅድስት ማሪያም ዩኒቨርስቲ

የድህረ ምረቃ ትምህርት ቤት

በማርኬቲንግ አስተዳደር ውስጥ ኤም.ኤ ፕሮግራም

በደንበኞች የሚሞሉ መጠይቅ

ውድ ምላሽ ሰጪ,

እኔ በቅድስት ማሪያም ዩኒቨርስቲ የድህረ ምረቃ ትምህርት ቤት በማርኬቲንግ አስተዳደር ውስጥ የማገኝ የድህረ ምረቃ ተማሪ ነኝ፡፡ በአሁኑ ጊዜ ጥናቴን በሕይወት ኢንሹራንስ ፖሊሲ ግዢ ላይ ስላለው የገዢዎች አመለካከት በኢትዮጵያ ህይወት እና አጠቃላይ መድን ድርጅት ላይ ማርኬቲንግ አስተዳደር ውስጥ እንደ ስነተበብ ሽልማት በከፊል በሚሚላት አየሰራው ነው፡፡ ይህ ልዩ መጠይቅ ደንበኞች የህይወት መድህን እንዲገዙ ተጽዕኖ የሚያደርጉትን የባህል፣ የማህበራዊ ግላዊ እና ሥነ-ልቦናዊ ሁኔታዎችን ግንዛቤ ላይ አዲስ አበባ ባለው በኢትዮጵያ ህይወት እና አጠቃላይ መድን ድርጅት ላይ መረጃ ለመሰብሰብ የታሰበ ነው፡፡ በዚህ መሳሪያ የሚሰበሰበው መረጃ ሙሉ ለሙሉ ለአካዳሚክ ዓላማ ነው፡፡ የዚህ ውጤት ውጤቶች ለቀጣይ ጥናት መሰረት ሊሆኑ ስለሚችሉ እባክዎን ይህንን መጠይቁን በመሙላት ሐቀኛ ይሁኑ፤ ሚስጥራዊነትዎ የተጠመቀ ይሆናል እናም በዚህ ጥናት ውስጥ የሚሰበሰበው ማንኛውም መረጃ ከሙሉ ሚስጥራዊነት ጋር ይስተባል፡፡ የሚያቀርቡት ማንኛውም መረጃ ለአካዳሚክ ምርምር በሚተገበር ምስጥራዊነት ነው፤ እባክዎን ይዘቱን እና ጉዳዩን በተመለከተ ፕርጣሬዎች፣ አስተያየቶች ወይም ጥቆማዎች ካሉዎት እኔን ለማግኘት አያመንቱ፡፡

የእኔ ጥሩ የአውቂያ ቁጥር:

የእኔ ግንኙነት

ዮሳቤት የሺጥላ

ስልክ ቁጥር: 0966799932

አጠቃላይ መረጃ

የእርስዎ ተሳትፎ በፈቃደኝነት ነው፡፡

በመጠይቁ ላይ ስምዎን አይጻፉ

I. ምላሽ ሰጪዎች የስነሕዝብ መገለጫ

አቅጣጫ: የሚከተሉት መግለጫዎች ስለ እርስዎ የግል መረጃ ናቸው፤ እባክዎን አስፈላጊውን መረጃ በአማርኛ እቃዎች ውስጥ በተሰጠው ባዶ ቦታ ላይ ይፃፉ ፤ በሣጥኑ ውስጥ (X) ምልክት በማድረግ መልስዎን ያመልክቱ::

1. ፆታ   1. ወንድ ☐   2. ሴ ☐

2. ዕድሜ (አመት)   2. ከ28 በታች ☐   2. 28 - 38 ☐   3. 39 - 48 ☐

4. 49 – 59 ☐   5. ከ59 በላይ ☐

3. የጋብቻ ሁኔታ   1. ያላገባ ☐   2. ያገባ   3. የተፋቱ ☐

4. ቢሏ/ሚስቱ የሞተበት ☐   ☐

4. ትምህርት   1. ያልተማረ ☐   2. የመጀመሪያ ደረጃ ትምህርት ቤት ☐

3. ሁለተኛ ደረጃ ትምህርት ቤት ☐   4. ዲግሪ ☐

5. የማስተርስ ዲግሪ ☐   6. ሌላ? እባክዎን ይግለጹ _____

5. ገቢ   1. ከ10,000 ብር በላይ ☐   2. 10,000 – 20,000 ብር ☐

3. 20,001 – 30,000 ብር ☐   4. 30,001 – 40,000 ብር ☐

5. ከ40,000 ብር በላይ ☐

5. የዚህ ኢንሹራንስ ደንበኛ ለምን ያህል ጊዜ ቆይተዋል?

1. 1 – 5 ዓመት   ☐ – 10 ዓመት   ☐ 10 ዓመት   ☐

6. በኢንሹራንስ የሚሰጠው አገልግሎት የትኛውን ነው ጥሩ ደረጃ ያስቀመጡት? (እባክዎ አንድ አገልግሎት ብቻ ይምረጡ)

1. የጊዜ የህይወት ኢንሹራንስ   ☐   2. የተለመደ ስጦታ   ☐

3. የስጦታ አበል   ☐   4. ሙሉ የሂይወት ኢንሹራንስ   ☐

5. የልጆች ትምህርት   ☐   6. የሚጠበቅ ስጦታ   ☐

7. የሞርጌጅ ጥበቃ ዋስትና   ☐

7. የሕይወት ኢንሹራንስ የገዙበት ምክንያት ምንድን ነው? ምክንያቱም:
1. አንድ ቀን መጥፎ ሁኔታ እንዳያጋጥመኝ እፈራለሁ   ☐
2. በቤተሰብ ውስጥ ያለውን ስጋት መቀነስ እፈልጋለሁ   ☐
3. ኩባንያዬ ኢንሹራንስዬን ይሸፍናል   ☐

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4. ጥሩ ኢንቨስትመንት ነው ብዬ አማናለሁ ☐

5. ሌሎች ምክንያቶች? እባክዎን ይግለጹ.........................

8. የሕይወት ኢንሹራንስ ለመግዛት እንድትወስን ያደረገህ መረጃ ምን አገኘህ?

1. ቤተሰብ ☐   2. ባልደረቦች ☐

3. ጓደኞች ☐   4. ጎረቤቶች ☐

5. ሌላ? እባክዎን ይግለጹ.........................

II. ክፍል ሁለት: የአመለካከት ልኬት:

መመሪያ: እባክዎ ከ1እስከ 5 ያለውን ሚዛን በመጠቀም ተገቢ ሆኖ የሚስማማዎትን ቁጥር ላይ (√) ምልክት ያድርጉ (1 = በጽኑ አልስማማም፣ 2 = አልስማማም፣ 3 = ገለልተኛ፣ 4 = እስማማለው እና 5 = በጠንካራ ሆኔታ እስማማለሁ)፣ እና እርስዎን የማይመለከቲቸው ጥያቄዎች ካገኙ ወደሚቀጥለው ጥያቄ ያስተላልፉ

		በፅ.አል	አል	ገል	እስ	በጠእ
		1	2	3	4	5
	ሳይኮሎጂካል ምክንያት					
ሳይኮ1	የሕይወት መድን አገልግሎትን በትምህርቤ ፅንስ-ሀሳብ መሰረት ሕይወት መድን አገልግሎትን እገዛለው					
ሳይኮ2	ለሕይወት ኢንሹራንስ አገልግሎት ባለኝ አመለካከት የሕይወት ኢንሹራንስ አገልግሎቶችን እገዛለው					
ሳይኮ3	ጥራት ያለው የኢንሹራንስ አገልግሎት አቅራቢ እንደሆነ ግምት ውስጥ በማስገባት የሕይወት					

		1	2	3	4	5
ሳይኮ4	ኢንሹራንስ አገልግሎቶችን እገዛለው					
	የሕይወት ኢንሹራንስ አገልኮቶችን የምገዛው ታዋቂ ስም ካለው ኩባንያ ነው					
ሳይኮ5	የሕይወት ኢንሹራንስ አገልግሎቶችን ከኢንሹራንስ አገልግሎት አቅራቢው በጥሩ ሁኔታ እገዛለሁ					
የግል ምክንያቶች		**1**	**2**	**3**	**4**	**5**
የግል1	ብዙ ጊዜ ከኩባንያው ከመግዛቴ በፊት የህይወት ኢንሹራንስ አገልግሎቶችን ዋጋ አስባለሁ					
የግል2	ሁልጊዜ የህይወት መድን አገልግሎትን የምገዛው እንደ ገቢዬ መጠን ነው					
የግል3	የእኔ ዕድሜ ከጉዳይ ኩባንያ የምገዛው ምን ዓይነት የሕይወት ኢንሹራንስ አገልግሎቶች ላይ ተጽዕኖ ያሳድራል					
የግል4	ጾታዬ በግገር ባህሪዬ የህይወት መድን አገልግሎት ላይ ተጽዕኖ ያሳድራል					
የግል5	የእኔ ማንነት መግዛት የምፈልገውን የሕይወት					

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		1	2	3	4	5
	ኢንሹራንስ አገልግሎቶችን ይወስናል					
	ባህላዊ	1	2	3	4	5
ባህ1	የግል ገቢዬ የምገዛውን የሕይወት መድን አገልግሎት ዓይነት ይወስናል					
ባህ2	የቤተሰብ የገቢ ሁኔታ የህይወት ኢንሹራንስ አገልግሎት እንድገዛ ይገፋፉኛል					
ባህ3	የኔ የአኗኗር ዘይቤ ምን አይነት የህይወት ኢንሹራንስ አገልግሎቶች መግዛት እንዳለበት ለመወሰን ሚና ይጫወታል					
ባህ4	በባህላችን የህይወት ኢንሹራንስ አገልግሎቶችን እንድገዛ የሚከለከለኝ ምንም ነገር የለም					
ባህ5	በሕብረተሰባችን ውስጥ የሕይወት ኢንሹራንስ መግዛት የተለመደ ሆኗል ብዬ አምናለሁ					
	ማህበራዊ ሁኔታዎች	1	2	3	4	5
ማህበ1	ለራሴ ያለኝ ግምት በህይወት ኢንሹራንስ አገልግሎቶች ላይ የግገር ውሳኔዬን ይነካል					

ማህበ2	የምግዘው የማህበራዊ አቋምዬን የምያንፀባርቁ የህይወት ኢንሹራንስ አገልግሎቶችን ብቻ ነው					
ማህበ3	የህይወት ኢንሹራንስ አገልግሎቶችን ስገዛ ብዙ ጊዜ የእኩዮቼን ምክር እመለከታለው					
ማህወበ4	የህይወት ኢንሹራንስ አገልግሎትን ስገዛ ብዙ ጊዜ የቤተሰቤን/የስራ ባልደረቦቼን ምክር እመለከታለሁ					
ማህበ5	የእኔ አርኣያዎች የሚጠቀሙባቸውን የህይወት ኢንሹራንስ አገልግሎቶች ገዛሁ					

አባሪ-ለ

የቃለ መጠይቅ ጥያቄዎች ለአንዳንድ የተመረጡ ናሙና የኢትዮጵያ ህይወት እና አጠቃላይ ኢንሹራንስ ስራተኞች፤ ምርጫዎቹ በቅርብ በተጠናቀቁ መጠይቅ ግልጽ ያልሆኑትን መረጃዎች ለማግኘት በተመራማሪው ውሳኔ ላይ የተመሰረቱ ናቸው::

ለሰራተኞች

1. በመጀመሪያ ደረጃ ደንበኞች ለሕይወት መድን ምን ይፈልጋሉ ብለው ያስባሉ?
2. ደንበኛን እንዴት ነው የምትቀርቡት?
3. የህይወት መድህን አጠቃቀምን ሲያብራሩ ምን አይነት ችግሮች ያጋጥሙዋታል?
4. የህይወት ኢንሹራንስ ከገዙ በኋላ አሁንም ያልረኩ ደንበኞች አሉ?
5. ያልተደሰቱ ደንበኞች ሲኖሩ ምን አይነት እርምጃዎችን ይወስዳሉ?
6. ዘዴዎቹ ሁልጊዜ ውጤታማ ናቸው?
7. የትኞቹ ደንበኞች በህይወት ኢንሹራንስ ባለቤትነት ላይ አሉታዊ አመለካከት አላቸው ወይንም ኢንቨስትመንቶች የህይወት ኢንሹራንስ ምትክ ናቸው ይላሉ?