

INSURANCE COMPANIES BRAND STANDING IMPACT ON CONSUMER BEHAVIOR IN THE USE OF ITS INSURANCE VARIOUS SERVICES

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Abstract

As you know, insurance companies offer types of insurance services to individuals and juridical. However, due to the increasing number of private insurance companies, the competition between them has increased egregiously. And Companies need to pay for attract customers research to basic principles on the buyer behavior. In this study, we found that a company must have sufficient knowledge that able to attract many customers and is intended as an insurer looking for what your insurance needs are satisfied. And seek to meet their needs according to customers' preference. In this Study We chose the four factors that can influence the choice of insurer: Being more known brand, Trust, Advertising and the nature of the activities of insurance companies. After analyzing data from questionnaires distributed among insurance customer, we reached that respectively by being more known brand, trust, nature of the activity and advertising on the insurer's decision to select an insurance company have essential role to play. This model has been collected by the researcher. Society of this research has formed the all insurance customers in the city of Qazvin. Random sampling is available which sample size is 384, to customers who buy insurance from insurance companies had formed has been given. The data gathering tool in this study was a questionnaire and for assessing research hypotheses structural equation modeling and the Amos software is used. And the Friedman test was used to rank the variables. All research hypotheses were confirmed.

Keywords: insurance, brand, advertising, nature activities, trust, consumer behavior

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Introduction

As you know, in the twenty-first century developments in technology, transportation and communication with amazing speed and extent undertaken as a result, the insurance of the angles in a hurry, have been developed. The insurance industry, over the past decade Iran has acceptable growth but still it should not have a deep look at the basic needs of their customers. In recent years an increasing number of private companies, insurance, and the competition among have increased egregiously. As a result, one of the key points in successful marketing strategies, understanding consumer behavior in contrast Brands. Thus, identifying the needs of consumers and the factors influencing their selection of different brands seem to be very important. Hence present study sought to identify factors influencing the customer point of view to use of the various services insured of a company.

Problem Statement:

As you know, insurance companies offer types of insurance services to individuals and juridical. As you know a variety of insurance companies offering a variety of services with different fields of activity and make more and more areas for tighter market. The populace to buy mandatory insurance in this market but to buy other insurance has other factors, the most important factors that buyers need to consider in choosing the correct steps to take include: The first factor affecting the choice is better known brands from the perspective of the customer. Thus, among all public and private insurance companies which insurance is more recognition with respect to insured package in customer's mind? The second factor affecting is reliability of his record company. Based on the past record of customer satisfaction and increase their confidence and knows what it has experienced. The third factor influencing the selection of an insurance company is person recognition of nature insurance company. The ability of the insurer's obligations and liquidated damages company how will against stakeholders. Finally, the fourth factor is the extent of advertising (promotion activity) of the company. These advertising can even be important in attracting new customers with various forms. In fact, person to purchase variety of service packages insurance from a company which focuses on a series of factors. Using these factors can be realized the credit insurer and getting to know imagined quality attempt to buy a package of insurance services. Research is defined the brand (Trade Mark) as first indicators for choosing among the insurance company to purchase insurance services in the customer's mind and is one of the advantages of the prior right to choose the brand of the company the same company. The brand is a company's asset that is cause of adding the value of the product or service. Brand affects in decision making that one of these decisions is the decision to purchase insurance diversified package.

The importance and the necessity of doing research

Today the economy of the developed countries is progressing towards further service so that the service organization has gone up. Within Iran the number of service institutions has increased over the past few years. So insurance companies have been growing in Iran as service institutions in recent years. Thus, according to the competitive environment insurance industry, one of the ways insurance companies make profits is differentiation. On the other hand, this distinction should be such that cannot be copied by other competitors. Despite prevailing competitive environment of the insurance industry in the coming years insurance companies brand will undoubtedly have a major role in the sale services of insurance company. Therefore, to examine brand place in the use of various services insurance companies that have brand and have a good place, this advantage can be use as insurance vary package among the people. The necessity of doing research is studying the factors that affect the customer's perspective on the use of various services of an insurance company, whether factors such as trust, advertising, nature of the company's activity brand being more known are the main role in the customer's mind that have been appropriate selection and satisfaction by using these factors finally.

Research objectives

Idealistic goals

- 1 - Brand place to using variety of service insurance packages of insurance companies

Functional goals

- 1 - Determining Factors in choosing an insurance company to purchase insurance services
- 2 - Reviews the brand position to influence the selection of different service packages insurance

Research Question

- 1 - What factors have impact on person to choose variety of services insurance?
- 2 - What is the place of the insurance company's brand?

Theoretical framework and analytical research model

The role of Insurance

The main role of Insurance is creation of Financing. This in turn provides many economic and psychological effects. Insurance is purchase security to benefit activity been said that rightly. (Babaei.1382)

Insurance has major role in compensates of financing of risks insured arising from the realization of a society. Service that offers insurance to society can be divided into seven groups:

- 1- Insurance, Providing financial security for commercial activities
- 2 - Insurance, increases business efficiency increases
- 3 - Insurance, help for the relative distribution costs
- 4 - Insurance, will increase the credibility the insurer
- 5 – Insurance, is a type of savings
- 6 – Insurance, the supply of capital for potential future income
- 7 - Community will benefit from the insurance. (Ayat Karimi, 1391)

Consumer Behavior

Wilkie and Solomon have defined consumer behavior: physical activity, mental, emotional when the people choose, purchase, use and dispose of goods and services to satisfy their needs and desires are doing. But more and more precise definitions of consumer behavior have been defined:

Consumer behavior is applied a series of measures linked that the consumer does to choose a product or service to buy it, and use it. (Iranmanesh, 1382)

Consumer behavior in the face of the brand:

Understanding the different behaviors that can show a consumer towards a brand is very important. In general, the following actions against a consumer brand do:

Is aware and knows it.

Do not resist, do not insist.

Prefers and chooses.

It is stanch and does not change.

(Brand report, Ministry of Commerce, Trade Promotion Organization of Iran, office enterprise 1387)

Brand

Brand is complex concept that its domains encompasses a variety of ideas and attributes. Brand is not only using its tune (as well as its literal meaning) but more importantly, by using each factor are mixed in length of the time and identity to be known in society makes speech to customer. (Havkins, 1385)

Group Marketing Association America defines brand as a name, word, symbol or design, or a combination of them. Its goal is to identify products or services of one seller or group of sellers and to differentiate them from other competitive products. Brand, is a product or service that adds dimensions to products and services to makes a distinction between products and services. These distinctions can be: logical function, or a palpable or non-palpable and feel. (Kotler, Keller, 2007)

Brand positioning

Brand positioning can be defined as: operating statements and corporate image design, so that a considerable amount of mind that the target audience engaged. Here are the potential benefits of business is the largest size. As fundamental, brand position is very important to convince consumers to benefits or the difference is that they are competitors. (Brand report, Ministry of Commerce, Trade Promotion Organization of Iran, office enterprise 1387)

Economic value of the brand

Customers are two types of evaluation when buying brands. Mental evaluation about item bought and other non-mental assessment and the material item bought. Economic value of a brand is not non-mental assessment desirable of goods or service that is demanded. This assessment is based on perceptual customer benefits relative to costs in return for the goods or service is done. The economic value of the brand includes: price, quality and comfort and facilities (such as Access). (Kotler and Keller, 2007)

Nature of the activity of insurance companies:

The nature of the activity: Type Abilities of insurance company for liquidated damages and provided resources to other obligations of the insurance company (Mahdavi, Nassiri 1391)

Needs, demands and expectations of policyholders:

Human needs food, air, shelter, security, etc for their survival. An insurance provider is one of human needs and desires that is born of the risks and dangers. Supply term and insurance is something that is able to satisfy a human need. Need is expressing a sense of deprivation in person. This exclusion make delight to people to solve it. (Rosta et al, 1381)

Insurance companies are producing product that we can name it as supply or assurance against perils. Cooperation and assistance to help offset some of the damage caused by adverse events is the basic answer to this need. This need is more vital and is increasing as parallels the development of societies and increase the risk of living.

Advertising (marketing)

Major elements of the eight components of the marketing mix, advertising and sales promotion is an important element in relation to the investigation of the insurance industry can strengthen

the position of the industry. On the other hand effects of promote and advertise the sale of goods and the insurance is irrefutable, with attention to the proverb " Insurance is for sale not for buy" Undoubtedly, a program promote and appropriate advertise from insurance industry, It seems unlikely that the expected development of insurance. In insurance industry, marketing is not purely economic to increase the profitability of companies and agents, it is an opportunity to bring awareness to people, because to obviate of their future needs by providing tight insurance. The company can advertise with very little cost to access a host of clients scattered in different geographical locations. The advertise allows to seller that messages will be repeated several times and allows to buyer to compare competing companies. Since advertise are common in nature, consumers are among the products advertised products includes standard and reasonable. Widespread advertising could be giving something worthwhile about great, reputation, and the seller company's success to the buyer. (Lavlak Drait, 1382)

Trust

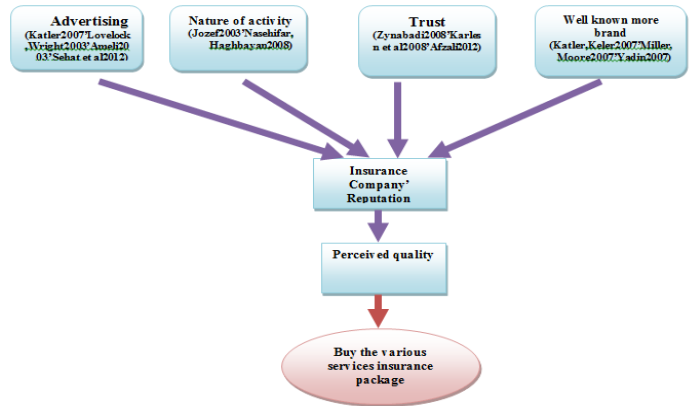
Although trust is an important element of trust in economic relations - business (B2B) is considered but has complex nature that is hardly measurable (Gulati, 1995). Some of the Advantages of trusts in the views of Rousseau and his associates include increased Spirit of cooperation, promoting a variety of corporate compliance; reduce running costs and more effective response in times of crisis, conflict, destructive. (Afzali, 1391 as quoted by Carlsen et al.) Trust occurs in level of the insurance companies and their relationship with insured in one state and in another state at the macro level, at the governing body level. The inner surfaces everything due increasing customer confidence should be taken into consideration. At the governing body level everything due increasing insurance industry confidence and insurance company can absorb costumers. For example in India, there is source of information that Collect, process and publish formation. Among these institutions, the Insurance Information Bureau (IIB) which uses a group of experts in the insurance industry is responsible for the task of disseminating information. (Nooralizadeh et al, 1391 quoted by Brady et al, 1995).

Literature

Factors affecting the brand's special value of the insurance companies From a customer perspective (Hamid Reza Kajouri I1390) , the results showed that perceived quality , brand loyalty and reminder directly impact on brand's special value and awareness about brand is not directly effective on brand's special value (Kajouri, 1390). The impact of marketing mix on brand value (Hamideh Bajmalvy Rostami 1391) results showed that the intensity distribution, promotion of company and price respectively mentioned are as the greatest amount of influence over the other elements on brand value. (Bajmalvy Rostami, 1391). In a paper to review the main role of advertising in the insurance industry, Concluded that marketing and advertising has been always effective factor in the sale of goods and services (Sehat, Geravand , Ghobadi , 1390)

Hypotheses and research model

Given the known and obvious factors influencing the use of various services insurance client studies conducted using this model is collected by the researcher.



In this study, the hypotheses derived from the model are as follows:

- 1- Being more known brand affects to increase the amount of credibility of the company insurance of costumer's polestar.
- 2 - Trust affects to increase the amount of credibility of the company insurance of costumer's polestar.
- 3 – Person's understanding of the nature of the activities affects to increase the amount of credibility of the company insurance of costumer's polestar.
- 4 - The extent of advertising affects increases the amount of credibility of the company insurance of costumer's polestar.
- 5 - Credibility of the company insurance affects on Customer's perceived quality.
- 6 - Customer's perceived quality affect to buy variety of service packages insurance from an insurance company.
- 7 –There are distinct position of factors to select variety of service packages insurance.

Research Method

This study was applied in type of descriptive - survey approach with causation in 1392. The populations of the research were buyers vary depending on the insurance company ahead of Qazvin Insurance. According to the formula of Cochran sample size was calculated 384. That researcher has given 400 samples due slip.

Research Tools

In this study, for collecting empirical data from a questionnaire-based researcher a similar question has been used.

Reliability and validity of questionnaire

For reliable and valid questionnaire was used content validity. Content validity which is also known as logical validity, this implies that does data collection method or tool well as defining the content that should be measured. Content validity is done by experts. A widely used method for assessing the content validity index is Lavsheh' Coefficient. According Lavsheh's theory if more than half of the judges stated that it is a useful item, it is a construct of content validity. Whatever the agreement between assessors is higher also the content validity is higher. In this study were asked subjects to 10 of expert to express their opinion based on their expertise about appropriate or lack of questionnaire so According to 9 of the experts are considered more than half items of the questionnaire about target are appropriate and useful then The amount of content validity was 0.8, which was greater than the amount of at least 0.62. Therefore, the questionnaire has the content validity and In order to determine the reliability of the questionnaire, The questionnaire was administered to 30 patients randomly And then using Cronbach's alpha coefficient, The reliability of the questionnaire(0 / 80) and 4 dimensions such as being more recognized brands (0 / 74) , trust (0 / 84) , understanding the nature of the activity (0 / 70) and extensive advertising (0 / 73) were approved at the appropriate level of reliability.

Data Analysis

In the data analysis, a variety of topics about inferential statistics are used. Kolmogorov-Smirnov test to check the normality of variables, the Friedman test to check the position (rank) of various factors in choosing the insurance package and for evaluation of conceptual model structural equation modeling (SEM) is used. For data analysis, the statistical software SPSS and AMOS is applied.

Results

Measurement model of the conceptual model's dimensions

For the first examination of the relationship between each of the parameters (items in questionnaire) and the corresponding dimensions of the factor analysis (measurement model) was used. Figure 1 showing that output of software measurement model for making four conceptual research models. Results indicate that in all four measurement models as a means factor loadings were significant. Also Table 1 model showing that goodness of fit index that everyone are acceptable range.

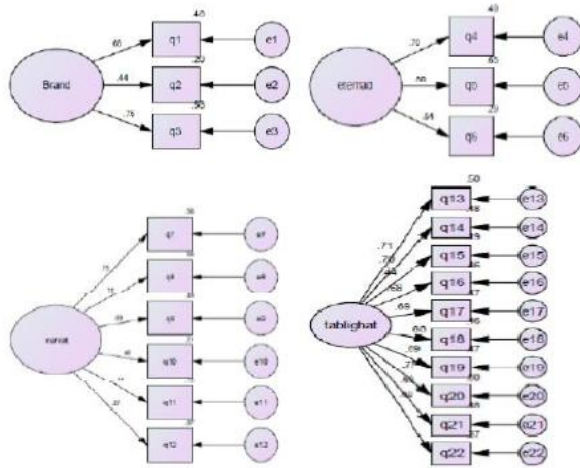


Figure 1: measuring Model for four dimensions conceptual models

Table 1: The fit indices of measurement models various aspects of the conceptual model

RMSEA	CFI	AGFI	GFI	RMR	The fit indices
					Dimensions
0.079	0.925	0.910	0.932	0.063	Well known more brand
0.068	0.933	0.935	0.950	0.059	Trust
0.048	0.982	0.965	0.985	0.038	Nature of activity
0.069	0.907	0.862	0.923	0.042	Advertising

Study of normal range of Variables research

As the last stage of the structural equation model do the relationship between the dependent and independent variables and the mediator, it is necessary to ensure normality of these variables. Variables to assess normality was used of Kolmogorov - Smirnov due to The high level of significance for four dimensions research such as well known more brands (0/137), trust (0/156), Understanding the nature of Activity (0/333) and extensive advertising (0/285)so variables were normal.

Structural research model

Figure 2 showing that Structural research model mean impact the four factors on Credit insurance, effect on customer perceived quality and purchase an insurance package. Table 2 also showing that the relationships between investigated structures based on assumptions. With this interpretation, the Credit insurance (first- mediator variable) by all four factors such as brand, trust, nature of activity and Advertising respectively Impact coefficients: 0 / 768, 0 / 695, 0 / 758

and 0 / 684 with positive and significant impacts can be accepted. Second the mediator variable (perceived quality) of the impact coefficient of 0 / 477 was affected by a credit insurance and finally perceived quality with impact coefficient of 0 / 500 has the positive and significant impact on purchasing insurance package.

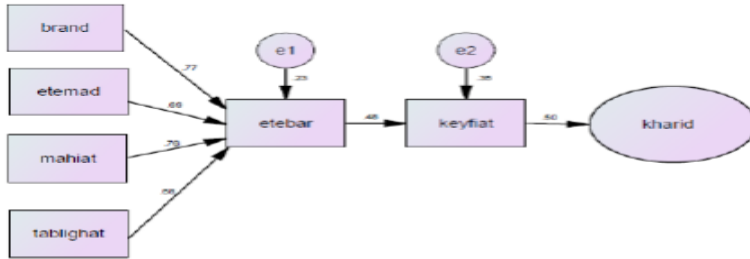


Figure 2: Model Structure

Results	Significant level	Critical ratio	Impact coefficient	Relationships between Structures
H ₁ is acceptance	***	12.427	0.768	Effects of well known more brand on the level of Company Reputation
H ₁ is acceptance	***	11.622	0.695	Effects of trust on the level of Company Reputation
H ₁ is acceptance	***	12.340	0.757	Effects of nature of activity on the level of Company Reputation
H ₁ is acceptance	***	11.590	0.684	Effects of Company Reputation on perceived quality
H ₁ is acceptance	***	10.851	0.477	Effect of extensive advertising on the company reputation
H ₁ is acceptance	***	11.840	0.500	Effects of perceived quality on Buying an insurance package

The significance level of less than 0/001 with ***

Table 2: Table relationships between structures based on the assumptions

Survey of place various factors in choosing the insurance package

To check the place of each of the factors in choosing insurance packages was used their rankings and for ranking each of the different factors in choosing the insurance package (brand, trusting,

and the nature of the activity and the advertising) uses of non-parametric test Friedman. According to Table 3 Friedman test was performed and can be said that Average Rating 4 choosing the insurance package differed significantly with each other. Thus the more well-known brand was in the first importance place, and nature of activity, trusting and advertising were in the second place to fourth.

Table 3: Average Rating 4 factor in choosing the insurance package

Average Rating	Choice factors of insurance package
3.14	Well known more brand
2.18	trust
2.69	Nature of activity
1.99	Advertising
0.000 P-value=	Friedman test result

Conclusion and Recommendations

Research is examined about the brand place on using variety of insurance services. As you know, insurance companies offer types of insurance services to individuals and entities. However, due to the increasing number of private insurance companies, the competition between them has increased dramatically. Companies need to attract customers and to pay a basic study on behavior of buyer. In this research, we find that researchers know the consumer (buyer) as a decision-making unit (individuals or families). Who consciously or unconsciously, and thus fall into a situation where they are gathering information processing and willing to act achieve improved life satisfaction. A company must have sufficient knowledge to attract more customers and find that consumer or insurer what to look for to satisfy his insurance needs and try to pay attention to their need according their interests. In this study, we chose four factors that can have a large impact on the choice of insurer. Well known more brand, trust, nature of activity and finally advertising play an essential roles on the insurer's decision to select an insurance company. Based on the research findings can be offered several strategies for managers of insurance companies.

Based on Confirm hypotheses well known more brand factor are being considered affects to increase on customer's insurance company's reputation. Brands appropriate to the client's perspective with Illustrative photos and beautiful and strong and memorable slogan. Trust factor affects to increase on customer's insurance company's reputation. More confidence insurer must do. Nature of the activities of insurance companies affects to increase on customer's insurance company's reputation. Nature of their activities (type feeding damage) is somewhat closer to customers' tastes. New ideas and new technologies use in order to compensate for the convenience of location and insured. Advertising factor affects to increase on customer's insurance company's reputation. Do advertise widely.

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