

# FACTORS INFLUENCING THE PURCHASE OF VOLUNTARY CAR INSURANCE IN BANGKOK AND PERIMETER.

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## ABSTRACT

The research objective represented to examine the factors influencing the purchase of voluntary car insurance in Bangkok and perimeter, The variables of qualitative research represented the decision making process, service quality and marketing mix 7P's. The population represented the purchaser who bought the voluntary insurance in Bangkok and perimeter more than continually ten years, the 30 samples were classified and interviewed on the focus group. The research instrument represented the group interviewing and collecting data, the answers were screen into the specific topics and reviewed to illustrate specified research questions.

The finding found that the purposes of the purchase in voluntary car insurance represented the necessary and legal enforcement in addition the crucial determined factors of 7P's of marketing mix such as product, price, place, promotion, people, physical evidences and process and also the service quality. These factors represented the crucial factors to determine in the purchasing decision making.

**Keywords:** purchase voluntary car insurance, voluntary car insurance

## INTRODUCTION

The inefficient of mass transit in Thailand and could not appropriately response the population in the country in term of the number of transportation, service routes and service quality that influenced some people handled private cars for themselves. The cars remained the crucial factors in daily life not only the convenience and fast but cars were also essential in commerce in addition the increasing of cars that registered 39,908,492 cars in 2018 from 38,537,787 cars in 2017 (Department of Land Transportation, 2019). The Road Accident Victims Protection Act, B.E. 2535 enforced every registered car had to buy the voluntary car insurance to protect the damage of life, body or hygiene of the individual from the car accident excluding the damage on assets that caused the insured acquired the protection to reduce the risk, protect the individual, assets, business security, damage expense and the conflict of drivers, however the crucial problems represented the valuable of insurance.

Therefore the researcher aimed to study factors influencing the purchase of voluntary car insurance in Bangkok and Perimeter that contributed the guidelines for car insurance purchasing.

## LITERATURE REVIEW

**Buying decision process comprised with following.**

1. Problems or needs recognition.
2. Information searching from the relevant person who used the products from manufacturers, public information and previous experience.
3. Evaluation and alternatives through enabled information by comparing the advantage and disadvantage for the best valuable choice.

4. Purchase decisions occurred in the evaluation on alternatives and then chose the most satisfying products.

5. Post purchase behavior occurred after the purchasing and consumed the products, the consumers evaluated products for the further that represented the marketers should realize the consumer satisfaction before or after their purchasing due to retain customers and brand loyalty in long-term.

The concepts and theories of marketing mix (Siriwan Serirat, 2019 ไม่มีในบรรณานุกรม) referred Phillip Kotler's concept of marketing mix for service business represented the appropriated concepts that were different from the consumer products and necessary to perform all 7P's of marketing mix in marketing formulation and comprised of

1. product represented the things that response to needs and wants of customers, the products provided utilities and value on customers' orientation with differentiation from the competitors like the various of car insurance policies in appropriated protection and compensation.

2. Price represented the amount of money to purchase the product, the customers determined to buy if the value of products or service and valuable were higher than its price.

3. Place represented the product or service delivering to customers that influenced to the perception of value in location and channels such as many channels of the car insurance policies, insurance companies, brokers, convenience stores, banks, online agencies and auto showroom for broad access.

4. Promotion represented the marketing communication tools to stimulus sales and introduction, motivate and remind needs that contributed to feeling, believe and buying decision making products or services through marketing promotion that represented advertisement, sale promotion, sales force and also public relation.

5. People represented all staff in organization especially the front officers who possessed the knowledge and ability in products or services, prompt problems solving, good working attitude, courteous servicing to create customer satisfaction by training and motivation staff.

6. Physical environment and presentation represented the factors that produced and presented the physical things like the gorgeous decoration, modern equipment, service facilities and organizational image.

7. Process represented the efficient service procedures that provided customer satisfaction through the obvious procedures and made service impression with standard, right, fairness and speedy like the procedure of notified claims, rapid response of notified accident, claim recommendation, rapid policies mailing. A study of consumer behavior theories in buying decision making and marketing mix found that the entrepreneurs should examine and recognize other factors influencing buying decision making and involved these factors to be guidelines for marketing mix strategies formulation with consumer responsiveness.

Service quality, the determined criteria and service evaluation represented three aspects (1) service qualities that was difficult to assess than product quality (2) service quality depended on the customer perception of service output and procedures assessment and (3) service quality represented the comparison between customer expectation and perception of service. (Smith Sanukorn, 2003. P54)

The service quality criteria of Local Administrative Organization represented 1) Tangible represented the physical characteristics that the clients perceived and made them to anticipate the service quality 2) Reliability represented clients anticipated the continuing and right in servicing including the efficient staff 3) Responsiveness represented that clients considered the timing and problem solving ability beyond their expectation 4) Assurance represented clients to consider the knowledge, expertise and abilities that contributed the confidence and trust of clients 5) Empathy represented clients to consider the timing, place,

location and the staff's effort to clients' needs and responsiveness. The summary in concepts and theories about meaning and characteristics of service quality, the researcher integrated the research framework of conceptual independent variables (Parazuraman, A., Zeithaml, V. A. & Berry, L. L., 1985) that comprised with 1) Tangibles represented things could be tangible or observable like service equipment and service provider's uniform 2) Reliability represented the genuine service at the first time and complied with the service as promise 3) Responsiveness represented intention or readiness of service providers 4) Assurance represented service providers possessed the knowledge, skills, honest and respect to clients 5) Empathy represented the caring, attention and customized service providing.

## **RESEARCH METHODOLOGY**

The variables of qualitative research represented the decision making processes, service quality and 7P's of marketing mix. The population represented the purchaser who bought the voluntary insurance in Bangkok and perimeter more than continually ten years, the 30 samples were classified and interviewed on the focus group. The research instrument represented the group interviewing and collecting data, the answers were screen into the specific topics and reviewed to illustrate specified research questions.

## **CONCLUSION**

The finding found that the purposes of the purchase in voluntary car insurance represented necessaries and legal enforcement in addition the crucial determined factors of 7P's of marketing mix like product, price, place, promotion, people, physical evidences and process in addition the service quality. These factors represented the crucial factors to determine in the purchasing decision making.

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