



**FACTOR THAT AFFECT CUSTOMER PURCHASING BEHAVIOR ON
INSURANCE-STUDY VIA ONLINE**

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ABSTRACT

Online purchase is always been a negative feedback from consumer because they are not trust to the company and worried if they were cheated. Purchasing towards online also has a positive effect which is help consumer save their cost and time to purchase something. In this study it wills search about factor that affecting consumer behaviour on insurances via online. Theoretical framework on consumer attitude towards online purchasing will be use.

Customer of Kinistorage Company chooses more on offline even they have made a quotation from online. Purchase insurance through online purpose to make people easy can save their time and also save cost to. But, there still have customer do not trust transaction through online even they request a quotation from the company through online. In this study I want to identify what are the factors that effect purchasing behaviour of customer towards online

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Chapter 1

1.0 Introduction

In this chapter, I explain the background of the company which is Kinistorage Company. It also will discuss about the background of study, problem statement, research question, research objective, significant of study, scope of study and limitation of study.

1.1 Background of company

Kinistorage Enterprise is a small company that has been operated for 1 year in Muadzam Shah. The owner of this company is En. Norassahidan bin Ngah. This Company is an agency insurance company that promote insurances like Etiqa Takaful, Kurnia, Takaful Ikhlas and Liberty. All kind of insurance is Am Insurances. This kind of insurances is suitable for vehicle, vacation with group and other insurances but not include life insurances. But Kinistoragecompany are focus more on vehicles insurance.

Besides, Kinistorage Enterprise also offers to do roadtax for its customer who are do not have time to go JPJ and Post Office. Before this, Kinistorage Enterprise has been operated at Chini, Pahang but do not have a good feedback from people there. This is because the location of the company is not strategic.

Then the owner rent premisat Muadzam Shah to start a business. The business operated by using computer to key in the data from customer to give them price of their car insurances. All the price need to calculate with market price of the car to avoid problem when the customer want to claims the insurances when they accident or other cases.

In Muadzam Shah, Kinistorage Enterprise is only one that has offer Etiqa Takaful insurances for those people who want insurances based on Islamic.

1.2 Background of study

As we know, most of Insurances Company uses an online system to process customer data and it became more effective than use manual. Besides, Insurances Company also uses online media to promote their services and also sell their services through online. But when there is called an online transaction, customer feel worried and not trust the online transaction. A propensity of trust is disposition to trust others in general (McKnight et al., 2002; Wu et al., 2010).