REVIEW ARTICLE

CONSUMER BEHAVIOR IN LIFE INSURANCE PLAN: A PHILIPPINE STRATEGIC ANALYSIS

Lou Anne M. Pronto[a], Pee-Jay J. Ortega[b], Ethelyn B. Catamio[c]

[a] Polytechnic University of the Philippines – Calauan, Laguna Campus, Philippines
[b] Gov. Felicisimo T. San Luis NAIIHS – SDO Laguna, Philippines
[c] Kapayapaan Integrated School, SDO Calamba City, Philippines
Corresponding Author Email: lampronto@pup.com.ph

ARTICLE DETAILS	ABSTRACT
	Studying consumer behavior in purchasing life insurance plan is important to marketeers, consumers and also to society. The human life is the most valuable asset, and the most crucial sort of insurance is life insurance, which offers financial security to an individual and his family in the event of unforeseeable risks or harm. The advent of global pandemic led to an avenue where preparedness for life preservation is of great importance. Consumer behavior around life insurance products is evolving quickly. The descriptive-based study was chosen with the goal of examining the demographic profile of life insurance plan holders and identify the different factors that affect the consumer's decision in purchasing life insurance plan. These include, but not limited to, social factors, values of the Filipino family, psychological factors, income impact and marketing initiative of insurance companies. In the paper, various insurance-related issues have been covered. The study was conducted in the Province of Laguna, with a sample size of 40 respondents through online distribution of questionnaires, employing snowball sampling. Furthermore, the study analyzed the relationship between the different factors that affect consumer's behavior to purchase policies in relation to the purchaser's demographic profile.

1. INTRODUCTION

The COVID-19 pandemic in 2020 changed the perspective of consumers in the Philippines when it comes to insurance (Statista Research Department, 2022). Reflecting a slight increase from 2019, the value of insurance industry in the Philippines was around 1.67 percent of the country's gross domestic product in 2022. The penetration rate of insurance industry in the country was less than two percent in 2020. The industry is composed of 94 licensed insurance companies in the country (Statista Research Department, 2022). This is quiet low in comparison to Taiwan with a penetration rate of 20.10% (Nation Master, 2022). Insurance companies will benefit in focusing on consumer behavior to understand key drivers for individual life insurance sales. Consumers also need to understand the benefits of investing in life insurance in order to prepare for future potential financial risks. Though this study may not exhaustively cover the essential components of life insurance purchase, it will try to identify the profile of life insurance plan holders and the factors that contribute to their purchase decision.

2. LITERATURE REVIEW

In the study of Dr. Nikam, entitled "A study of life insurance consumer buying behavior", he concluded that the study of life insurance industry is important to marketeers, consumers and society (Nikam, 2022). Satisfaction of consumers during the pre-purchase and post-purchase service is also essential. Respondents of the study agreed that purpose of purchasing a life insurance policy was for investment and risk protection. According to the study of entitled, "The Impact of COVID-19 on the insurance industry", insurance companies experienced reduced economic activity due to COVID-19 pandemic (Baduna et al., 2020). Profits reduced

yet claims drastically increased along many lines. Customer complaints have increased because liquidity issues where payment of claims has become challenging. Recovery of these companies will only take place in a post-pandemic environment and be ready to minimize negative consequences of unpreparedness. In the study of Singh, entitled "An empirical study on perception of consumer sector", he identified the different factors influencing consumer behavior in purchasing insurance includes social, cultural, personal and psychological factors (Singh, 2010). He also presented a model of consumer decision making process which includes external influences, consumer decision making and post decision behaviour. Most of the respondents of the study showed interest in life insurance because of the higher risk coverage and tax saving purpose.

3. METHODS

Quantitative research refers to the type of research that is based on the methodological principles of positivism and neo-positivism and adheres to the standards of a strict research design developed prior to the actual research. It is applied for quantitative measurement and hence statistical analysis is used (Adams, 2014). Descriptive quantitative analysis was used in the data collected.

3.1 Hypothesis of the Study

H_0 = There is no significant difference on the factors affecting the consumer's decision in purchasing life insurance plan in terms of the respondent's demographic profile

H_a = There is a significant difference on the factors affecting the consumer's decision in purchasing life insurance plan in terms of the respondent's demographic profile

Quick Response Code	Access this article online	
	Website: www.mmhj.com.my	**DOI:** 10.26480/mmhj.01.2023.01.06

3.2 Survey Instrument

The researcher used a self-made survey questionnaire for the study. It included the title of the study, an introduction of the researchers, data privacy consent, demographic questions, the survey items and a closing statement. Survey items included questions related to social factors, values of the Filipino family, psychological factors, income impact and marketing factors affecting the life insurance plan purchase decision.

3.3 Population

The respondents of the study are residents of Laguna, Philippines. They are present policy holders of life insurance. Due to limited physical contact when this study was conducted, questionnaires were distributed and gathered online. Forty respondents comprise the sample size, belonging to 15 different cities/municipalities of the Province of Laguna.

3.4 Objective and Statement of the Problem

This study aims to examine the buying habits of insurance plan holders, particularly in the case of life insurance plans. The result of this study will be a basis to assist insurance companies to get a better understanding of the factors that influence consumer buying behavior.

Further, this study aims to answer the following questions:

1. What is the profile of a life insurance plan holder in terms of residence, type of insurance, age, highest educational attainment, gender, civil status, province, existing insurance, and purchase life insurance?

2. How do the following factors affect the customer's decision in purchasing life insurance plan?

  a. Social Factors

  b. Values of the Filipino Family

  c. Psychological Factors

  d. Income Impact

  e. Marketing Initiative of Insurance Companies

3. Is there a significant difference in the factors affecting the customer's decision in purchasing life insurance plan in terms of their profile?

3.5 The Data Analysis

The answers of the questionnaire distributed are summarized and presented in the following paragraphs:

Table 1 shows the profile of life insurance plan holders in terms of residence, type of insurance, age, highest educational attainment, gender, civil status, province, existing insurance, and primary reason of purchase of life insurance.

Table 1a: Residence		
Residence	Frequency	Percent
Bay	3	7.50
Siniloan	6	15.00
Calamba	3	7.50
Calauan	10	25.00
Famy	1	2.50
Liliw	3	7.50
Los Banos	1	2.50
Magdalena	1	2.50
Nagcarlan	2	5.00
Pangil	1	2.50
Pila	2	5.00
Rizal	1	2.50
San Pablo	3	7.50
Sta Cruz	2	5.00
Victoria	1	2.50
Total	40	100

Table 1a. presents the residence of the respondents. All 40 respondents who are insurance plan holders came from the different towns and municipalities of Laguna. The highest frequency of 10 with 25.00% came from Calauan, Laguna. Other few of the respondents are residents of Siniloan with the frequency of 6 or 15%. Bay, Calamba, Liliw and San Pablo have a frequency of 3 with 7.50 percent. The rest of the different residents in Laguna have the same frequencies of 2 and 1 with 5.00% and 2.50% respectively.

Table 1b: Type of Life Insurance		
Type of Life Insurance	Frequency	Percent
Insurance with investment	18	45.00
Insurance with investment, Others	2	5.00
Others	2	5.00
Permanent - life long	1	2.50
Permanent - life long, Insurance with investment	1	2.50
Risk coverage	2	5.00
Risk coverage, Permanent - life long, Insurance with investment	1	2.50
Term life insurance	6	15.00
Term life insurance, Insurance with investment	2	5.00
Term life insurance, Risk coverage, Insurance with investment	3	7.50
Term life insurance, Risk coverage, Permanent - life long, Endowment, Insurance with investment	1	2.50
Term life insurance, Risk coverage, Permanent - life long, Insurance with investment	1	2.50
Total	40	100

Table 1b. presents the type of life insurance of the respondents that they availed. Few of the respondents have a type of insurance named insurance with investment which got the highest frequency of 18 with 45.00%. Other few types of insurance of the respondents named time life insurance and term life insurance, risk coverage, insurance with investment got the frequencies of 6 and 3 with 15.00% and 7.50% respectively. Rest of the different type of insurance have the same frequencies of 2 and 1 with 5.00% and 2.50% respectively.

Table 1c: Age		
Age	Frequency	Percent
21-30	18	45.00
31-40	12	30.00
41-50	9	22.50
51 & above	1	2.50
Total	40	100

Table 1c presents the age of the respondents. Half majority of the respondents aged 21 - 30 got the highest frequency of 18 with 45.00%. The other few of the respondents aged 31 - 40 and 41 - 50 got the frequencies of 12 and 9 with 30.00% and 22.50% respectively. Rest of the respondents aged 51 & above got the frequency of 1 with 2.50%.

Table 1d: Highest Educational Attainment		
Highest Educational Attainment	Frequency	Percent
College level	24	60.00
Elementary level	2	5.00
Graduate Student/ Masteral	9	22.50
Junior High School	1	2.50
Post graduate/ Doctorate	4	10.00
Total	40	100

Table 1d presents the highest educational attainment reached by the respondents. Majority of the respondents reached a college level with the frequency of 24 with 60.00%. Few of the other respondents reached graduate student/masteral with a frequency of 9 with 22.50%. Rest of the respondents reached post graduate/doctorate, elementary level, and

junior high school with frequencies of 4, 2 and 1 with 10.00%, 5.00% and 2.50% respectively.

Table 1e: Gender

Gender	Frequency	Percent
Female	28	70.00
Male	12	30.00
Total	40	100

Table 1e presents the gender of the respondents in terms of life insurance plan purchase. A great majority of the respondents who availed life insurance in terms of gender were female with a frequency of 28 with 70.00%. Then, few of the respondents who availed life insurance were male with a frequency of 12 with 30.00%.

Table 1f: Civil Status

Civil Status	Frequency	Percent
Married	21	52.50
Single	19	47.50
Total	40	100

Table 1f presents the civil status of the respondents in terms in life insurance. A majority of the respondents who availed life insurance in terms of civil status were married with a frequency of 21 with 52.50%. Then, few of the respondents who availed life insurance were single with a frequency of 19 with 47.50%.

Table 1g: Province

Province	Frequency	Percent
Laguna	40	100

Table 1g presents the province where the respondents belong to. All of the respondents were from the Province of Laguna. Respondents who are not from Laguna were not included in the study.

Table 1h: Existing Insurance

Existing Insurance	Frequency	Percent
Yes	40	100

Table 1h presents respondents with existing life insurance. A great majority of the respondents availed life insurance with a frequency of 40 with 100.00%. Respondents who were not life insurance plan holders were excluded from the study.

Table 1i: Primary reason of Purchase of Life Insurance

Purchase Life Insurance	Frequency	Percent
Children's education	5	12.50
Family safety	14	35.00
Investment	15	37.50
Risk coverage	6	15.00
Total	40	100

Table 1i presents the primary reason respondents in purchasing life insurance. The majority of the respondents purchased for investment with a frequency of 15 with 37.50%. Meanwhile, others purchased for family safety with a frequency of 14 with 35.00%. Then, few of the respondents purchased risk coverage with a frequency of 6 with 15.00%. The rest of the few respondents purchased for children's education with a frequency of 5 with 12.50%.

Table 2 presents the factors affecting the customer's decision in purchasing life insurance plan.

Table 2a: Social Factors Affecting the Purchase Decision.

Social Factors Affecting the Purchase Decision	Mean	Std. Deviation	N	Interpretation
I value life insurance for my loved ones	4.00	1.66	40	Agree
Anyone can avail of life insurance regardless of social class	3.50	1.43	40	Neither Agree or Disagree
I purchased a life insurance plan because everyone that I know has one.	2.78	1.19	40	Neither Agree or Disagree
Over-all Mean, SD and Interpretation	**3.43**	**1.43**	**40**	**Neither Agree or Disagree**

Legend:

Scale	Rating	Description
5	4.51 - 5.00	Strongly Agree
4	3.51 - 4.50	Agree
3	2.51 - 3.50	Neither Agree or Disagree
2	1.51 - 2.50	Disagree
1	1.00 - 1.50	Strongly Disagree

Table 2a presents factors affecting the customer's decision in purchasing life insurance plan in terms of social factors affecting the purchase decision. Most of the respondents agreed on the value life insurance for loved ones with a mean = 4.00 and SD = 1.66. Meanwhile, they neither agree or disagree on anyone can avail of life insurance regardless of social class with a mean = 3.50 and SD = 1.43 and "I purchased a life insurance plan because everyone that I know has one" with a mean = 2.78 and SD = 1.19. Therefore, the respondents neither agreed or disagreed on the social factors affecting the purchase decision of life insurance with an overall mean = 3.43 and SD = 1.43.

Table 2b: Values of the Filipino Family

Purchase Decision interaction within the Filipino Family	Mean	Std. Deviation	N	Interpretation
I purchased life insurance for the benefit of my family	4.28	1.32	40	Agree
I am the breadwinner of the family.	3.93	1.19	40	Agree
It was my own decision to buy the insurance.	4.50	0.93	40	Agree
I solely pay for the life insurance I purchased.	4.30	1.14	40	Agree
My family is supportive of my decision in purchasing life insurance.	4.38	1.03	40	Agree
I understand the benefit of the product I purchased.	4.55	0.93	40	Strongly Agree
Over-all Mean, SD and Interpretation	**4.32**	**1.09**	**40**	**Agree**

Legend:

Scale	Rating	Description
5	4.51 - 5.00	Strongly Agree
4	3.51 - 4.50	Agree
3	2.51 - 3.50	Neither Agree or Disagree
2	1.51 - 2.50	Disagree
1	1.00 - 1.50	Strongly Disagree

Table 2b presents factors affect the customer's decision in purchasing life insurance plan in terms of purchase decision interaction within the Filipino family. Most of the respondents strongly agreed on the understanding on the benefit of the product purchased with a mean = 4.55 and SD = 0.93. Meanwhile, they agreed on "it was my own decision to buy the insurance" with a mean = 4.50 and SD = 0.93, "my family is supportive of my decision in purchasing life insurance" with a mean = 4.38 and SD = 1.03. Rest of the respondents agreed that they solely pay for the life insurance purchased with a mean = 4.30 and SD = 1.14. Respondents purchased life insurance for the benefit of family with a mean = 4.28 and

SD = 1.32 and respondents as breadwinner of the family with a mean = 3.93 and SD = 1.19. Therefore, the respondents agreed on the purchase decision interaction within the Filipino family with an overall mean = 4.32

and SD = 1.09. It implies that the decision on purchasing life insurance is for the benefits of the family.

Table 2c: Psychological Factors				
Psychological Factors Affecting Purchase Decision	**Mean**	**Std. Deviation**	**N**	**Interpretation**
I feel more secure if I have an insurance.	4.43	1.08	40	Agree
I need to fully understand about the insurance policy before I make my purchase,	4.63	0.93	40	Strongly Agree
I believe that the insurance dealer is concern for my welfare, not just to make a sale.	4.35	1.05	40	Agree
Over-all Mean, SD and Interpretation	**4.47**	**1.02**	**40**	**Agree**

Legend:

Scale	Rating	Description
5	4.51 - 5.00	Strongly Agree
4	3.51 - 4.50	Agree
3	2.51 - 3.50	Neither Agree or Disagree
2	1.51 - 2.50	Disagree
1	1.00 - 1.50	Strongly Disagree

Table 2c presents factors affecting the customer's decision in purchasing life insurance plan in terms of psychological factors affecting purchase decision. Most of the respondents strongly agreed on the need to fully understand about the insurance policy before they made the purchase with a mean = 4.63 and SD = 0.93. Meanwhile, they agreed on "I feel more secure if I have an insurance" with a mean = 4.43 and SD = 1.08. Rest of the respondents agreed on believe that the "insurance dealer is concern for my welfare, not just to make a sale" with a mean = 4.35 and SD = 1.05. Therefore, they agreed on the psychological factors affecting purchase decision with over all mean = 4.47 and SD = 1.02. It implies that psychological factors affect the decision on purchasing life insurance for benefits.

Table 2d: Income Impact				
Income impact on the purchase decision	**Mean**	**Std. Deviation**	**N**	**Interpretation**
I bought a life insurance because I have extra money.	3.45	1.34	40	Neither Agree or Disagree
Money is not a factor in deciding to buy an insurance.	2.95	1.22	40	Neither Agree or Disagree
I buy insurance so that it can help my family later on	4.58	0.93	40	Strongly Agree
My spending pattern changed after I purchased a life insurance.	4.15	1.00	40	Agree
It is difficult to save enough money for my premium payment.	3.03	1.10	40	Neither Agree or Disagree
If only I have extra money, I will buy more insurance plans.	3.98	1.19	40	Agree
I have a permanent source of income	4.23	0.92	40	Agree
I prefer mainly investment features of insurances	3.35	1.31	40	Neither Agree or Disagree
Over-all Mean, SD and Interpretation	**3.71**	**1.13**	**40**	**Agree**

Legend:

Scale	Rating	Description
5	4.51 - 5.00	Strongly Agree
4	3.51 - 4.50	Agree
3	2.51 - 3.50	Neither Agree or Disagree
2	1.51 - 2.50	Disagree
1	1.00 - 1.50	Strongly Disagree

Table 2d presents factors affecting the customer's decision in purchasing life insurance plan in terms of income impact on the purchase decision. Most of the respondents strongly agreed on the "I buy insurance so that it

can help my family later on" with a mean = 4.58 and SD = 0.93. Meanwhile, they agreed on having a permanent source of income with a mean = 4.23 and SD = 0.92, "my spending pattern changed after I purchased a life insurance" with a mean = 4.15 and SD = 1.00 and "if only I have extra money, I will buy more insurance plans" with a mean = 3.98 and SD = 1.19. Rest of the respondents neither agreed or disagreed on "I bought a life insurance because I have extra money" with a mean = 3.45 and SD = 1.34. Respondents prefer mainly investment features of insurances with a mean = 3.35 and SD = 1.31, while others found it is difficult to save enough money for premium payments with a mean = 3.03 and SD = 1.10 and that "money is not a factor in deciding to buy an insurance". Therefore, they agreed on the income impact on the purchase decision with over all mean = 3.71 and SD = 1.13. It implies that income has an impact in the decision of buying life insurance.

Table 2e: Marketing Initiative of Insurance Companies				
Marketing Factors affecting purchase decision	**Mean**	**Std. Deviation**	**N**	**Interpretation**
I purchased life insurance plan because of the influence of the salesperson.	2.98	1.10	40	Neither Agree or Disagree
I purchased life insurance plan because I believe that the product is good and beneficial for me.	4.45	0.93	40	Agree
I purchased life insurance plan because the price fits well with my budget.	4.25	0.90	40	Agree
I purchased life insurance plan because the benefit later is greater than the cost.	4.35	1.00	40	Agree
I look forward to advertised high insurance returns	3.88	1.09	40	Agree
Over-all Mean, SD and Interpretation	**3.98**	**1.00**	**40**	**Agree**

Legend:

Scale	Rating	Description
5	4.51 - 5.00	Strongly Agree
4	3.51 - 4.50	Agree
3	2.51 - 3.50	Neither Agree or Disagree
2	1.51 - 2.50	Disagree
1	1.00 - 1.50	Strongly Disagree

Table 2e presents factors affecting the customer's decision in purchasing life insurance plan in terms of marketing factors affecting purchase decision. Most of the respondents agreed on "I purchased life insurance plan because I believe that the product is good and beneficial for me" with a mean = 4.45 and SD = 0.93. "I purchased life insurance plan because the benefit later is greater than the cost" with a mean = 4.35 and SD = 1.00, "I purchased life insurance plan because the price fits well with my budget" with a mean = 4.25 and SD = 0.90 and "I look forward to being advertised high insurance returns" with a mean = 3.88 and SD = 1.09. Meanwhile, they neither agreed or disagreed on I purchased life insurance plan because of

the influence of the salesperson with a mean = 2.98 and SD = 1.10. Therefore, they agreed on the marketing factors affecting purchase decision with overall mean = 3.98 and SD = 1.00. It implies that marketing insurance is for the benefits, less cost and high returns but not necessarily due to the influence of the salesperson.

Table 3 shows analysis of variance (F-computed) and independent t test (t-computed) on the significant differences on the factors affecting the customer's decision in purchasing life insurance plan in terms of type of Insurance, age, highest educational attainment

Table 3a: Type of Insurance				
Variables	**F-computed**	**P-Value**	**Decision**	**Interpretation**
Social Factors Affecting the Purchase Decision	0.773	0.550	Accept Ho	Not Significant
Purchase Decision interaction within the Filipino Family	0.759	0.559	Accept Ho	Not Significant
Psychological factors affecting purchase decision	2.821*	0.040	Reject Ho	Significant
Income impact on the purchase decision	0.641	0.637	Accept Ho	Not Significant
Marketing Factors affecting purchase decision	1.073	0.385	Accept Ho	Not Significant

*Significant at 5%.

Table 3a presents the significant difference on the factors affect the consumer's decision in purchasing life insurance plan in terms of type of insurance. Since the p-value = 0.040 was lesser than 0.05 level of significance, there is sufficient evidence that psychological factors

affecting purchase decision was statistically significant at 5%. Thus, types of insurance affect the psychological factors on the decision on purchasing insurance. Rest of the factors were not statistically significant in terms of type of insurance. Thus, type of insurance does not affect the social factors, interaction, income impact and marketing factors.

Table 3b: Age				
Variables	**F-computed**	**P-Value**	**Decision**	**Interpretation**
Social Factors Affecting the Purchase Decision	0.123	0.946	Accept Ho	Not Significant
Purchase Decision interaction within the Filipino Family	0.344	0.794	Accept Ho	Not Significant
Psychological factors affecting purchase decision	0.351	0.789	Accept Ho	Not Significant
Income impact on the purchase decision	0.306	0.821	Accept Ho	Not Significant
Marketing Factors affecting purchase decision	0.629	0.601	Accept Ho	Not Significant

The above table presents the significant difference on the factors affecting the consumer's decision in purchasing life insurance plan in terms of age. Since the p-values was greater than 0.05 level of significance, there is no sufficient evidence that social factors, interaction within the Filipino

family, psychological factors, income impact, and marketing factors affecting purchase decision was statistically significant. Thus, age does not affect the social factors, family interaction, psychological factors, income impact and marketing factors.

Table 3c: Highest Educational Attainment				
Variables	F-computed	P-Value	Decision	Interpretation
Social Factors Affecting the Purchase Decision	1.484	0.228	Accept Ho	Not Significant
Purchase Decision interaction within the Filipino Family	0.649	0.631	Accept Ho	Not Significant
Psychological factors affecting purchase decision	0.987	0.428	Accept Ho	Not Significant
Income impact on the purchase decision	2.650*	0.049	Reject Ho	Significant
Marketing Factors affecting purchase decision	1.067	0.387	Accept Ho	Not Significant

*significant at 5%.

Table 3c presents the significant difference on the factors affecting the consumer's decision in purchasing life insurance plan in terms of type of insurance. Since the p-value = 0.049 was lesser than 0.05 level of significance, there is sufficient evidence that Income impact on the

purchase decision was statistically significant at 5%. Thus, highest educational attainment affects the income impact on the decision on purchasing insurance. Rest of the factors were not statistically significant in terms of highest educational attainment. Thus, type of insurance does not affect the social factors, interaction, psychological factors and marketing factors.

Table 3d: Reasons of Purchase Life Insurance				
Variables	**F-computed**	**P-Value**	**Decision**	**Interpretation**
Social Factors Affecting the Purchase Decision	1.728	0.179	Accept Ho	Not Significant
Purchase Decision interaction within the Filipino Family	0.386	0.764	Accept Ho	Not Significant
Psychological factors affecting purchase decision	0.443	0.724	Accept Ho	Not Significant
Income impact on the purchase decision	0.323	0.809	Accept Ho	Not Significant
Marketing Factors affecting purchase decision	0.107	0.956	Accept Ho	Not Significant

Table 3d presents the significant difference on the factors affecting the consumer's decision in purchasing life insurance plan in terms of reasons of purchasing life insurance. Since the p-values was greater than 0.05 level of significance, there is no sufficient evidence that social factors, interaction within the Filipino family, psychological factors, income

impact, and marketing factors affecting purchase decision was not statistically significant. Thus, reasons for the purchase of life insurance does not affect the social factors, interaction, psychological factors, income impact and marketing factors.

Table 3e: Gender				
Variables	**t-computed**	**P-Value**	**Decision**	**Interpretation**
Social Factors Affecting the Purchase Decision	0.797	0.431	Accept Ho	Not Significant
Purchase Decision interaction within the Filipino Family	0.965	0.341	Accept Ho	Not Significant
Psychological factors affecting purchase decision	0.704	0.486	Accept Ho	Not Significant
Income impact on the purchase decision	0.700	0.488	Accept Ho	Not Significant
Marketing Factors affecting purchase decision	0.884	0.382	Accept Ho	Not Significant

Table 3.e presents the significant difference on the factors affecting the consumer's decision in purchasing life insurance plan in terms of gender. Since the p-values was greater than 0.05 level of significance, there is no sufficient evidence that social factors, interaction within the Filipino family, psychological factors, income impact, and marketing factors affecting purchase decision was not statistically significant. Thus, gender of insurance holder does not affect the social factors, interaction, psychological factors, income impact and marketing factors in the purchase of insurance.

Table 3f: Civil Status				
Variables	**t-computed**	**P-Value**	**Decision**	**Interpretation**
Social Factors Affecting the Purchase Decision	1.306	0.200	Accept Ho	Not Significant
Purchase Decision interaction within the Filipino Family	1.258	0.219	Accept Ho	Not Significant
Psychological factors affecting purchase decision	1.854	0.076	Accept Ho	Not Significant
Income impact on the purchase decision	1.873	0.069	Accept Ho	Not Significant
Marketing Factors affecting purchase decision	2.159*	0.041	Reject Ho	Significant

*statistically significant at 5%

Table 3.f presents the significant difference on the factors affecting the consumer's decision in purchasing life insurance plan in terms of civil status. Since the p-value = 0.041 was lesser than 0.05 level of significance, there is sufficient evidence that marketing factors on the purchase decision was statistically significant at 5%. Thus, civil status affects the marketing factors on the decision on purchasing insurance. The rest of the factors were not statistically significant in terms of civil status. Thus, civil status does not affect the social factors, interaction, psychological factors and income impact.

4. CONCLUSION

The respondents of the study are all residents of the province of Laguna, belonging to 15 different cities/municipalities. Forty-five percent of the respondents are holders of life insurance with investment. The majority are college level individuals and 45% of the respondents are aged 21-30 years old. Majority of the respondents are married while 70% of whom are female. Investment purposes ranked highest as the primary reason of purchase of life insurance followed by family safety.

In considering the different factors affecting the purchase of life insurance, most of the respondents agreed on the following:

- The value of life insurance for their loved ones
- The purchase decision of life insurance is supported by the family
- The need to fully understand the insurance policy before a purchase
- Income has an impact in the buying decision
- Benefit of insurance plan is greater than the cost

In analyzing the significant difference on the factors affecting the customer's decision in purchasing life insurance plan in terms of type of insurance, age, highest educational attainment, the following were statistically significant:

- The type of insurance purchased was significant to the psychological factors on the decision on purchasing insurance
- The highest educational attainment was significant to the income impact on the decision on purchasing insurance
- Civil status was significant to the marketing factors on the decision on purchasing insurance

All other factors were not statistically significant in correlation. Based on the research findings, the following are recommended:

- Insurance companies must strengthen the variation of their products and include the investment component in life insurance
- Strategically attract potential consumer by creating value for loved ones
- Enhance good education about the policy options before the purchase to promote positive results
- Additional study is recommended to further validate the results of this paper

REFERENCES

Adams, J., Khan, H.T.A., and Raeside, R., 2014. Research methods for business and social science students. SAGE Publications India Pvt, Ltd.

Al-Jeraisy, K., 2003. Consumer behavior: An analytical study of the Saudi Family's Purchase Decisions. Al-Jeraisy Establishment.

Babuna, P., Yang, X., Gyilbag, A., Awudi, D., Ngmenbelle, D., Bian, D., 2020. The impact of COVID-19 on the insurance industry. International Journal of Environmental Research and Public Health, 17, Pp. 5766. doi: 10.48175/568

Balinbin, A. L., 2019. Study finds most Filipinos 'not fully ready for disasters. Retrieved from https://www.bworldonline.com/study-finds-most-filipinos-not-fully-ready-for-disasters/

Beck, T., and Webb, I.M., 2002. Determinants of life insurance consumption across countries (Issue 2792). World Bank Publications.

Merriam, S.B., and Tisdell, E.J., 2015. Qualitative research: A guide to design and implementation. John Wiley & Sons, Incorporated.

Nation Master (n.d.). Ranking of Insurance Penetration. Nationamaster.com. https://www.nationmaster.com/nmx/ranking/insurance-penetration

Nikam, A., 2022. A study of life insurance consumer buying behavior. International Journal of Advanced Research in Science, Communication and Technology, 2 (1), Pp. 2581-9429.

Singh, K., 2010. An empirical study on perception of consumer in insurance sector. Indian Journal of Economics & Business, 9 (1), Pp. 61-73.

Statista Research Department. 2022. Insurance Industry in Philippines. statisca.com. https://www.statista.com/topics/5581/insurance-industry-in-philippines/#topicHeader__wrapper

Statista Research Department. 2022. Philippines Insurance Penetration rate. statisca.com. https://www.statista.com/statistics/1184188/philippines-insurance-penetration-rate-yearly/

Statista Research Department. 2022. Philippines Number of Licensed Insurance Companies. statisca.com. https://www.statista.com/statistics/1299413/philippines-number-of-licensed-insurance-companies/