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FACTORS INFLUENCING THE INTENTION TO BUY MICROINSURANCE: A CASE STUDY OF LOW-INCOME CUSTOMERS IN HO CHI MINH CITY

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ARTICLE INFO	ABSTRACT
<p>DOI: 10.52932/jfm.vi2.489</p> <p><i>Received:</i> February 12, 2024</p> <p><i>Accepted:</i> March 09, 2024</p> <p><i>Published:</i> March 25, 2024</p> <p>Keywords: Microinsurance; Intention; Insurance products; Insurance organizations; Low-income.</p>	<p>Microinsurance is a form of insurance for low-income people that is being expanded in developing countries, including Vietnam. In addition, microinsurance plays the financial protection and savings role for individuals and families with low income, ensuring social security and sustainable economic development. Therefore, the article aims to determine critical factors influencing low-income customers' intention to buy microinsurance in Ho Chi Minh City. On that basis, the authors propose that the implication of corporate governance contributes to increasing the intent to purchase microinsurance products/ services. In the research paper, the authors used a qualitative method by interviewing five managers of five companies related to insurance, finding five factors related to the research topic. Quantitative research was carried out with a sample of 400 customers with low income, using multivariate linear regression analysis, and five factors with a significance level of 5 percent were identified. Finally, the authors have proposed five governance implications in order of priority: Safety, social influence, convenience, ease of use, and benefits. Research applications contribute to orientation for insurance organizations to improve the quality of microinsurance products/services to better serve customers and other low-income people.</p>

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1. Introduction

Microinsurance is a form of insurance for low-income people that is being expanded in poor and developing countries, including Vietnam. Low-income people pay fees to insurance providers to receive financial support when risks occur. Characterized by low premiums, small insurance amounts, and simplicity in participation procedures and benefit payment requirements, microinsurance provides insurance products to protect the poor. People with low incomes in society face risks of injury, death, and property. Microinsurance is not only considered an effective tool to “protect” poor households, but it also contributes to improving understanding of the need for insurance in the community. With low and middle-income levels in rural areas, microinsurance also brings knowledge about insurance finance or, more simply, helps poor people get into the habit of accumulating finance. Microinsurance products by subject mainly include:

Personal insurance includes medical and health care insurance (support for hospitalization and surgery costs for the insured person as agreed upon when the insured person is hospitalized or has surgery); Accident insurance (injury due to accident of the insured); Death or total permanent disability insurance (death or total permanent disability of the insured person within the scope of insurance and within the prescribed period, funeral support); Old age savings insurance...

Property insurance: Insurance for damage to machinery, production equipment, crops, and livestock: pays the agreed insurance amount due to damage to machinery and equipment used for production, crops, and pets belonging to the insured member. Subjects providing microinsurance include insurance businesses, socio-political organizations, socio-professional organizations, etc.

In addition, finding a genuinely effective distribution channel to sell microinsurance products directly to rural people is a complex problem for insurance businesses. Currently, the sale of microinsurance products is not through agents but only through associations and unions, so collecting monthly fees is also a complex problem. Unlike cities, people live in different terrains in rural areas, so approaching them to introduce products and sign contracts is complex, and collecting fees is even more difficult. Product delivery is one of the most cost-intensive activities when launching a new product. A microinsurance provider can spend up to 90% of total fees on product provision and collection in the first year.

Regarding the economic sector, the areas least affected by the Covid-19 pandemic are agriculture, forestry, and fisheries, but up to 7.5% of workers are affected. The industrial and construction sectors have 16.5% of workers affected, and the service sector has up to 20.4% of workers affected by the epidemic. This makes implementing microinsurance increasingly tricky.

Vietnam's insurance market has an estimated scale of 245,877 billion VND (about 10 billion USD, according to statistics from the Vietnam Insurance Association in 2022), Maintaining a double-digit growth rate for many consecutive years. Insurance Business Law No. 08/2022/QH15 was passed by the 15th National Assembly at its third session on June 16, 2022, effective from January 1, 2023. However, until now, we have still been waiting for decrees and guiding circulars. The 2022 Insurance Business Law has added many new regulations, such as procedures for closing and opening, changing the location of branches and representative offices of insurance companies, regulations on financial safety, giving businesses proactive rights in launching new products, and adding information disclosure requirements.

Therefore, micro-insurance research plays an essential role in ensuring social security, contributing to hunger eradication and poverty reduction, including insurance products designed and provided for the poor and low-income earners and disadvantaged people in society, and is one of the solutions contributing to promoting financial inclusion.

With the above analysis problems, the authors have chosen the topic: “Factors influencing the intention to buy microinsurance: A case study of low-income customers in Ho Chi Minh City”. Do research papers to contribute to solving problems that still exist in practice. The research includes the main contents of (i) introduction, (ii) theoretical basis and research model, (iii) research method, (iv) research results, and (v) conclusions and recommendations.

2. Literature review, research hypothesis and model

2.1. Literature review

Microinsurance is provided by insurance enterprises, individuals and households, mutual insurance organizations, microfinance institutions, professional associations, and socio-political organizations to individuals with low income to protect them against risks that may occur in life, according to widely accepted principles of insurance. Microinsurance is often defined as “protecting low-income people against specific risks in exchange for regular premium payments proportionate to the likelihood and cost of the risk (Ahmed & Hassan, 2020; Kamdjoug et al., 2020). Therefore, microinsurance is essentially the same as regular insurance but is undoubtedly built with lower sums insured, lower premiums, and simpler terms and conditions to cater to the target market’s characteristics.

The theory of planned behavior (TPB) holds that human behavior is guided by three considerations: beliefs about possible

consequences or other attributes of the behavior, beliefs about the normative expectations of others (normative beliefs), and beliefs about the presence of factors that can favor or hinder the functioning of the behavior (Ajzen, 2002; Kamdjoug et al., 2020). In their respective sets, behavioral beliefs create a favorable or unfavorable attitude towards the behavior; standard beliefs result in social pressures or subjective standards; control beliefs increase perceived behavioral control, the feeling of ease or difficulty in performing the behavior. As explained earlier, TPB was developed by adding perceived behavioral control as a belief control variable and expressed ease or difficulty in performing the behavior. It is a belief about possessing the necessary resources and opportunities to achieve a specific behavior.

Moreover, the fundamental ideas of the Theory of Planned Behavior (TPB) are: (1) People tend to exhibit certain types of behavior that they believe bring about exceptional and valuable results; (2) Their significant references demonstrate the validity of the behavior; and (3) they have the necessary ability, opportunity, and resources to perform the behavior to put it more simply, an individual’s attitude toward a particular behavior, along with subjective norms and perceived ability to perform the behavior, affected the individual’s intention to perform the action; behavioral intention is an essential indicator of a targeted behavior (Ajzen, 1991).

The perceived risk for the individual and/or the employee’s family is the employee’s perceived uncertainty about the loss, damage, or reduction of benefits related to income and employment. Ensure the income of the individual or the employee’s family due to different factors. Perceived risk about their family is the customer’s perception of loss or negative consequences related to income, financial resources to ensure family activities, or financial resources to care for the health

of yourself and individuals in the household (Kaplan et al., 1974).

In general, microinsurance in Vietnam is still not famous. People, especially those with low income and the poor, farmers, and financially vulnerable groups, do not have much access to essential financial services to ensure the risks and finances of social groups. The main reason is due to the following factors: People's awareness about insurance is limited, especially low-income people who think it is unnecessary or unnecessary. Furthermore, the main target areas of microinsurance products are often rural or remote areas that are difficult to reach: the cost of implementing microinsurance is often greater than conventional insurance products but riskier. Most insurance businesses in Vietnam do not want to provide microinsurance products. Not only do they have to change part of their business strategy, but insurance businesses also have to change their products to be simpler and cut costs to suit low-income customers. Meanwhile, the insurance market for the upper and middle classes is easy to penetrate and has much-untapped potential.

Based on domestic and foreign research, the authors saw that many empirical studies have been conducted worldwide to evaluate the influence of factors on the intention to participate in and buy microinsurance tissue. Accordingly, research results have shown that participation in microinsurance is considered based on many variables. These variables are explored through various approaches and data and explained based on the many factors influencing insurance purchasing decisions. However, previous studies have provided conflicting conclusions. Most studies related to the definition of microinsurance demand are based on empirical data. Demographic, economic, and psychographic variables were found to have a strong influence in predicting microinsurance demand. These studies focus

on the following 5 factors: Safety, social impact, convenience, ease of use, and benefits. Inheriting these factors, the authors continue applying them to Ho Chi Minh City (HCMC) research with the hypotheses below.

2.2. Research hypothesis

Based on the analysis and consideration to study the level and direction of impact of factors such as awareness of risks occurring to the individual and the employee's family on the intention to buy microinsurance, the assumptions The research theory associated with the proposed research model is as follows:

Benefits (BE): Microinsurance plays an essential role in ensuring social security and contributing to poverty reduction, including insurance products designed and provided for the poor, low-income, and vulnerable people in society, which is one of the solutions contributing to promoting financial inclusion. Microinsurance is considered an effective tool to protect poor households and contributes to improving understanding of the need for insurance in the community of low-income people (Dominique-Ferreira, 2018; Kamdjoug et al., 2020). For low and medium-income people in rural areas, microinsurance also brings knowledge about insurance finance or, more simply, helps poor people get into the habit of accumulating finance. Usually, low cost is the factor that leads to customers' decision to purchase products, but in some cases, especially for microinsurance products, the benefits that products bring are more significant than those of customers. Benefits are one of the critical factors that impact individual customers' intention to purchase microinsurance products with low cost; the customer considers the product's benefits more than the cost. Hypothesize H1 as follows.

Hypothesis H1: Benefits positively impact (+) the intention to buy microinsurance in HCMC.

Convenience (CO): The convenience is that building a practical and straightforward insurance fee collection model to maintain and develop this type of insurance is a big obstacle because it must calculate reasonable costs for the fee collector, as well as obstacles in collecting fees from people with seasonal income. This is the principal contradiction that insurance businesses encounter when implementing this product. Besides, finding a genuinely effective distribution channel to sell microinsurance products directly to rural people is a complex problem for insurance businesses (Eling & Lehmann, 2018; Kamdjoug et al., 2020). Currently, the sale of microinsurance products is not through agents but only through associations and unions, so collecting monthly fees is also a complex problem. Unlike cities, people live in different terrains in rural areas, so approaching them to introduce products and sign contracts is complex, and collecting fees is even more difficult. Product delivery is one of the most cost-intensive activities when launching a new product. Hypothesis H2 is put forward as follows.

Hypothesis H2: Convenience has a positive (+) effect on the intention to buy microinsurance in HCMC.

Safety (SA): The perception of safety for the employee's individual and/or family is the employee's sense of certainty about loss or reduction of benefits related to income and security. Protect the income of the individual or the employee's family due to different factors. The feeling of security about yourself and your family is the customer's awareness of loss or negative consequences related to income, financial resources to ensure family activities, or financial resources to care for the health of yourself and individuals in the household (Guan et al., 2020; Kamdjoug et al., 2020). Previous studies have shown that safety awareness for individuals and families of employees has a

positive impact on employees' intention to buy voluntary social insurance. Thus, the research hypothesis H3 is proposed.

Hypothesis H3: Safety positively (+) affects the intention to buy microinsurance in HCMC.

Ease of use (EU): Along with the development of the 4.0 Industrial Revolution, digital microinsurance services have now been deployed in the Vietnamese market. Igloo – an Insurance Technology Company headquartered in Singapore, has just officially launched in Vietnam through the announcement of two major partners: Mobifone Telecommunications Corporation and Loship – a food delivery and e-commerce startup with one-hour delivery in Vietnam, to provide microinsurance services to the people of Vietnam. Microinsurance is an insurance product designed and provided for the poor, low-income, and disadvantaged people, with low premiums, small insurance amounts, and products. Insurance is simple, easy to understand, and accessible (Riikkinen et al., 2018; Kamdjoug et al., 2020). Microinsurance targets individuals from poor households, near-poor households, households just escaping poverty, households with an average living standard, and individuals with low income to meet their savings needs and protect against potential risks that can occur in life according to widely accepted principles of insurance. Hypothesis H4 follows.

Hypothesis H4: Ease of use positively (+) affects the intention to buy microinsurance in HCMC.

Social influence (SI): In traditional Vietnamese cultural conditions, each individual's actions are often influenced by the people around them. Besides, the characteristic of microinsurance is that it is frequently distributed through associations, groups, and unions. Therefore, the authors predict that the reference group may have a significant

impact. This factor has not been paid attention to in previous studies on the intention to participate in insurance for low-income people in Vietnam. Therefore, relatives' views, including parents, spouses, children, friends, and coworkers, are another critical influencing aspect. It also impacts customers' intention to get insurance. Microinsurance is an emerging sector in Vietnam, requiring clients to make more intricate purchase decisions that may need consultation. The husband and wife or the parents in a household must approve the new purchase option and contract (Schmidt, 2019; Kamdjoug et al., 2020). Consumers find purchasing challenging if the abovementioned influencers fail to reach these agreements. Hypothesis H5 is as follows.

Hypothesis H5: Social influence has a positive (+) impact on the intention to buy microinsurance HCMC.

2.3. Research model

The ultimate goal of microinsurance purchase intention analysis is to deliver the right message to the right customers at the right time. As a result, the team's analysis of intent data can also reveal when customers are strongly inclined to buy from a particular supplier, with practical applications from lead scoring and nurturing campaigns to programmatic advertising and marketing focused on a specific customer. The survey subjects are customers who intend to buy micro insurance but have average and low-income levels; this group accounts for a relatively high proportion of the total number of customers in HCMC (Hien & Hoa, 2023).

The authors proposed a research model with five factors affecting the intention to buy microinsurance in Ho Chi Minh City: Benefits, convenience, safety, ease of use, and social influence.

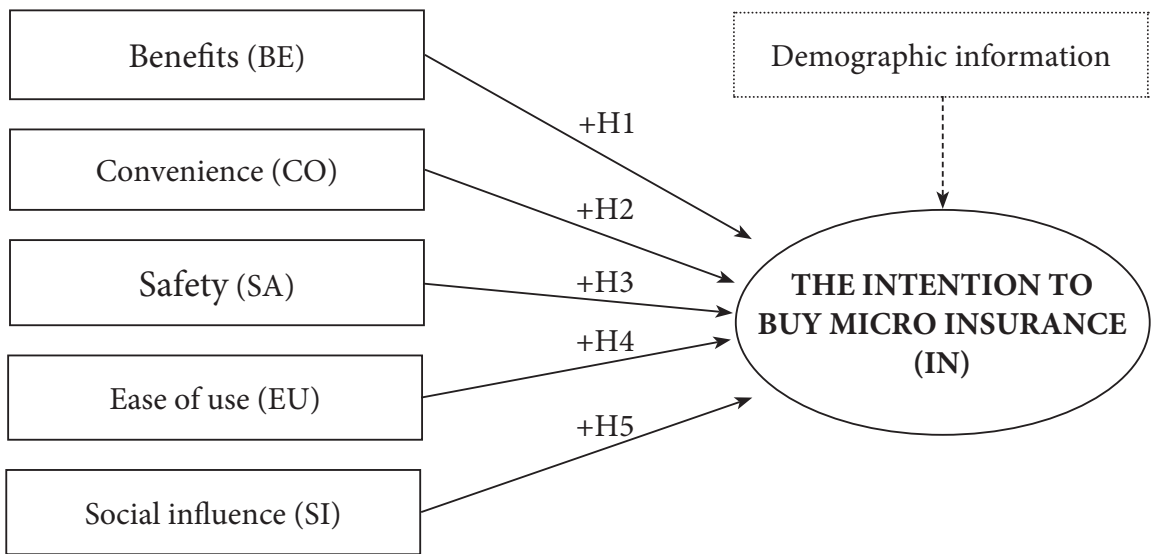


Figure 1. Research model of factors affecting the intention to buy microinsurance in Ho Chi Minh City

3. Research methods

3.1. Qualitative research

Based on document analysis, the authors conduct qualitative research. The purpose of

the qualitative research is to discover the factors that affect the intention of low-income people in HCM City to participate in microinsurance, which previous studies have not mentioned. From there, adjust and supplement the scale of

factors affecting the intention of low-income people in Vietnam to join in microinsurance. To accomplish these tasks, the authors conducted in-depth interviews and group discussions to collect information reflecting factors affecting low-income people's intention to participate in microinsurance. The results of qualitative research are the official research model and official scale for subsequent quantitative research. The authors constructed an initial survey using TPB theory. The following steps were taken to conduct the interviews: Personal conversations with five insurance company managers from Prudential Vietnam, Dai-ichi Life Vietnam, Manulife Vietnam, and another company. The authors discussed experts in microinsurance were chosen as subjects for the one-on-one interview. Their expertise in consumer psychology and product recommendation analysis means their views will provide crucial factual data for rebalancing the scale. Where: in the representative offices, in the individual offices of the officers. Method of data collection: conducting one-on-one interviews with all employees following a pre-made agenda. Content for discussion: Discuss what influences people's intentions to buy microinsurance. The authors administered A formal survey questionnaire based on the findings of staff interviews.

3.2. Quantitative research

The results of the official quantitative research are the basis for the authors to evaluate the impact of factors on low-income people's intention to buy microinsurance. A formal quantitative study includes selecting research samples and information collection methods, assessing the scale's reliability, and adjusting the research model. The quantitative research process is as follows:

Step 1: The authors sets up a formal questionnaire. Step 2: The authors determine the sample size for the study. According to

previous studies, the sample size depends on the sample estimation method. However, most studies agree that the minimum sample size is 5 samples for a parameter to be estimated. The model in this study consists of 5 multiplied by 24 observed variables. Therefore, the minimum sample size required by the EFA in the survey is 100. The recommended sample size for regression analysis is $n > 50 + 8m$, where n is the research sample size, and m is the number of independent variables in the research model (Hair et al., 2018). In the study, there are 5 independent variables in this research model, so the smallest sample size to run the regression analysis is $n > 50 + 8 \times 5 = 90$ samples. The authors use a sample size of 400 observations suitable for EFA and regression analysis. Data collection methods: The authors used a convenient method for this study. Step 3: Analyze data by coding encrypted data and entering data into SPSS 20.0 software. Finally, the authors test the model for the research model.

After the scales have ensured reliability, the research analyzes the intention to participate in microinsurance of low-income people in Vietnam as follows: Using descriptive statistical analysis methods such as average numbers, relative numbers, and statistical disaggregation to evaluate the impact of factors influencing income earners' intention to participate in microinsurance low in Vietnam. Use inferential statistical analysis to test previously proposed research hypotheses. Specifically, use the correlation coefficient to measure the relationship between factors affecting the intention of low-income people to participate in microinsurance. Accordingly, relationships are considered positive when there is a positive correlation coefficient and negative when there is a negative correlation coefficient. Use a T-test and ANOVA analysis of variance to analyze differences in low-income people's intention to participate in microinsurance according to demographic characteristics.

Finally, the authors applied multivariate regression analysis to measure the impact of factors on low-income people's intention to participate in microinsurance. The article used the following analytical steps: (1) Using the adjusted explanation coefficient (R- Square adjust) to explain the variation of independent variables for the dependent variable; (2) use F-test to test the suitability of the regression model; (3) use t-test to test the significance of regression coefficients; (4) use the variance magnification factor – VIF standard to measure multicollinearity between independent variables in the regression model. Accordingly, the independent variables in the regression model are not meaningful when the VIF value is less than 10. Analytical conclusions will be meaningful when the significance level of testing the research hypotheses is less than 0.05.

4. Research results

According to Ho Chi Minh City Statistics Department statistics, HCMC's population accounted for 8.9 million people in 2023, and the rural population will account for nearly

1.8 million. Hence, awareness of micro-insurance is essential when people can understand the 2022 Social Insurance Law regulations, which will promote the intention to participate in voluntary social insurance in HCMC. Besides, the income of people has a significant difference, especially after the impact of the Covid-19 epidemic; many freelance workers lost their jobs, and their income is unstable, only enough to cover their daily living expenses life, so financial risks play an important role in people's intention to participate in micro-insurance. Still, in addition, the level of micro-insurance payments in Vietnam is being increased. The assessment is relatively high, and this also causes difficulties for low-income people (Hien & Hoa, 2023)

In addition, the authors survey 400 questionnaires were distributed, 365 valid votes were received, and the rate was 91.25%. After checking, there are 35 unsatisfactory votes excluded, mainly customers fill in missing information; the authors have the following results:

Table 1. Summary of descriptive statistics

Index		Persons	%
Gender	Male	149	40.8
	Female	216	59.2
Total		365	100.00
Income	Under 3 million/month	19	5.2
	From 3 million to less than 6 million/month	78	21.4
	From 6 million to less than 9 million/month	139	38.1
	Over 9 million/month	129	35.3
Total		365	100.00

Table 1 shows that 149 male persons account for 40.8% and 58.8%, respectively. In addition, persons with a monthly income of less than 3 million VND account for 5.2%, respectively

19 people; this rate is the lowest. Next, persons with a monthly income from 6 million VND to less than 9 million accounted for the highest, 38.1%, with 139 people.

Table 2. Summary of Cronbach's Alpha results of factors

No.	Variable	Initial variable number	Number of remaining variables	Cronbach's Alpha
1	Benefit (BE)	5	5	0.927
2	Convenience (CO)	4	4	0.921
3	Safety (SA)	4	4	0.918
4	Ease of use (EU)	4	4	0.870
5	Social influence (SI)	4	4	0.917
6	Intention to buy microinsurance (IN)	3	3	0.822

Table 2 displays the Cronbach's Alpha coefficients for the acceptable scales. The scale's reliability evaluation results indicated that the scales fulfilled the standards, with Cronbach Alpha reliability coefficients ranging from 0.818 to 0.927. All variables that were observed have a total correlation exceeding 0.3. The authors can utilize these scales to conduct a more in-depth exploratory factor (EFA) analysis. The

KMO coefficient is 0.769, and the significance level (Sig.) is 0.000, indicating the suitability of factor analysis. The findings suggest that the Eigenvalues are 2.272, more significant than 1.0, and the total extracted variance is 79.057%, exceeding the 50% threshold, thus indicating sufficient variance. 79.057% of the variation in the observed variables is accounted for by the five factors listed in Table 3.

Table 3. Factor analysis explores the independent variable

Code	Components				
	BE	CO	SI	SA	EU
BE2	0.904				
BE4	0.899				
BE5	0.895				
BE3	0.855				
BE1	0.844				
CO3		0.935			
CO4		0.922			
CO2		0.880			
CO1		0.852			
SI3			0.925		
SI1			0.924		
SI4			0.922		
SI2			0.826		
SA3				0.932	
SA4				0.923	
SA1				0.866	
SA2				0.862	
EU2					0.885
EU1					0.879
EU3					0.848
EU4					0.781

Table 3 displays 5 factors: Benefits (BE), safety (SA), social influence (SI), convenience (CO), and ease of use (EU). The results indicate that the Kaiser-Meyer-Olkin (KMO) coefficient for the intention to purchase microinsurance (IN) is 0.717, with a significance level (Sig.) of

0.000. The factor analysis is appropriate as the eigenvalue is 2.213, exceeding 1.0. Additionally, the total variance extracted is 73.782%, surpassing the threshold of 50%, indicating satisfactory variance.

Table 4. Analysis of multiple linear regression results

Factors	Unstandardized Coefficients		Standardized Coefficients	Sig.	VIF
	B	SE	Beta		
(Constant)	0.565	0.122		0.000	-
BE	0.112	0.019	0.194	0.000	1.115
CO	0.298	0.020	0.473	0.000	1.024
SI	0.122	0.013	0.295	0.000	1.060
SA	0.224	0.016	0.465	0.000	1.092
EU	0.098	0.014	0.239	0.000	1.161
Model	R	R Square (R ²)	Adjusted R ²	Std. error	Durbin-Watson
	0.807	0.651	0.646	0.298	1.804

Table 4 displays the statistically significant regression coefficients for the variables with a p-value of 0.000, indicating their importance. The five independent factors are statistically significant in the model and account for 64.6% of the variance in intention to purchase microinsurance. The remaining 35.4% of the variation is attributed to factors not considered in the study model. The model's hypothesis violations are satisfactory. The Durbin-Watson statistic is 1.804 (< 3.0), and the VIF value is substantially less than 2.0. This is the scientific foundation for suggesting managerial recommendations. This study provides specific findings and insights to understand the determinants influencing low-income individuals' inclination to purchase microinsurance in urban areas. Hypertrophic cardiomyopathy. It assists policymakers and microinsurance providers develop more suitable implementation plans and business strategies. Finally, the authors used a T-test and ANOVA analysis of variance to analyze differences in low-income people's intention to participate in microinsurance according to demographic

characteristics, such as gender and income, which is no different with significant levels of 5%.

5. Conclusions and managerial recommendations

5.1. Conclusions

Microinsurance is crucial for promoting an equitable financial system, mitigating risks, and enhancing social security from ethical and economic perspectives. Increasing participation in the microinsurance network is essential to capitalize on the advantages of microinsurance. This difficult objective may be accomplished by influencing low-income individuals through reference groups, media, and attitudes and enhancing their comprehension of microinsurance. The study organized the core theoretical foundation of consumer behavior and the factors influencing the propensity to purchase microinsurance in HCMC. The regression model's modified R² value of 0.646 indicates that the multiple linear regression model is appropriate for the dataset, explaining

64.6% of the variation. Explained 64.6% of the variability in factors influencing the intention to acquire microinsurance in Ho Chi Minh City. The significance value is 0.00, less than 0.05, indicating that the regression findings are acceptable and statistically significant, and all five hypotheses are accepted. The study also verified that the model did not contradict the specified hypotheses. Multicollinearity occurs when the variance inflation factor (VIF) is less than 2.0. As measured by the Durbin-Watson statistic, autocorrelation falls between 1 and 3. The variance is assumed to follow a normal distribution. It is essential to enact policy implications based on the following priorities to enhance the motivation for purchasing microinsurance in HCMC.

5.2. Managerial recommendations

This survey shows that policymakers and microinsurance providers need to clearly understand the target customers of this type of insurance, the characteristics of target customers, and build a marketing strategy that enhances the importance of the product in the daily life needs of low-income customers with the following management implications:

(1) Management implications of convenience (CO): This factor had an average value of 3.240, and the standardized estimate was 0.473 with sig. 0.000 (table 4). The results show that convenience affects the intention of low-income customers in Ho Chi Minh City to buy microinsurance, which is the same result as many studies (Eling & Lehmann, 2018; Kamdjoug et al., 2020). the insurance company must enhance agency distribution channels for many microinsurance sales. Improving the quality of this distribution channel is crucial. Even after rigorous investigation of financial contracts like insurance contracts, clients struggle to thoroughly grasp them without the insurance agent team's supervision and advice on whether they are correct. Due to his employment, the agent often signed insurance contracts improperly. Compensation events for these

errors cause several conflicts. Therefore, to boost product accessibility through agent distribution. Insurance firms must also monitor and disclose that agents may only advise and explain to consumers but cannot report information in insurance records. Customers must also sign and correctly provide their personal and health information in the claim file as requested by the insurance company. Lastly, the insurance buyer must honestly describe his health status and medical history, including previous exams. Finally, insurance firms must develop and improve processes and form papers to assist consultants in engaging with consumers and solving customer issues quickly and efficiently. Besides, Ho Chi Minh City has a large area, and the distribution channels of microinsurance products still face many difficulties due to the spread of the area and complex transportation. Therefore, Ho Chi Minh City needs mechanisms and policies to encourage insurance businesses to build and establish distribution channels for microinsurance products. Distribution intermediaries suitable for this type of insurance include political, social, and professional organizations and microfinance institutions. These are organizations with favorable conditions in approaching microinsurance customers.

(2) Management implications of safety (SA): This factor had an average value of 3.75, and the standardized estimate was 0.465 with sig. 0.000 (table 4). The results show that safety affects the intention of low-income customers in Ho Chi Minh City to buy microinsurance, which is the same result as many studies (Guan et al., 2020; Kamdjoug et al., 2020). Microinsurance participation must be better communicated by insurers. The survey and data analysis indicated that many respondents cited income as the primary reason they did not engage in microinsurance. Customers assume they need a significant, redundant income for microinsurance. Microinsurance solutions are versatile and have financial restrictions for different target groups. The message should stress the possibility of microinsurance,

especially for income-earning clients. Insurance businesses must improve communication to shift client perceptions. When choosing insurance, attitude toward microinsurance products is also significant. Many people have no opinion on the product's age, processes, costs, payment methods, or benefits. Micro and health insurance products may have been introduced. People are worried about buying microinsurance since it takes so long. Promoting microinsurance's promise to lessen scam worry. Because there are numerous ways to get cash from the public, interest rates/profits are high, and they go bankrupt, decreasing trust. Finally, emphasize microinsurance's promise to allay participants' fears of being defrauded. Current reality involves money mobilization from individuals, high-interest rates/profits, and bankruptcy, lowering confidence. Moreover, Ho Chi Minh City is a key economic region with outstanding investment and also offers many opportunities for education, health care, and consumer and entertainment amenities that rural areas certainly do not have many access opportunities. Another important feature that promotes the flow of migrants from rural to urban areas is the behavioral behavior of workers in the rural economy over the years, rotating over time with different conditions in the seasonal economy. For that reason, participating in microinsurance provides protection and savings services for low-income families by providing insurance packages suitable to their income and needs. Customers who need micro-insurance aim to serve individuals from poor households, near-poor households, households just escaping poverty, families with an average standard of living, and low-income individuals who need to save and protect against risks that may occur in life based on widely accepted principles of insurance.

(3) Management implications of social influence (SI): This factor had an average value of 2.79, and the standardized estimate was 0.295 with sig. 0.000 (table 4). The results show

that social influence affects the intention of low-income customers in Ho Chi Minh City to buy microinsurance, which is the same result as many studies (Schmidt, 2019; Kamdjoug et al., 2020). Insurance products are intangible. Hence, the company's image matters to customers. Any move affecting the company's image and reputation affects its business. Building public trust in the company's brand is crucial. Public relations operations will assist the firm in gaining public knowledge and trust. This public includes media agencies, mass groups, social activists, investors, financial institutions, employees, firms, customers, intermediates, and rivals. Insurance businesses should also enhance their advertising; public relations (PR) costs are minimal yet successful owing to honesty, objectivity, and word of mouth. PR helps educate, comprehend, influence public opinion, and build prestige. Raising knowledge and positive views regarding microinsurance products is crucial. To achieve this, the firm must strengthen microinsurance guarantee communication, change consumer perceptions, underline its excellence, develop confidence, and reduce customer anxiety. Finally, the insurance organization must encourage dealer quality management and enhanced core dealer training. In addition, Ho Chi Minh City has some urban areas, industrial parks, and the most important source of unskilled labor for industrial parks; they are necessary workers and maintain the informal economy in urban areas such as the informal economic sector. Therefore, microinsurance aims to contribute to protecting insurance participants against risks that may occur related to life, health, and property. Still, the insurance value is lower than conventional insurance, so participants in this type of insurance only need to pay a small insurance amount suitable for their income. Microinsurance products include personal insurance such as health insurance, health care, accident insurance, death or total permanent disability insurance, and old age savings insurance.

(4) Governance implications of ease of use (EU): This factor had an average value of 3.22; the standardized estimate was 0.239 with sig. 0.000 (table 4). The results show that ease of use affects the intention to buy microinsurance of low-income customers in Ho Chi Minh City, which is the same result as that of many studies (Riikinen et al., 2018; Kamdjoug et al., 2020). The digital banking experience journey must guide insurance product design. It is necessary to create specialized insurance products according to the customer journey and closely associated with automatic analysis of customer behavior and taste according to analytical data, integrated with banking products that customers frequent using the digital banking platform for easy access by customers, picking up consistently in the shopping cart on the journey of using the service; integrated with banking products, investment, trust, shopping. Effects of online risk protection, online loan insurance, accident insurance, travel, and cumulative investment. Insurance firms must also create a thorough and timely legal corridor by adding direct regulations on order and processes and explicitly outlining commercial banks' and insurance companies' digital platform duties. To improve the information technology system, the organization must update new technologies. The intuitive design interface makes using the service easy and comfortable. Favorable ratings from existing customers improve communication with future clients, boosting their propensity to utilize the service. In addition to recruiting, training, and taking examinations for code certifications according to Ministry of Finance standards, the firm must professionalize and develop the insurance agency staff. Although this type of micro-insurance meets the needs of poor and low-income households, contributing to the social security policy of the Party and State, the pilot implementation process. Ho Chi Minh City has not been truly successful. The reason is that it is still new, and people's awareness of insurance is still limited, especially

people with low incomes. Therefore, Ho Chi Minh City needs to promote micro-insurance education and propaganda to improve subjects' understanding of micro-insurance products. At the same time, insurance businesses need to design micro-insurance products that are simple, easy to understand, easy to remember, and suitable for the awareness and qualifications of low-income people.

(5) Implications for benefits (BE): This factor had an average value of 2.93, and the standardized estimate was 0.194 with sig. 0.000 (table 4). The results show that benefits affect the intention of low-income customers to buy microinsurance in HCMC, which is the same result as many studies (Dominique-Ferreira, 2018; Kamdjoug et al., 2020). Insurance companies must improve their information technology level to ensure database data, customer base, collection and payment mechanism, periodic payment, and centralized management software interoperability so the two sides can review cooperation results. Insurance companies must promote themselves in the media to improve their market competitiveness and quality by covering losses, paying insurance contracts, and providing customer service. This will build customer and bank trust. Insurance businesses using high-tech applications must also conduct research, development, and testing. Insurance businesses must investigate, build, and upgrade autonomous programs to increase efficiency and save money in addition to consulting global insurance companies' information technology investment strategies. Insurance firms must invest in and build new technology over time since technology, especially banking technology, is rapidly becoming obsolete compared to science and technology. Finally, insurance companies must develop long-term investment and development plans for modern technology because technology, especially insurance technology, is quickly outdated due to the pace of growth and science and technology. Based on the goal is that by 2030, Ho Chi Minh City will become an innovative urban area, a modern

service-industrial city, a leader in the digital economy, a digital society, and an economic, financial, and commercial center culture, education, science, and technology of the whole country, extensive international integration. Therefore, for microinsurance to develop in the context of widespread digital transformation, it is necessary to consider integrating with financial technology platforms being developed for low-income and vulnerable customers concentrated in rural areas and industrial zones. In addition, the target customers of this type of insurance are low-income people who are subject to the State's support policies, so consider coordinating with national target

programs on hunger eradication, poverty reduction, and sustainable development of rural areas.

This study only focuses on the main factors affecting low-income people's intention to buy microinsurance in HCMC. Research focuses on customer aspects to understand customers. Therefore, the study will not mention several other factors, such as state support, pricing strategy, product strategy, etc. These factors may also play an equally important role in influencing consumers' intention to purchase microinsurance. This is also considered a limitation of the research and can provide directions for further study.

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