

Research Title

**THE EFFECTS OF HOUSEHOLD CHARACTERISTICS ON
THE ACQUISITION OF LIFE INSURANCE:
THE CASE OF SABAH
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ABSTRACT

Life insurance policies can be an element of a retirement plan to ensure financial stability after a person retires. However to date, most research conducted from the perspectives of the Malaysian market are focused only on the effect of economic variables rather than any other explanatory factors especially the non-economic variables towards the acquisition of life insurance by household in this country (Ahmad, Lim & Abdul Jamal, 2011; Redzuan, Abdul Rahman & S.H. Aidid, 2009; Ahmad & Yaakob, 2005). In line to address the gap, this research is expected to address the following objectives that are to examine the influence of socioeconomic variables, financial status, savings attitudes and the type of life insurance towards the acquisition of life insurance by households in the state of Sabah. The analytical approach is based on the model by Ferber and Lee (1980) and the Consumer Expenditure Surveys (2011) whereby a multiple regression function of a linear model is constructed to test the effects of the independent variables consisted of non-economic factors on the life insurance acquisition. This research suggests that the acquisition is contributed by the occupation, level of education, ownership of house and/or credit card and budget attitude. Also, two other independent variables namely the Financial Status and the Type of Life Insurance seem influential in affecting the life insurance acquisition. Overall, the results from this study seem to conform to those expected of rational insurance consumers.



ABSTRAK

Polisi insurans hayat boleh menjadi satu elemen bagi pelan persaraan untuk memastikan kestabilan kewangan selepas seseorang itu bersara. Bagaimanapun sehingga kini, kebanyakan penyelidikan yang telah dijalankan daripada perspektif pasaran Malaysia lebih memfokus kepada kesan pembolehubah ekonomi berbanding faktor lain terutama yang melibatkan pembolehubah bukan ekonomi terhadap pemerolehan insurans hayat isirumah negara ini (Ahmad, Lim & Abdul Jamal, 2011; Redzuan, Abdul Rahman & S.H. Aidid, 2009; Ahmad & Yaakob, 2005). Bagi menangani masalah berkenaan, kajian ini dijangka dapat menjawab objektif bagi menilai pengaruh pembolehubah sosioekonomi, status kewangan, tingkahlaku tabungan dan jenis insurans hayat terhadap tingkahlaku pemerolehan insurans hayat isirumah di negeri Sabah. Pendekatan analitikal adalah berdasarkan model Ferber dan Lee (1980) serta Consumer Expenditure Surveys (2011) di mana satu fungsian regresi berbilang model linear dibentuk untuk menguji kesan pembolehubah tidak bersandar yang terdiri daripada faktor bukan ekonomi ke atas pemerolehan insurans hayat. Kajian ini mencadangkan pemerolehan berkenaan dipengaruhi oleh jenis pekerjaan, tahap pendidikan, pemilikan rumah dan/atau kad kredit dan tingkahlaku bajet. Dua pembolehubah tidak bersandar iaitu Status Kewangan dan Jenis Insurans Hayat juga berpengaruh dalam pemerolehan insurans hayat. Secara keseluruhannya, dapatan kajian dilihat selari dengan yang dijangkakan ke atas pengguna insurans yang rasional.