Determinants of Insurance uptake in developing countries: Evidence from CIC insurance, Kericho Branch, Kenya.

Willy Kipkoech Langat*, Dr. Isaac Naibei, Prof.Clifford Machogu Getare*****

*Branch Manager (General Business) Britam Insurance Company, Mombasa & Scholar, Department of Finance, University of Kabianga
**Lecturer, Department of Accounting and Finance, University of Kabianga
***Associate Professor of Finance, Department of Finance and Accounting,, Murang'a University College, Kenya

Abstract: Insurance plays a major role in the life of the humanity. The citizenry has gradually come to realize the necessity of insurance and these needs are unending as long as life exists. The purpose of this study was to establish the influence of consumer behaviour on the uptake of insurance service in the Cooperative Insurance Company (CIC), Kericho branch. The specific objectives of this study were to determine demographic, economic, social and psychographic factors that influence consumer behaviour in insurance uptake. The study used descriptive research design. The targeted population was 300 customers of CIC insurance Kericho. The study utilized simple random sampling technique to select 171, customers. The data was collected by the use of structured self-administered questionnaires. The study found that there is a significant relationship between consumer behaviour and insurance uptake and that economic factors, demographic, product awareness greatly influence the uptake of insurance services, whereas social factors are less significant on insurance uptake. The study therefore recommends that insurance companies should profile their clients according to the economic and demographic characteristics and develop unique products and marketing strategies for each segment.

Key words: *Determinates, Insurance uptake, CIC, Kenya*

I. INTRODUCTION

Consumer behaviour is the activities people undertake when obtaining, consuming and disposing of products and services (Batra & Kazmi, 2008). According to Kotler,(2008), Consumer behaviour is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption related items. Consumer behaviour study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. Consumer behaviour blends from psychology, sociology, marketing and economic. Schiffman and Kanuk (2007) defines consumer behaviour as the behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs. Consumer behaviour is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires.(Solomon, Bamossy, Margaret & Askegaard 2013) attempts to understand the decision-making processes of buyers, both individually and in groups. It studies individual consumers such as demographics and behavioral variables in an attempt to understand people's wants. Blackwell, Miniard and Engel *(*2006) states that relationship marketing in an influential asset for customer behaviour analysis as it has a keen interest in the re-discovery of true meaning of the re-affirmation of the importance of the customer. According to (Kotler 2008), consumer behaviour is influenced strongly by cultural, social, personal and psychological factors. Every group or society has a culture. Cultural factors exert a broad and deep influence on consumer behaviour.

Marketers need to understand the subculture and social class of the targeted group. This will avoid ineffective marketing and embarrassing mistakes. Each culture contains smaller subcultures. Subcultures include nationalities, religions, racial groups and geographical regions. Subcultures make up important market segment and marketers design products and marketing programs tailored to their needs. Every society has some form of social class structure. Social class can be determined by income, occupation, education, wealth. Marketers are interested in social class because people within a given social class tend to exhibit similar buying behavior. People with different cultural and subcultural characteristics have different product and brand preferences (Schiffman & Kanuk 2007).Consumer behaviour is influenced by social factors. A person's reference groups like the family, friends, social networks, professional association strongly affect product and brand choice (Blackwell *et al* 2006). According to Solomon *et al*, (2013), People who are grouped within the same social class are approximately equal in terms of their social standing in the community. They work in roughly similar occupations, and they tend to have similar lifestyles by virtue of their income levels and common tastes. These people tend to socialize with one another and share many ideas and values regarding the way life should be lived. Some groups and individuals exert a greater influence than others and affect a broader range of consumption decisions. Personal factors including age and life- cycle stage, lifestyle, personality and self-concept influence consumer behaviour. People change the goods and services they buy over their lifetimes.

Marketers try to create products and services that will provide the desired benefits and permit the consumer to reduce this tension (Solomon *et al*, 2013). According to Kotler (2008), psychological factors such as motivation, perception, learning, and beliefs and attitudes affect consumer behavior. Each of these provides a different perspective for understanding the workings of the buyer's behavior. Insurance is a way of reducing uncertainty of occurrence of an event. It has assumed many functions; the basic purpose being to derive plans to counteract the financial consequences of unfavorable events. Insurance is the protection and security against unforeseen risks, whose two primary functions are to provide adequate coverage at a reasonable rate of premium and to pay losses promptly and fairly. While it does not stop the event from happening, it acts as a cover against the financial consequences of such risks (Ogutu, 2004). Insurance is a process of transferring risks from one individual called insured to another called the insurer. The insurer pays the insured financial losses incurred because of an occurrence of unexpected insurable event. For this service, the insured pays the insurer a premium. Insurance is the most superior method of handling risks. This is because it transfers risks to those with the financial ability and technical knowledge to handle them, Muriithi & Onuong'a (2011).

According to (Brainard, 2008), the importance of insurance in business, economic growth, and particularly in financial services sector cannot be overemphasized. The indemnification and risk pooling properties of insurance facilitate commercial transactions and the provision of credit by mitigating losses as well as the measurement and management of non-diversifiable risk more generally. According to (Narayanan 2010), insurance plays a major role in the life of the humanity. Slowly people started to realize the necessity of the insurance and these needs are unending as long as life exists. In fact insurance is not restricted for any category neither of the society nor in term of cast, ages or life styles. Also many people have a notion that Insurance is very good form of an investment, which is not right. The life insurance industry has become increasingly competitive in recent years. Consumer behavior and satisfaction from insurance products depends upon various attributes like search, experience and credence factors. Life Insurance is a professional service which is characterized by high involvement of the consumers, due to the importance of tailoring specified need, the variability of the products available, the complexity involved in the policies and processes and ultimately the need to involve the consumer in every aspect of the transaction. All these characteristic features cause customers to seek long term relationships with their insurance agents, their service providers, in order to reduce risks and uncertainties. Potential consumer are driven to buy life insurance policy for one or more of three major reasons that is, security of money invested, saving for one or more specific purposes and the availability of tax benefits.

As at June 2012, the Kenyan economy had 45 licensed insurance companies, 24 transacting general insurance business, 14 transacting life insurance businesses, while 7 are composite insurers – transacting both life and general insurance business. Other members of the insurance industry as at June 2012 included 154 insurance brokers, 126 insurance investigators, 26 insurance surveyors, 20 loss adjusters, 23 medical insurance providers and 78 licensed motor assessors. Others are 2 licensed claims settling agents and 10 licensed risk managers (IRA, 2012). This makes the Kenyan insurance industry one of the largest among the 54 African countries .Masinga (2005) asserts that life assurance provides cover to an individual policy holder against ill health, disability, premature death, natural calamities and financial stability in old age. The penetration of life insurance among the Kenyan population is also low compared to other countries. Insurance in Kenya is known to have been in existence for over sixty years now with the first insurance companies believed to have been owned by British insurers during the colonial times. The industry is governed by the Insurance Act (1994) and regulated by the Insurance Regulatory Authority. The Insurance Regulatory Authority (IRA) was created by the Insurance (Amendment) Act of 2006 and came into operation on 1st May 2007.

In Kenya there were 46 licensed insurance companies at the end of 2010, 22 companies wrote non-life insurance business only, 9 wrote life insurance business only while 14 were composite (both life and non-life). There were 163 licensed insurance brokers, 23 medical insurance providers (MIPs) and 4223 insurance agents. Other licensed players included 120 investigators, 80 motor assessors, and 21 loss adjusters, 2 claims settling agents, 10 risk managers and 26 insurance surveyors. (AKI 2010). The penetration of insurance in Kenya is low compared to leading countries in Africa and Asia. According to a research report by SBO research for Association of Kenya Insurers (AKI) in May 2008, the Association was concerned with the low market penetration of insurance in Kenya and the poor public perception of insurance by the general public. The research finding was that the low income and informal sector market has little access to formal financial services for the management of risks. The poor engage in various types of risk pooling and informal insurance schemes to mitigate risks. The penetration of the Kenyan insurance industry stands at 2.63% of the GDP in the year 2014. This is considered to be very low compared to other countries in Africa such as South Africa, which has a penetration of 9.94%. The penetration of insurance among the Kenyan population is also low as compared to other countries. A good example is Malaysia, which has an estimated 41% of the population covered by some form of life insurance in comparison to Kenya that has less than 1% of the population insured. (SBO,2010)

The performance of the insurance industry in Kenya seems to be poor yet the industry's importance of the insurance sector cannot be underrated (Etemesi 2004). This study therefore seeks to determine the effects of consumer behaviour in uptake of insurance service. CIC Insurance limited was started off in 1968 as an insurance agency. CIC insurance has transformed to be one of the leading insurance company in Kenya. CIC insurance is a composite insurance company as it writes all classes of business. According to Insurance Regulatory Authority (IRA) report released in September 2014, CIC Insurance limited is the second largest insurance company in Kenya by the market share and it's the leading micro insurance in Africa. CIC Insurance targets its market through the cooperative movement which is vibrant in Kenya. CIC Insurance limited has 27 branches across Kenya and it is also in Uganda, South Sudan and Malawi.

The insurance industry plays a critical role in the economy of many states globally as it provides financial solutions to many enterprises. Despite this critical role, there is a concern that the insurance uptake in Kenya is very low. Insurance penetration in Kenya is characterized with low penetration ratios below 1% and it is only in the year 2010 for the first time it recorded 1.05%. This compared to Taiwan at 14.5%, South Africa, 12%, Namibia, 5%, and the World, 3.2% is very low, Malaysia, 41% for the Life insurance. Whereas, the Economic uptake in Kenya has been growing, 2005(5.8%), 2006(6.4%), 2007(7%) the penetration ratio for life insurance during the period was 2005(0.78%), 2006(0.76%), 2007(0.83%), Motor insurance is the common product and has higher uptake than other products as it is compulsory Kenya. The uptake of Non- Life products is 3.5% of the Kenyan population as per the AKI reports of 2014, which is very low. Despite studies indicating that consumer behaviour plays a critical role in product and service uptake in AKI reports. However, there are no known studies in Kenya linking consumer behaviour and uptake of financial services in insurance sector. Therefore, there is limited knowledge inherent in the literature regarding factors affecting consumer behaviour specifically in the insurance industry in Kenya. Literature reveals several potential factors including demographic, economic, social and psychographic factors. It is however not exactly known to which extent these factors influence the consumption of insurance services. Today's consumers face a growing range of choice in the products & the services they can buy. A company needs to understand the influence of consumer behavior for long term success of their marketing programme. The company's goal is not only to get a customer, but more importantly the company should retain customers by understanding the behavior of consumers, thereby making relationships in the longer run. This study therefore was to establish the influence of consumer behaviour on insurance uptake in Kenya.

The study was conducted in CIC insurance, Kericho branch. CIC Insurance limited is the second largest insurance company in Kenya by the market share and it's the leading micro insurance in Africa. It is also one of the fastest growing financial service companies in East Africa. CIC Insurance limited is a composite company and it underwrites all classes of business thus it provides a good sampling frame. Kericho has many savings and credit cooperative societies (SACCOs) which are the main clientele of CIC Insurance. By targeting CIC Insurance the researcher would be able to capture more respondents who are consumers of Insurance services.

II. LITERATURE REVIEW

According to Batra & Kazmi (2008), described consumer decision making process, buyers' black box and importance of consumer behaviour studies for marketers in order to understand what satisfy the ultimate consumer. The authors described vital characteristics of Indian consumer and competitive advantages in Indian context for the marketers. The consumer decision process, buying roles and consumer black box are discussed in detail. The various steps evolving consumer decision making are linked with the life stages. Young buyers, women and children considered as uprising consumers groups as a part of competitive market situations. Hawkins *et al*, (2007) identified various factors affecting consumer behaviour for buying such as demographic and social influences (family and household), group influence, and impact of advertising and internal influences (learning, perception, and attitude). The authors elucidated the topics such as types of consumer decisions, purchase involvement and product involvement. The book also emphasized on information search process and various ways for providing relevant information to the consumers are recommended in this study. The authors also emphasized on individual judgment and proposed that the ability of an individual to distinguish between similar stimuli is called sensory discrimination which could involve many variables related to individual preferences. Lazar & Schiffman (2007), suggested that, consumer behaviour as individual differs as from group

Bitta & Della (2004), proposed that consumer behaviour studies play an important role in deciding marketing segments and marketing strategies. The authors recommended that consumer is often studied because certain discussions are significantly affected by their behaviour or expected actions. For this reason such consumer behaviour is said to be an applied discipline. Such applications can exist at two levels of analysis. Market segmentation, consumer decision making and buying behaviour is considered as core marketing activities in designing effective marketing strategies. The micro perspective involves understanding consumers for the purpose of helping a firm or organization to accomplish its objectives. On the other hand macro or societal perspective consumers collectively influence economic and social conditions within an entire society. The authors discussed factors affecting consumer behaviour at micro and macro level for making a purchase decision. Karunik & Schiffman(2006), highlights dynamic business environment is turbulent as never before and the service industry as promising as never before. In this era of intense competition companies understand the customer is the king in the market and success depends a lot on the efficiency of the managers in delivering the promised product or services. The responsibility lies on the organizations to develop a culture, ethics, responsibility, value and quality services should be offered to achieve higher level of customer satisfaction. Dynamic consumer behaviour is required to analyze various factors affecting consumer purchase decision directly or indirectly.

Zeithaml & Bitner (1993), highlights on various ingredients of services marketing such as consumer behaviour in services, services designs and standards, delivering and performing service and managing service promises. The book focused on various challenges and issues of service marketing, the GAPS model of service quality and customer defined service standards. The book discussed service quality models and service preference models in detail. The book also recommended uniformity in quality standards should be implemented. Indian Insurance A Profile by Narayanan (2010), highlighted features of Indian insurance markets, development of insurance sector in India, major players in insurance sector and insurance products offered to Indian policyholders. The book also provided detail of growth of life insurance and general insurance in India with appropriate statistics. Various phases of growth and development of insurance sector are presented in an efficient manner. The comparison of life insurance and General insurance is also provided in Indian and global context. The detail of LIC and private players is given in this book related to number of life insurance policies, growth in life insurance premium, life insurance density and number of agents in life insurance.

Bhole & Mahakud (2009), focused on Financial Institutions and Markets: Structure, Growth and Innovations, " the book elucidated IRDA policy reforms, Indian Financial System since 2002 and insurance sector reforms. The aggregate view of Indian insurance is presented is three developmental phases since 1818. Policy development, structure and various types of insurance plans are defined with evaluation process. The growth of financial services, financial sector reforms and role of regulators in financial reforms has been discussed in this book. The Boston Consulting Group recently conducted a study on consumer perceptions about insurance industry under its major brands entitled "Leveraging Consumer Insight in Insurance". The study was done in mid-2009 focused on four major markets France, Germany, Japan, and United States and was based on a survey of more than 1000 people in each market, along with in-depth workshops and interviews.

The consumer attitude towards insurance is the first step in tapping full potential of consumers in a marketplace. The second step was to segment consumers on the basis of their perceptions about insurance, rather just according to income, wealth, life stage etc. This segmentation should then be enriched with insight into purchasing and channel preferences. Life insurance and age has shown a significant relationship according to the some preliminary studies conducted in seventies and eighties. Baek and DeVaney (2005) found that the effect of age was positive and significant, but Chen *et al*. (2001) found a negative significant relationship between age and life insurance demand, whereas Gandolfi & Miners (1996) argued that age was not a significant factor in purchase of life insurance. Baek and DeVaney (2005) used Probit, Tobit and Heckman model to investigate the impact of bequest motives on savings based on the estimates of the demand for life insurance, using the 1975 Longitudinal Retirement History Survey data. The youngest respondent was 64 years old and the oldest respondent was 69 years old in the 1975 survey. The effect of age on life insurance holding was also examined in the models. The results of all three models showed that the probability of life insurance holdings fall with age. Baek and DeVaney (2005) pointed out that this negative relationship reflects dissaving behaviour of the respondents. Using the 1984 LIMRA data, Gandolfi & Miners (1996) found that age was negatively associated with the demand for life insurance for husbands, while the age variable was not significant in the model while studying life insurance demand for wives.

Baek & DeVaney (2005), agreed in their research that there is a positive relationship between education and life insurance demand. They recognized that those who have a better education will purchase more life insurance. This is due to the fact that households with greater education can expect their incomes to continue to increase at a faster rate and for a longer period of time. Baek & DeVaney (2005) further examined the effect of human capital, bequest motives and risk on term and cash value life insurance purchased by households by using 2001 survey of Consumer Finance Data. They explained this positive relationship was due to a greater loss of human capital when the household head dies. Households with a head with greater education have potentially higher incomes. The death of such a household head will bring more financial loss to the family as compared with those with lower education. Hence, the purchase of life insurance for those with greater education increases as the value of the lost human capital increases. The authors explained that higher educated people may believe that inflation often decreases the cash value of life insurance from a savings standpoint and hence declines their need for life insurance. Family size and number of children were found to be significant explanatory variables for determining the demand for life insurance in many studies. Showers & Shotick (1994). In contrast, Anderson & Nevin (1975) obtained the result that there is no significant association between family size and the purchase of life insurance using the data of Consumer Decision Processes.

Previous studies have consistently concluded that, if household heads or husbands are employed, more life insurance will be purchased by individuals or households. Ferber & Lee (1999) developed a one period model of the amount of life insurance purchased by a married couple with data from the Wisconsin Assets and Income Survey. The dependent variable in this study was the face amount of life insurance held by the husband. The results showed that occupation of husband had a positive impact on the amount of life insurance purchased. Gandolfi & Miners (1996) found that the wife's employment status has a negative impact on the husband's life insurance ownership. They argued that full-time labor force participation by the wife reduces the husband's life insurance demand. (Gandolfi & Miners,1996). The analysis of Baek & DeVaney (2005) indicated that labor force participation by the wife enhanced the purchase of both cash value and term life insurance of the household. Limited researches have examined the influence of health status and life expectancy on the life insurance purchase. Zhu (2007) studied an individual's choices on the purchase of life insurance and the purchase of stocks using one-period and two-period models. Zhu argued that when an individual decided the purchase of life insurance and stocks would consider his personal circumstances, such as wealth, future income, health status and survival probability, attitudes toward risk and bequest. Zhu found that an increased probability of surviving encouraged the individual to hold more life insurance. (Zhu, 2007) Similarly, Baek & DeVaney (2005) showed that a household with a healthy head spends more on life insurance expenditures (Baek & DeVaney, 2005) said that his product makes good sense, particularly when the protection is purchased against potential losses so large as to be catastrophic, such as total destruction of one's home, a large accident liability judgment, or death of primary family breadwinner. However, it has long been recognized that this sensible product is difficult to sell. There are many papers and research studies that imply that behavioral patterns, purchasing motives and consumption of certain products and services differ significantly in relation to social class affiliation. Jha (1999) commented that improvement in life span and advancement in medical science had changed the customers‟ needs for insurance products worldwide. The focus of the insurers in matured market of the west had shifted to pension, health care and protection products.

Marital status has also been found to strongly affect both household and individual life insurance demand in previous studies (Hammond *et al*, 1967; Mantis & Farmer, 1968). Mantis & Farmer (1968) were among the first to examine how marital status influences life insurance demand of households. Multiple linear regression analysis was used on data obtained from the Life Insurance Fact Book (1929-1964). Premium expenditures were used as the dependent variable to see if there was an association with six demographic independent variables. They expected that married men would spend more money on life insurance than single men. But the analysis showed a negative association between marriage and life insurance premium expenditures. Gupta & Mayur (2004) conducted a study on the topic Social Health Insurance Development (India Country Assessment Report). According to a research report submitted to Institute of Economic Growth, Delhi, India by Gupta, Mayur, despite a government policy on health, the health sector is currently changing shape mostly due to market forces. In this set up, change for greater health coverage takes on a more urgent tone and policymakers need to act now, rather than later, to prevent the high costs of inaction and letting the objective of "Health for All" even more difficult to attain. The health system in India is ripe for moving towards "Coverage for All" system, which would take care of the "Health for All" objective to a great extent. First of all, it has to be understood that mere lip service is not going to make "Health for All" happen. There has been a tendency to not think beyond the current set up, which admittedly is a good one for a minority of our population. The need of the hour is for the same minority, who are often in the helms of policymaking, to understand that serious changes need to be made to the system if one wants to fulfill the basic objectives outlined in the health policy. While any change is difficult, the one that involves more than one department and organization is admittedly more so. It is, however, entirely possible to bring about these changes over the next several years, if a beginning is made now. (Gupta & Mayur, 2004) ;Hasanbanu & Nagajyothi, (2007) concluded that there is significant relationship between age, educational qualification, gender, occupation and income of respondents and their level of investment with taking LIC policies and further concluded that there is no significant relation between marital-status, family type and family size and their level of investment with taking LIC policies.

Income is commonly found to be positively related to the demand for life insurance, holding other factors constant. The effect of current income on life insurance demand is examined in Showers & Shotick (1994). It also used Tobit analysis to analyze the effect of household characteristics on the demand for total life insurance with data from the Consumer Expenditure Survey in 1987. The dependent variable used was premium expenditures on life insurance products. They assumed that life insurance was a normal good. The Tobit analysis indicated that a positive relationship existed between income and expenditures on life insurance premiums. They explained that as income increased the household has a motive to buy more life insurance policies because life insurance is bought as a function of the income replacement needed, in the event of an unexpected death of the major wage earner. There are inconsistent conclusions in previous researches regarding the effects of net worth or wealth on life insurance purchase decisions. Some authors believed that there was a positive relationship between net worth or wealth and the demand for life insurance Hau,(2000). Since life insurance provide protection for households‟ wealth. Using the data from the Panel on Consumer Decision Processes (1968-1971), Anderson and Nevin investigated the variables associated with the amount and type of life insurance purchased by a sample of young newly-married couples. The data were analyzed through Multiple Classification Analysis (MCA). The results of MCA showed that net worth was a positive and significant factor in explaining both the amount of life insurance purchased and the purchase of term life insurance.

Several researchers have examined whether consumers are sensitive to market rates of interest for making life insurance purchases. Hasanbanu & Nagajyothi, (2007) indicated that the interest rate has a different effect on the demand of insurance depending on its short or a long run situation. In the short run, the demand increases with higher interest rates, whereas in the long run, the interest rate has no direct influence on the demand for life insurance. RNCOS (2006) is an agency which collect data for remote areas predicted India as one of the fast emerging economy on the world map as a strong economy and a global power. The country is going through a phase of rapid development and growth. All the vital industries and sectors of the country are registering growth and thus, luring foreign investors. And insurance sector is one of them. To throw light on the Indian insurance sector, RNCOS has launched its report “Emerging Rural Insurance Market in India” that gives an extensive research and in-depth analysis of the insurance sector in India. This report helps clients to analyze the leading-edge opportunities critical to the success of the insurance industry in India. Based on this analysis, the report gives a future forecast of the market that is intended as a rough guide to the direction in which the market is likely to move. Bhatt and Jain from IIM Ahmedabad have conducted a study on “Factors affecting the demand of health insurance in micro insurance schemes. The study emphasized on factors effecting demand of health insurance and their purchase decisions. Health insurance schemes are assuming significant importance in reaching large number of peoples. The result indicates that income and healthcare expenditure are significant determinant of health insurance purchase. It is widely believed that homeownership is positively related to the amount of insurance purchased. Gandolfi & Miners estimated the influence of income and the value of household production on the amount of life insurance purchased for both husbands and wives. They also investigated whether the influence differed by gender. The data in their study was collected by the American Council of Life Insurance (ACLI) and the Life Insurance Marketing and Research Association (LIMRA) in 1984. Husbands and wives were examined separately and total, group and individual life insurance were used as three separate dependent variables in the Tobit model. They did not separate term policies from cash value policies due to the data limitations. The analysis indicated that home ownership was strongly positive in all the equations for both husbands and wives.

Using consumer panel data from a mid-sized southwestern city, Burnett &Palmer (1984) explored 14 psychographic factors, such as work ethic, self-esteem, community involvement, fatalism, socialization preference, and religious salience and so on, as influential in determining life insurance demand. They found that life insurance is related with personality traits of individuals. The results showed that if people are self-sufficient and believe that they are in control of their own well-being, they will buy more life insurance. Other interesting results include: people who are more likely to own life insurance purchase are individuals who are not opinion leaders, are not price conscious, are not information seekers and are low in self-esteem. Social class, Culture and Social Groups: Since the late 50’s, the question of superiority of one criterion over another has been a subject of many research studies. Early researchers, for example, argued that social class was a better variable than income as a predictor of consumer behaviour. Hasanbanu & Nagajyothi, (2007) investigated the relationship between life insurance premium expenditures and various demographic characteristics of households. Marital status and race were included among the independent variables. The authors believed that race reflect some cultural differences, such as attitudes toward death, family, individualism and risk aversion. These differences explain some variation about premium expenditures among households. Using the cross-sectional data, they found that marital status was negative and significant and race was not significant in the multiple linear regression analysis where premium expenditure was the dependent variable.

The process of consumption has long been associated with sex and gender, thus, it comes as no surprise that consumer researchers often examine the effects of these variables on consumer behaviours. It also comes as no surprise that much is known about sex and gender and how they impact buying and consuming activities. Yet there is one gender-related variable, gender identity, that has both intrigued and perplexed behaviour researchers for over four decades. Gender identity, sometimes referred to as an individual's psychological sex, has been defined as the "fundamental, existential sense of one's maleness or femaleness" (Spence 1984, p. 83). Since gender is culturally derived, gender identity is similarly rooted in cultural understandings of what it means to be masculine or feminine according to Sehrawat & Kundu (2007. For many years, sex and gender were thought to be inseparable that is, men were masculine and women were feminine. But what consumer behaviour researchers, among others, recognized long ago was that some men were more feminine than masculine while some women were more masculine than feminine. In the postmodern culture in which we now live, this separation of gender from sex is even more apparent in services. Sehrawat & Kundu (2007) have conducted a study on buying behaviour of rural and urban consumers in India. The study aims to establish whether the residential background of consumers has a varying influence on their buying decisions. The study shows that rural and urban policyholders feel that the ease of carriage, lightness of weight, transparence and consistency, simplicity have a strong influence on buying decision on urban consumer as compared to rural policyholder. Gopalakrishna (2008) conducted a study on life insurance products and their innovations and development. The research provides details of the benefits given to the insured and different types of offerings available in the market.

Gupta, (1996) examined, via consumer interviews, the impact of the National Association of Insurance Commissioner's Model Life Insurance Solicitation Regulation as implemented in New Jersey. A substantial portion of the insurance buyers sampled did not become aware of the provisions of the regulation aimed to improve their buying ability. Further, many life insurance buyers were not well informed concerning the nature and operation of life insurance contracts and in particular, the life insurance policies that they had purchased. A package of reforms is very much in the offering. There is an immediate need of a regulatory framework to open up the insurance industry. Mittal, (1998) analytically examined the global market to observe how the new sense of competition which will come to the market after the liberalization will affect the non-life insurance markets structure and operation in India. Alagiri & Vellingiri (2008) conducted a research on life insurance in India. The research gives an account of the developments and throws light on the present scenario in the field of life insurance. The research discusses various aspects of life insurance services and role of private players, government and regulatory bodies in life insurance sector. Service Quality Dimensions: Parasuraman *et al* (1985) proposed the gap model of service quality that operationalized service quality as the gap between expectation and performance perception of the customer. Later on, service quality has also been defined broadly as “consumers assessment of the overall excellence or superiority of the service” (Zeithaml *et al*, 1993). It was viewed as an attitude or global judgment about the overall excellence of a service, with comparison of expectations and performance as the measuring tools.

Although service quality structure was found rich in empirical studies on different service sectors, service quality modeling in life insurance services was not adequately investigated. Further, for service quality modeling, a set of dimensions was required, but there seems to be no universal dimension; it needs to be modified as per the service in consideration. Thus, the dimensions issue of service quality requires reexamination in context of life insurance services. Although numerous researchers have made theoretical and empirical contribution to the study of service quality in various industries, (like banking, healthcare, education) the area of life insurance was not adequately researched. Some previous studies in this area focused exclusively on relational qualities (Crosby & Stephens, 1987) and on the generic “SERVQUAL” format of quality measurement (Parasuraman *et al,* 1994). Power (2005) has conducted a study in America on Collision Repair Satisfaction Study. As per the study the insurance providers suggested that Communication is a Key in Achieving Customer Satisfaction with the Collision Repair Process Maintaining a comprehensive and consistent dialog with the buyer throughout the claims process is critical for insurance providers in achieving customer satisfaction with the collision repair process. Insurance providers meet customer expectations through effective communication generally achieve higher levels of overall satisfaction. According to the study for expanding the insurance business, due weight age is required to be given to innovative marketing practices. This means studying the changing psychology of the prospects and subsequent arrangements to transform them into actual users of the services. The strategy should also consider the possibility of new entrants into the scene making the insurance business more competitive (Power 2005). Anil (2002) has conducted a study on customer equity. The study emphasized on customer equity and customer satisfaction based on critical evaluation of Insurance Companies are showing for the concern for their customers and changing the Customer Relations Management Practices. The study also discussed various problems faced by policy holders in India. This concern is called “Customer Equity”. To counter new challenges, LIC tied up with the IT giants, IBM and Wipro, to design its Customer Relations Management Programme.

Market watchers feel that "Big Brother" LIC and the Big 4 nationalized insurance companies should redesign and restructure their public relations and publicity activities to inform customer about the good work that is being done by them and measures being initiated to meet the increasing demand of the customer. The prime objective of these activities is to achieve highest possible level of customer satisfaction. (Anil, 2002) A model developed by Parasuraman *et al* (1985) deals with the nature of service quality and avers that customer satisfaction was the chasm between a customer's service quality expectation and the actual service delivery. Customer satisfaction has a positive influence on retaining customers among different variety of services and products. A conceptual model of service quality through empirical research was developed by Parashuraman *et al*. The model highlights the following five service quality gaps: Buyer expectations-management perceptions about buyer expectations, Management perception of buyer expectations-service quality specifications actually set, Service quality specifications- actual service delivery, Actual service delivery- external communication about services. The final gap- result of four other gaps. "SERVQUAL" method is also known as the RATER model because it prescribes measuring satisfaction in these five dimensions: Reliability: A company's ability to perform the promised service dependably and accurately. Assurance: The knowledge, competence and courtesy of employees and their ability to convey trust and confidence. Tangibles: Physical facilities, equipment and appearances that impress the customer. Empathy: The level of caring, individualized attention, access, communication and understanding that the customer perceives. Responsiveness: The willingness displayed to help clients and provide prompt service. (Parasuraman *et al*, (1985). Kekre*et al* (1995) conducted a study with focus groups and over 2500 responses from a questionnaire to discover what factors customers drive their satisfaction for software products. They analyzed the results to develop seven dimensions of customer satisfaction for product software: Capability, Usability, Performance, Reliability, Instability, Maintainability and Documentation.

A study conducted by Dass (2007) in banking industry concluded that service quality is continuously evolving a customer satisfied today may not be satisfied in the near future as their needs are changing with the time span and life cycle stages. Banks should continuously monitor the service quality to avoid erosion of service quality and mitigation by customers to another bank. Dass, (2007). Coleman (1989) has discussed a determinance ranking of evaluating criteria used by the bank customers. The determinants are categorized in three broad categories importance rating of bank characteristics, difference rating of bank characteristics and determinance ranking of bank characteristics. Several attributes related to these characteristics are analyzed and studied such as speed, efficiency of services, friendly attitude of personnel, availability of credit, hours of operation, full service offerings, recommended by friends, services charges, location, parking and so on. Jagdeep (1990), have proposed a model of consumer complaining behavior (CCB). It illustrated the variety of actions possible. Buyer may not complain to the seller but to formal third parties, bureau or a newspaper. They may engage in private CCB activities such as telling friends and relatives about the bad experiences and changing their own patronage behaviour.

Dass(2007), conducted a study on customer satisfaction in banking industry with special reference to Service quality model. As per their study the service quality was a construct that was continuously involving a customer satisfied today might not be satisfied in future due to their changing needs and aspirations. Instead of resting on their laurels the bank should continuously monitor the service quality levels to avoid migration and switching of customer to another bank.

III. RESEARCH METHODOLOGY

The study used descriptive research design. (Knupfer &McLellan, 2001), postulate that descriptive research does not fit neatly into the definition of either quantitative or qualitative research methodologies, but instead it can utilize elements of both, often within the same study. Therefore the design was suitable in this research as it allowed for investigation of population through selecting samples to analyze and describe the characteristics of the population. This approach was necessary for extensive research and yields quantitative and numeric description of some part of the population.

The study was carried out in Kericho County, located in the South Rift Kenya, targeting CIC insurance customers within the county. The target population was constituted of 300 customers of CIC Insurance Kericho branch. The source of information about the customers was obtained from CIC Kericho office data bank. The customers have different insurance policies with CIC Insurance. The sample size was selected from the target population. The sample size was 171 customers. The sample size was determined according to Morgan formula (1979), given a margin error of 0.05 at 95.0% confidence level.

n- Sample population

N-Total population

e - Desired margin of error $(0.05)^2$

$$n = \frac{N}{1 + N(e)2} = \frac{300}{1 + 300(0.0025)} = 171$$

The study adopted simple random technique. This method helped the researcher to achieve a desired representation of the customers. During the study, structured questionnaire was used. The structured questionnaires gave unbiased information as the respondents gave out their own experience without the influence of the researcher although it was challenging when the respondent is illiterate. The questionnaires were administered by the researcher.

To ensure the reliability of the instrument used, the study used test-retest reliability. This was obtained by administering the same test twice over a period of time to the sample size. The scores from time one and time two can then be correlated in order to evaluate the test for stability over time. To ensure validity of the instrument the study used content validity. Content validity is the extent to which a measuring instrument provides adequate coverage of the topic under study. If the instrument contains a representative sample of the universe, the content validity is good. Its determination is primarily judgemental and intuitive. It can also be determined by using a panel of persons who shall judge how well the measuring instrument meets the standards, but there is no numerical way to express it. (Kothari,2004). The pool of questions were be subjected to a panel of experts in insurance field, constituted of managers to scrutinize the content.

The study used of structured questionnaires administered by the researcher to the customers of CIC Insurance customers within Kericho County. The researcher provided an introduction letter from the university to the respondents. After the data had been collected, the questionnaires were checked for any errors and then summarized. The summarized data was analyzed by use of descriptive statistics including means, frequencies. The relationship between the dependent variables and independent variables were determined by use of correlation and regression analysis was used to test the hypothesis. The findings of the study were presented by use of bar graphs, tables and charts. The study required the participation of human respondents and as such the research process observed ethic issues in order to ensure privacy and safety of respondents. Permission was sought from the management of CIC insurance, Kericho branch. This involved explaining the aim and purpose of the study and contribution to the organization. Once the permission was obtained, the targeted respondents were assured that participation is voluntary. Assurance was given that no disclosure of name will be required to ensure confidentiality for the information given in the questionnaire.

IV. FINDINGS AND DISCUSSIONS

Cross tabulation was used to compare variables showing number of cases in falling into each combination of the categories. Chi-Square. Pearson's correlation (R) was used to test the significance of variables in the study. To make a conclusion about the hypothesis at 95% confidence level, the *p*-value of the Chi-Square statistic should be less than .05 (which is the alpha level associated with a 95% confidence level). If the *p*-value < .05 and the critical chi square value is less than the computed value, then it is concluded that the variables are dependent in the population and that there is a significant statistical relationship between the categorical variables. But if the values of P >0.05 and the critical chi square value is more than the calculated value then it is concluded that the variables are independent of each other and hence there is no statistical association between them.

Demographic information shows the characteristics of the elements in the sample size: As such the researcher sought to establish the general information of the respondents, which forms the basis under which the interpretations are made. Demographic factor one analyzed the gender of the respondents. This information was necessary to enable the researcher to obtain information on whether the respondents were either male or female. From the figure below its was evidenced that more males than females were in the sample, making up to 57.83% compared to their female counterparts at 42.37%. The age distribution of the respondents assumed a normal curve, with those aged between 29-39 years having highest frequency at 38.14% followed by those at age bracket between 40-50 years at 35.59%. The youthful respondents at 18-28 years and older ones had lower frequencies at 9.3% and 16.9% respectively. The sample thus was representative of all ages capable of insurance uptake in the area under study. There was indication that insurance uptake among the youth is low. The findings showed that respondents with college and bachelors level of education made up the largest numbers having 33% and 47%. Secondary level of education had the smallest numbers (2.5%) followed by those with PhD level at 4.2%. Respondents with primary level of education and those with masters made up 5% and 7% respectively.

The study sought to establish the proportions and frequencies of insurance uptake by gender, age, marital status and education level.

Table 1: Gender insurance uptake

	Type of insurance			**Total**
	General Insurance policy	Life Insurance Policy	Both Life Insurance Policy and General insurance policy	
Male	15 (41%)	32 (62%)	21(70%)	68
Female	22 (59%)	19 (38%)	9 (30%)	50

Total	37(32%)	51(43%)	30(25%)	118

According to gender factor, men have a higher level of uptake of insurance (57.6%) than women (42.4%). Majority of the respondents have taken up general insurance 43%, compared to those who have taken life insurance 32%. Findings also show that more female 59% have taken up life insurance than the male 41%. The study however found that only 25% of the respondents have taken up both life and general insurance. From the study it is evident that the male have taken more insurance policies than the female. Hasanbanu &Nagajyothi, (2007) states that there is significant relationship between gender and insurance uptake, as it has been found out by the study.

Table 2 Insurance uptake by Age

		Type of Policy			
		Life Insurance Policy	General Insurance policy	Both Life Insurance Policy and General insurance policy	Total
Age	18-28 years	10	1	0	11
	29-39 years	16	24	5	45
	40-50 years	5	20	17	42
	Above 50 years	6	6	8	20
Total		37	51	30	118

Source: Field data, September 2016

Age category with higher level of uptake is between 29-39 years which has a small range with ages between 40-50 years. Therefore, it is true from this result that insurance is largely consumed by people at ages between 29-50 years making a total of 73.7%. Ages below 28 years and those above 50years make up only 26.3%. This aspect of age is significant in determining insurance uptake. Young people purchase life insurance policies than the old age people, this is in agreement with AKI report (2014). Also Hasanbanu & Nagajyothi, (2007) confirmed that there is significant relationship between age and insurance uptake. These findings suggest that insurance companies need to focus more on the youth to maximize their sales and make life insurance products for the old.

Table 4: Insurance uptake and Marital status

		Type of Policy			
		Life Insurance Policy	General Insurance policy	Both Life Insurance and General insurance policies	Total
Marital status	Single	13	3	3	19(16%)
	married	23	46	25	94 (80%)
	Widowed	1	2	2	5 (4%)
Total		37	51	30	118

Source: Field data, September 2016

From the study, married people 80% take up insurance as compared to unmarried (single) 16% and the widowed 4%. This aspect of marital status is significant in determining insurance uptake. The married were seen to be pro insurance than the single and the widowed. The married prefer to be secured from risk and have savings for their children, the widowed would wish to have the same but lacks of economic stability takes a toll on them and are less likely to take insurance. Gupta & Mayur (2004) also indicate that marital status is significant to insurance uptake. Therefore there is need for insurance company to tailor products for married people as this is a good market to focus on.

Table 4: Education Level and insurance uptake

	Type of Policy			
	Life Insurance Policy	General Insurance policy	Both Life Insurance Policy and General insurance policy	Total

primary school	1	5	0	6
Secondary	1	0	2	3
Tertiary	18	15	6	39
Bachelors	15	31	10	56
Masters	2	0	7	9
PHD	0	0	5	5
Total	37	51	30	118

Source: Field data, September 2016

From the study, the distribution of the respondents by education level seems to take the general pattern in the Kenyan population where most of the population is skewed towards college and bachelors' degree. It suggests also that most customers are probably among the working class. It also indicates that educated people have product knowledge about the insurance products thus taking up insurance. Therefore insurance companies should design ways of incorporating the informal sector. Baek & DeVaney (2005), agreed in their research that there is a positive relationship between education and insurance demand. They recognized that those who have a better education will purchase more insurance.

The study sought to find out whether monthly income and premium paid per year do have a linear relationship with insurance uptake. Table 5 shows the results.

Table 5 Correlations between insurance uptake and Monthly income.

		Insurance policy uptake	Monthly Income
Insurance policy Uptake	Pearson Correlation	1	.466**
	Sig. (2-tailed)		.000
	N	*118*	*118*
Monthly Income	Pearson Correlation	.466**	1
	Sig. (2-tailed)	.000	
	N	*118*	*118*

Source: Field data, September 2016

The correlation coefficient between insurance uptake (Type of policy) and income earned per month is 0.466 which is a positive correlation though not strongly correlated since its closer to one. However, this correlation is statistically significant (P-value 0.00) which is less than significance level 0.01 and it is sufficient to conclude that there is a linear relationship between monthly income and insurance uptake. This indicates that monthly income influence the ability of a consumer to take up variety of insurance policies. High income earners can be targeted to take up multiple policies. Also insurance companies should come up with affordable policies for the low income earners. Showers & Shotick (1994) indicates that a positive relationship existed between income and insurance uptake.

Table 6 Correlations between insurance uptake and premium paid per year

		Insurance Policy uptake	Premium paid per year
Type of Policy	Pearson Correlation	1	-.133
	Sig. (2-tailed)		.152
	N	118	118
Premium paid per year	Pearson Correlation	-.133	1
	Sig. (2-tailed)	.152	
	N	118	118

Source: Field data, September 2016

Unlike Monthly income of an individual, premium paid per year was not statistically significant at 0.01 level (p-value 0.152). It is negatively correlated with Pearson correlation -0.133. This leads to the conclusion that there is weak (negative) linear relationship between insurance uptake and premium payment. The study sought to establish the association of the variables and insurance uptake. Chi square tests were used to test the association among the study variables. The test uses specifically grouped or categorical variables (ordinal or nominal). To apply this, the study calculated the mean of all indicators of each dependent variable to obtain a unit variable to be used in testing that variable. The study based the test on 5% (0.05) level of significance meaning that the conclusions made in this study were at 95% confidence level. In chi-square test, there are two coefficients (statistic) that are vital in the study namely; Pearson chi-square and Cramer's V. Pearson Chi-square is used to test the associations while Cramer's V are to test the strength of association. When measures of association between variables such as Cramer's V are used, values below 0.10 indicate a Weak relationship between the variables, values between 0. 10 to 0.30

indicate moderate relationship while the value 0.30 above indicates strong relationship between the variables.

Table 7 the association of the variables and consumer behaviour on insurance uptake

	Pearson Chi-Square	Df	P-value	Cramer's V
Demographic factors	18.706	8	.017	.282
Economic factors	12.613	6	.050	.331
Psychographic factor	13.663	6	.034	.241
Social factor	8.794	8	.062	.097
Claim settlement	16.424	8	.037	.264
Perception towards insurance	13.234	8	.104	.037
Product awareness	15.115	8	.057	.253

Source; Field data, September 2016

N= 118, P-value 0.05

This table gives various chi-square values for the various variables affecting the insurance uptake in the study area. The variables were statistically significant based on the p-values given apart from the Social factors and Perception towards insurance, p-values 0.062, and 0.104 respectively which are greater than 0.05. Thus variables: Demographic factors (18.706, p-value 0.017), Economic factors (8.213, p-value 0.050), Psychographic factor (13.663, p-value 0.034), Claim settlement (16.424, p-value 0.0.037) and Product awareness (15.115, p-value 0.057). These chi-square values therefore enable us make inferences about our sample and thus the population concerning the influence of consumer behavior on insurance uptake.

It's evident from the Cramer's V values that there is moderate (values between 0.1-0.3) to strong (> 0.3) relationship between the following variables with the insurance uptake with no values < 0.1. There is strongest relationship between economic factors and insurance uptake with Cramer's V values > 0.3 (0.331) followed with those with moderate association demographic factors, claim settlement, product awareness and psychographic factor 0.282, 0.264, 0.253 and 0.241 in that order. The social factors and perception towards insurance have no association with insurance uptake having Cramer's V value < 0.1 (0.97 and 0.037) confirmed by significance level > 0.05 (0.062) and (0.104) respectively indicating no statistical significance.

V. CONCLUSIONS AND RECOMMENDATIONS

The findings of the study indicates that economic factors have P-value (0.05) is equal to significance level (0.05), therefore we fail to reject the null hypothesis. This leads to conclusion that there is a relationship between economic factors of consumers and insurance uptake. Therefore, aspects such as income, wealth and interest rate have a bearing on the rate of insurance uptake. Demographic factors P-value (0.017) is less than the significance level (0.05), therefore we fail reject the null hypothesis. Conclusion is therefore that there is a relationship between demographic factors of consumers and insurance uptake. Age of an individual determines whether he takes insurance or not similarly to marital status as indicated in chart 4.1 which indicates 80% of the married take insurance compared to single (16%) and widowed counterparts (4%). Education level also plays a role in insurance uptake; more people with tertiary and masters level of education make up a larger chunk of those taking up insurance,that is 33% and 47% respectively. On whether psychographic factors such as lifestyle, preferences, social class and attitudes and preferences have an influence on insurance uptake; its sufficiently shown by the fact that its p-value (0.034) is less than significance level (0.05) suggesting that its statistically significant and the strength of this relationship is moderate with Cramer's' V value of 0.241. From these we can therefore fail to reject the null hypothesis and conclude that there exists a relationship between psychographic factors of consumers and insurance uptake.

On the contrary as compared to previous factors, social factors as not statistically significant p-value (0.062) which is >0.05 also the Cramer's V coefficient (0.097) confirms having weak relationship with insurance uptake. So we fail to reject the null hypothesis. The alternative hypothesis is thus adopted and we conclude that there is no relationship between social factors of consumers and insurance uptake. Also to note are other contributory factors to uptake of insurance as Claim settlement and Product awareness which have moderate relationship with Crammer's V values (0.264, 0.253) respectively and thus existence of some relationship with uptake, although Product awareness is not statistically significant p-value (0.057) which is >0.05. Claim settlement is statistically significant P-value (0.037). Government regulations have an influence on insurance uptake, more of people take vehicle insurance as result of government guidelines.

From the study, it is evident that consumer behaviour is significant to insurance uptake. It is important that marketers in the insurance industry these factors to increase the insurance penetration in Kenya. Economic, demographic and psychographic factors greatly influence insurance uptake. Social factors are less significant to insurance uptake. Also other factors such as claim settlement, product awareness and product awareness highly influence insurance uptake. The strongest factors from the study that influence insurance uptake are economic and demographic factors whereas the weakest factor is social factors. From the study, the researcher recommends that; insurance companies have policies that gather the needs of all people, that is the wealthy and the low income earners. This will make insurance policies be affordable to all. As demographic factors have strong influence on insurance uptake the insurance companies should have product for each group. Insurance companies should have invest more on product awareness and claim settlement as this greatly influence insurance uptake.

The aim of the study was to investigate influence of consumer behaviour on the uptake of insurance services, it is then established that economic, demographic and other factors including product knowledge, product awareness and claim settlement contributes much to the low uptake of insurance services. Further research on products offered by the insurance companies to the market can be done. Also research can be done to establish the reason why there is low uptake of insurance services in Kenya.

REFERENCES

1) Association of Kenya Insurers. (2010*). AKI Insurance Annual Report.* Nairobi: AKI.
2) Association of Kenya Insurers. (2014*) .AKI Insurance Annual Report.*Nairobi: AKI.
3) Association of Kenya Insurers (May 2008) Understanding the uninsured market, SBO
4) Alagiri, D. &Vellingiri D (2008).*Life Insurance In India Emerging Scenario*, The ICFAI University Press on Life Insurance in India
5) Anderson, D.R. and Nevin, J.R. (1975) Determinants of Young married's life insurance purchasing behaviour: an empirical investigation, *Journal of Risk and Insurance*, Page No. 42
6) Batra, S, K and Kazmi, S.H.H., (2008). *Consumer Behavior.*Excel Books
7) Baek, E. and DeVancy S.A. (2005). "Human Capital Bequest Motive Risk and The Purchase of Life Insurance," *Journal of Personal Finance*, 4 (2) 62-84
8) Berekson, L.L. (1971). "Birth order, anxiety, affiliation and purchase of life insurance."*Journal of Risk and Insurance*, 1972, 39, 93-108
9) Burnett, John J. & Bruce A. P,(1984). Examining Life Insurance Ownership through Demographic and Psychographic Characteristics, *The Journal of Risk and Insurance*, Vol. 51, No. 3, 453-467
10) Bhole L. and Mahakud J, (2009). *Financial Institutions and Markets*(Fifth ed). Tata McGraw-Hill, London
11) Blackwell R., Miniard G., and Engel J,.(2006). Consumer Behaviour (10th Edition). Thomson Learning, London
12) Brainard, L. (2008). What is the role of insurance in economic development? *Zurich Government and Industry Affairs thought leadership series.*(2), p. 16
13) Corbetta, P. (2003), *Social Research: Theory, Methods and Techniques*. SAGE Publications, London
14) Del I. H., Roger J. B.,Kenneth A. C., Amit M. (2007). *Consumer Behaviour*. Tata McGrawhill, London
15) Dass M. K. & Kumar S., (2007).Measuring Customer Satisfaction in Banking Industry, *Effulgence.*Volume 5, No. 2
16) Diacon S., (2004). " *Investment Risk Perception*" Intenational Journal of Bank Marketing. Vol. 22 Iss: 3pp 180-199
17) Etemesi, C. (2004). *The analysis of the effect of process operations on service delivery in selected insurance firms in Kenya*. Nairobi: Kenyatta University, MBA Project, unpublished
18) Ferber, R. and Lee, L.C. (1999).Acquisition and accumulation of life insurance in early married life.*Journal of Risk and Insurance*, 47, 132-152
19) Gandolfi, Anna S., and Laurence M. , (1996). Gender-Based Differences in Life Insurance Ownership, *The Journal of Risk and Insurance*, Vol. 63, No. 4
20) Gupta, P and Mayur S., (2004). Insurance Sector: Many Sided Growth, Productivity Promotion, New York: Macmillan
21) Hasanbanu, S. and Nagajoyhi, R S, (2007). A Study of Insurance Prespective in Uthamapalayamtaluk, Indian Journal of Marketing, May Edition, pp 10-16
22) Hawkins D.,Best R, Coney K.A., Mukherjee A. (2007). *Consumer Behaviour. Tata McGrawhil,* New Delhi
23) Kothari C.R. (2004). *Research Methodology,* 2nd edition.New Age International publishers. New Delhi
24) Kolter, P. (2000), *Marketing Management*. International Edition eleventh Ed. Upper SaddlerRiver, New Jersey, Prentice –Hall India, New Delhi
25) Knupfer N.N.,&McLellanH. (2001). *Handbook of Research for Educational Communications and Technology.*(D. H. Jonassen, Ed.) New York: Macmillan
26) Loudon L., Bitta A., and Della J., (2004). *Consumer Behaviour.*Second ed. Mc-Grawhill, London
27) Lovelock, C. H. and Writz J., (2003).*Services Marketing*. Prentice Hall of India, New Delhi
28) Lovelock, C. H. (2010).*Services Marketing*. Pearson Education, London
29) Masinga, O.M. (2005). *An evaluation of life assurance funds as a source of investment financing in Kenya*. Nairobi: Kenyatta University, MBA Project, unpublished.
30) Mittal, K. C, (1998). Non-life Insurance worldwide, *The Journal: The Insurance Institute of India* July-December, 14-33.
31) Muriithi, K. and Onuong'a, M. (2011): *Introduction to Insurance*, Nairobi, and COI.
32) Narayanan, H. (2010).Indian Insurance A Profile.Jaico Publications
33) Ogutu, N.W. (2004). *The impact of business environmental factors on marketing of genera linsurance products in Kenya.*Nairobi: Kenyatta University, MBA Project, unpublished.
34) Solomon R. M., Bamossy G., Askegaard S., and Margaret K. H., (2013).*Consumer Behaviour* :A European Perspective. 5th Edition. Pearson education, London
35) Saunders M., Lewis and Thornhil (2007): *Research Methods in Business*, MGrow,Hill Publishers London
36) Showers, V. E. and Shotick J. (1994). The Effects of Household Characteristics on Demand for Insurance: A Tobit Analysis, *The Journal of Risk and Insurance*, Vol. 61, No.3, 492-502
37) Schiffman L. and Lazar K. (2007).*Consumer Behaviour.*Prentice Hall of India, New Delhi
38) Wong and Amy (2004), Managing Service Quality, Vol.14, No.5
39) Zeithaml, V.A., Berry, L. L. and Parsuraman, A. (1993).The Nature and Determinants of Customer Expectations of Service.*Journal of the Academy of Marketing Science*, 21(1), 1-12

First Author: Willy Kipkoech Langat Branch Manager (General Business) Britam Insurance Company, Mombasa & Scholar, Department of Finance, University of Kabianga

Second Author: Dr. Isaac Naibei Lecturer, Department of Accounting and Finance, University of Kabianga

Third Author: Prof.Clifford Machogu Getare Associate Professor of Finance, Department of Finance and Accounting,, Murang'a University College, Kenya