

A Study on Buying Behaviour of Long-Term Care Assurance with Special References to Middle-Income Earners in Sri Lanka

K. P. D. Madhushika¹ and Ruwan Abeysekera²

Department of Finance, University of Kelaniya, Sri Lanka^{1,2}

deshmadhushika@gmail.com¹, ruwanab@kln.ac.lk²

ABSTRACT

Introduction -This study identifies buying behaviour of Life Assurance with special references to middle-income earners in Sri Lanka. This study aimed to identify factors that affect clients not purchasing Life assurance, how these factors influence the decision-making process and consumer's buying behaviour relevant to the Life assurance.

Design/Methodology/Approach – This research was conducted using a qualitative research method by conducting semi-structured interviews. The sample was chosen using the purposive sampling method and it consists of seven participants who did not purchase life assurance, four life assurance policyholders and four Sales officers. Data were transcribed and analysed.

Findings -The findings indicate that consumer awareness, government involvement, Expertise and agency expertise and finance literacy directly influenced people not to purchase life assurance product. Service quality, Ease of assurance procedures and communication barriers changed the decision-making process of life assurance, and Attitudes of clients with inactive participation from clients, negative feelings, Social influences, customer satisfaction and technology development directly affected buying behaviour of life assurance.

Conclusion – The final results emphasize the need to change consumer attitudes, government involvement with compulsory rules, and improve service quality as recommendations.

Keywords: *Life Assurance, Decision-making process, Consumer buying behaviour, Consumer awareness, Service Quality, Government involvement*