

Indicators of Family Decision Making Responsibility in Purchasing Insurance

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ABSTRACT. Consumers spend substantial sum of money on insurance and a key question facing insurance marketer is who in the family makes the insurance purchase decision. The answer to this question would be informative in the design and implementation of marketing programs directed at insurance purchasing families. Purchasing life, automobile or homeowner insurance involves a major purchasing decision for many families since after such agreement substantial annual premium paid by most families, hence the importance of the purchase decision would appear substantial. Indicators of family decision making responsibility in Purchasing insurance were investigated for a sample of 50 MBA students. The focus of the study was to identify whether certain demographic variables could differentiate between families whether the insurance purchase decision was made solely by the husband or entailed wife involvement. Employment status of the wife and education of the husband were found to differentiate between which family member is responsible for insurance purchasing decisions. Other significant selective variables included wife's educational level, husband's employment status, family income and husband's occupation. A high degree of consistency was found in the predictive value of these characteristics in insurance purchasing decision. Finding suggest that key decision maker within the family can be identified based on demographic characteristics and study result will definitely assist insurance marketers in designing effective marketing strategy and training programs.

Key words: Insurance Purchase, Indicators, Family Decision Maker.

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