

CHAPTER I

INTRODUCTION

1.1 Background of the Study

The future is growing increasingly uncertain in the modern world. Numerous factors contribute to its unpredictable nature, such as the complexity of modern life, environmental shifts, and the rapid progress of technology. Since individuals are unable to forecast the future, many aspects of lives are susceptible to significant risks. Health risks provide a substantial problem as they might be challenging to anticipate and sufficiently prepare for medical emergencies, due to the appearance of new diseases and the evolution of existing ones. The unpredictability of accidents is another major issue. Accidents can happen anywhere, whether within the house, on the road, or in the workplace which frequently result in serious injury or even death. Furthermore, death is an unavoidable risk that everyone faces. Although death is a natural part of life, individuals are often unprepared for the unpredictable timing and circumstances of death. Therefore, understanding and preparing for these risks is crucial, even though the precise occurrence and impact cannot be accurately forecasted. In conclusion, the unpredictability of the future implies that numerous risks are unavoidable in life. Understanding these potential risks is crucial for taking proactive steps to minimize the impact as much as possible. Awareness of these threats can enhance individual preparation and facilitate the development of actions to mitigate their

impact. This knowledge allows individuals to implement safety measures, emergency plans, and preventive actions that can help reduce the damage and consequences of these unpredictable events.

Individuals often seek to protect their own safety and the safety of others from unexpected and possibly emergence situations by acquiring insurance plans. This proactive approach is driven by the desire to minimize the impact of unexpected events that could lead to financial difficulties or emotional distress. By opting for insurance, individuals aim to create a protective barrier against such difficulties. Out of all the various insurance options available, health insurance is considered the most crucial. Health insurance policies are intended to cover the costs of medical care, which can be extremely expensive and unexpected. These policies provide a wide range of benefits, including routine check-ups, preventive treatment, as well as emergency treatments and procedures. Individuals who obtain health insurance can ensure that individuals have access to essential medical care without facing a prohibitive expense. This implies that in the case of illness or injury, individuals can receive necessary treatments and services without the burden of high medical bills. By serving as a financial buffer, health insurance enables individuals to obtain timely and appropriate medical care without worrying about the expense, thus improving health outcomes and fostering peace of mind. When selecting a health insurance policy, individuals put trust in insurance companies that specialize in health care. These organizations evaluate the risks involved in offering coverage and provide plans that offer complete protection. By consistently paying the insurance premiums, policyholders receive the assurance that the medical

expenses will be handled efficiently. Particularly during medical emergencies, this arrangement provides a significant peace of mind. Individuals can focus on the recuperation without having to worry about expenses when individuals know that health insurance will pay for a significant amount of the medical expenses. This arrangement provides a sense of security and stability, as this eliminates the burden of having to worry about saving money for costly medical treatments. Consequently, policyholders can navigate health challenges with greater confidence and less financial stress, enhancing individual overall well-being and quality of life.

The impact of open economic policies and globalization is evident in many areas, with one significant aspect being the enhanced competitiveness among foreign businesses operating in Indonesia. The insurance industry is marked by fierce competition because there are numerous companies offering similar products. In order to stand out in the society, health insurance companies must not only provide products that are genuinely valuable and beneficial to customers but also establish a strong sense of trust. Building the trust is essential, as it assures customers that customers can rely on the company to meet the needs, especially during critical times. Therefore, health insurance company must focus on both the quality and reliability of the offerings to attract and retain customers in such a competitive market. Customer purchase decisions, which involve actions where people directly engage in utilizing or purchasing the given services or products, are a crucial component of customer behavior when buying services from insurance firms. Potential customers will analyze the benefits and drawbacks of each product as they carefully and objectively identify and evaluate the available options before

making a selection. Purchase decisions are more likely to happen when customers choose to purchase expensive, high-quality goods or services. However, this is rare because of a number of external barriers, like complex customer behavior and an abundance of factors caused by a lack of confidence in the goods or services, which make it extremely difficult for customers to choose what to purchase.

Brand image represents customers' overall perceptions and feelings about a product, based on their experiences and usage. According to Keller (2021), brand image is how customers perceive a brand, reflected in the associations they have in their memory. In other words, brand image is the way customers see a brand, based on their experiences and perceptions, which shape their overall understanding of the brand. If an insurance firm has a positive corporate reputation, customers are more likely to remember it and be interested in using its services. When choosing an insurance policy, customers will examine, observe, and look for information about the insurance company's brand. In Indonesia, brand image is always a top concern for potential buyers when choosing which company's product to purchase. When customers lack sufficient understanding about a product, the brand image guides their appraisal. A company's brand image will be a key focus if the company aims to continue competing in the large Indonesian market.

Furthermore, promotion is an important factor in the selection process. According to Kotler and Armstrong (2019), promotion is an internal activity that communicates a product's advantages in order to persuade customers to purchase it. Promotion is an important aspect in the success of any marketing effort. If customers have not heard of or do not know about the product and the benefits the

product offers, the customers won't buy the product. In general, customers seek a variety of information about companies, products, or services before deciding to purchase and utilize them. Customers can get a variety of information from advertising or marketing campaigns. Promotion is important because it acts as an intermediary between producers and customers. As a result, promotion is a collection of closely related company operations meant to meet customer requirements and desires through the exchange process. Promotion that fail to provide information or meet customer needs will lead to unsuccessful marketing campaigns. In this research, the writer will examine the effectiveness of Panin Dai-ichi Life's marketing campaign in promoting the company's products and determining how effective the promotions that received by customers.

Customer trust serves a significant role in customer purchase decisions. According to Bachman & Akbar (2019), trust develops when one party believes that there is a reliable and honest partnership. Customer trust refers to the belief, confidence, and knowledge that a customer has about a product or service, including its attributes and benefits. Customer trust is crucial in recruiting and retaining customers for a business. Trust in a company is a vital asset because it is the foundation for building a positive relationship with customers. A corporation with a positive image in the eyes of customers often inspires trust in its ability to produce high-quality and dependable products. Reliable companies are those that consistently deliver the benefits that customers seek when acquiring their products or services. In Indonesia, customers still have doubts about insurance companies due to several cases of insurance fraud experienced by some customers.

Additionally, insurance sales representatives often fail to convince potential customers that the insurance company can be trusted, resulting in a lack of trust between the two parties.

Tjiptono (2020) defines a purchase decision as the process where a customer learns about a product or brand, evaluates how well each option can solve their problem, and then makes a decision to purchase. In the purchasing process, customers are unique, as each customer goes through a distinct purchasing process that differs from one another.

This research will be conducted at PT Pou Sukses Bersama. PT Pou Sukses Bersama is part of the Panin Dai-ichi Life, a life insurance firm that has been serving Indonesians for over 40 years which specializes in the health services industry. PT Pou Sukses Bersama located at Komplek Grand Cemara Asri Jalan Cemara No. 8PP, Percut Sei Tuan, Deli Serdang, North Sumatra, 20371. PT Pou Sukses Bersama is an independent agency and marketing office serving as a key marketing hub for Panin Dai-ichi Life in North Sumatra that established since 2016. As a strategic partner of Panin Dai-ichi Life, PT Pou Sukses Bersama is dedicated to providing high-quality insurance marketing and consultancy services to the people in the North Sumatra region. Its mission is to deliver customer-focused solutions by fostering trust, professionalism, and excellence in customer service. The agency acts as an integral part of Panin Dai-ichi Life's broader marketing network, ensuring the company's insurance products and services reach the local community effectively. In addition to its role in marketing and sales, PT Pou Sukses Bersama prioritizes the development and empowerment of its marketing agents. The agency

offers comprehensive training programs, skill development opportunities, and a range of incentives aimed at optimizing agent performance. By equipping its team with the necessary tools and support, PT Pou Sukses Bersama ensures that its agents are well-prepared to meet customer needs and contribute to the agency's overall success.

The table below displays the quantity of customers acquiring insurance from PT Pou Sukses Bersama.

Table 1. 1 The Quantity of Customers Acquiring Insurance

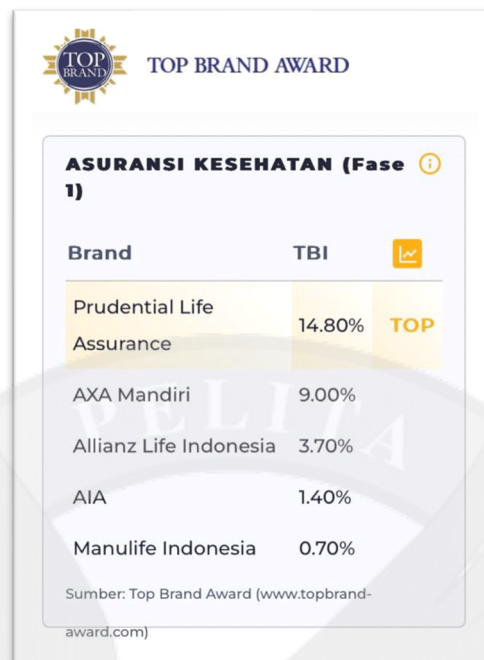
Month	2022	2023
January	132	87
February	145	69
March	113	105
April	84	76
May	98	54
June	71	66
July	63	83
August	102	96
September	54	74
October	76	81
November	116	64
December	104	53
Total	1,158	908

Source: Prepared by the writer (2024)

The report describes the number of customers who purchased insurance at PT Pou Sukses Bersama. The data shows that in 2022, sales were higher compared to 2023. The rise in 2022 can be related to the persistent COVID-19 pandemic throughout that year. The pandemic forced many individuals to purchase insurance

as a precautionary measure to ensure the own safety and protect others from unpredictable and potentially dangerous situations that could arise during such a global health crisis.

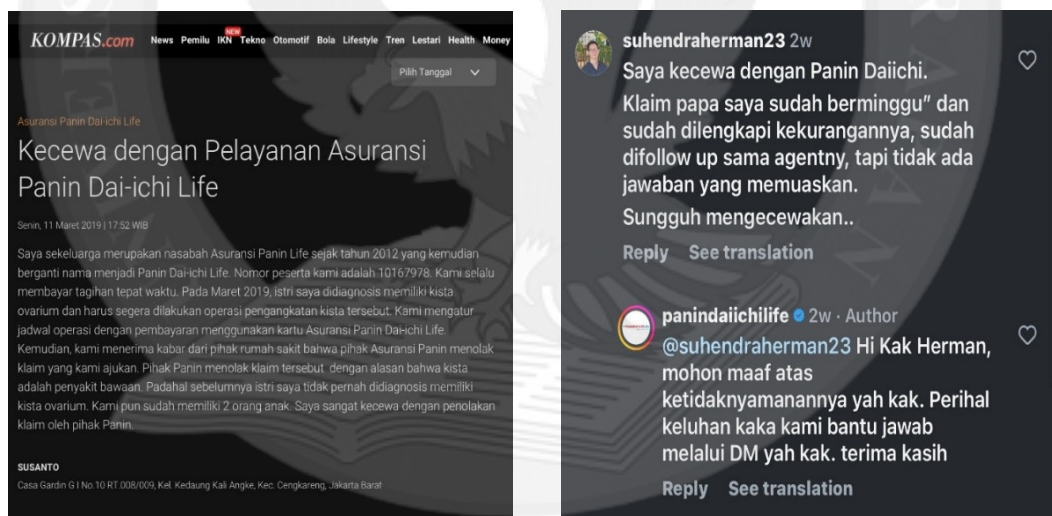
The significant decline in sales experienced by PT Pou Sukses Bersama can be attributed to the fact that the insurance product offered by the mother company, Panin Dai-ichi Life, is still relatively new in Indonesia, particularly in Medan. This challenge arises in a highly competitive market, where Panin Dai-ichi Life must compete against well-established insurance companies that have strong brand images and high customer loyalty. Based on data from the 2024 Top Brand Award for the health insurance index, the insurance companies that ranked in the top three are Prudential, AXA, and Allianz. Panin Dai-ichi Life did not make it into the top 10, with a percentage below one percent. This data indicates that Panin Dai-ichi Life has not yet established a strong brand image in the Indonesian health insurance market. Panin Dai-ichi Life's reputation has suffered as a result of customer complaints about their insurance offerings. Numerous customers voiced their displeasure with the standard of services they obtained, pointing to particular problems that fell short of their expectations. These complaints have received a lot of public attention after being widely shared on social media. As a result, negative customer experiences have spread, harming the company's brand. These complaints' public nature has brought attention to potential areas for improvement at Panin Dai-ichi Life in order to win back customer confidence and strengthen its reputation.



Brand	TBI	Rank
Prudential Life Assurance	14.80%	TOP
AXA Mandiri	9.00%	
Allianz Life Indonesia	3.70%	
AIA	1.40%	
Manulife Indonesia	0.70%	

Sumber: Top Brand Award (www.topbrand-award.com)

Figure 1. 1 Top Brand Awards 2024 (Health Insurance)
Source: Brand Awards 2024



KOMPAS.com News Pemilu IKN Tekno Otomotif Bola Lifestyle Tren Lestari Health Money

Pilih Tanggal

Asuransi Panin Dai-ichi Life

Kecewa dengan Pelayanan Asuransi Panin Dai-ichi Life

Senin, 11 Maret 2019 | 17:52 WIB

Saya sekeluarga merupakan nasabah Asuransi Panin Life sejak tahun 2012 yang kemudian berganti nama menjadi Panin Dai-ichi Life. Nomor peserta kami adalah 10167978. Kami selalu membayar tagihan tepat waktu. Pada Maret 2019, istri saya didiagnosis memiliki kista ovarium dan harus segera dilakukan operasi pengangkatan kista tersebut. Kami mengatur jadwal operasi dengan pembayaran menggunakan kartu Asuransi Panin Dai-ichi Life. Kemudian, kami menerima kabar dari pihak rumah sakit bahwa pihak Asuransi Panin menolak klaim yang kami ajukan. Pihak Panin menolak klaim tersebut, dengan alasan bahwa kista adalah penyakit bawaan. Padahal sebelumnya istri saya tidak pernah didiagnosis memiliki kista ovarium. Kami pun sudah memiliki 2 orang anak. Saya sangat kecewa dengan penolakan klaim oleh pihak Panin.

SUSANTO
Casa Gardin G1 No.10 RT.008/009, Kel. Kedauang Kali Angrie, Kec. Dengkareng, Jakarta Barat

suhendraherman23 2w
Saya kecewa dengan Panin Daiichi. Klaim papa saya sudah berminggu" dan sudah dilengkapi kekurangannya, sudah difollow up sama agentny, tapi tidak ada jawaban yang memuaskan. Sungguh mengecewakan..
Reply See translation

panindaiichilife 2w · Author
@suhendraherman23 Hi Kak Herman, mohon maaf atas ketidaknyamanannya yah kak. Perihal keluhan kaka kami bantu jawab melalui DM yah kak. terima kasih
Reply See translation

Figure 1. 2 Customer Complaint
Source: Detik News & Instagram

The following diagram illustrates the pre-survey data collected from 30 respondents aged between 20 and 40 years.

*Seberapa yakin Anda dengan kualitas produk asuransi yang ditawarkan Panin Dai-ichi Life memiliki kualitas yang lebih baik dibandingkan perusahaan asuransi lainnya?
30 jawaban*

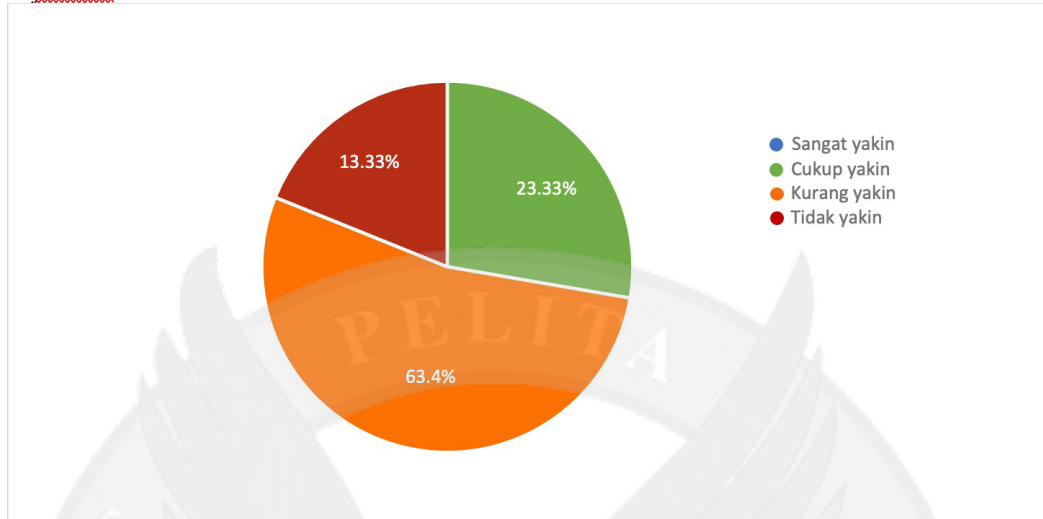


Figure 1. 3 Pre Survey Question 1 Result

Source: Prepared by the writer (2024)

According to the pre-survey data collected, the pre-survey data indicates that Panin Dai-ichi Life is still encountering difficulties in establishing a strong brand image. The pre-survey results showed that there were 4 respondents (13.33%) answered not sure, 19 respondents (63.4%) answered less sure, 7 respondents (23.33%) answered quite sure and lastly there was 0 respondents answered very sure. This indicates that brand image can affect customer purchase decisions for Panin Dai-ichi Life.

In terms of promotion, Panin Dai-ichi Life has been relatively passive in marketing its products to the younger generation, who tend to prefer companies that appear modern and dynamic. Although Panin Dai-ichi Life has introduced various promotional programs, such as premium discounts and benefit bonuses to boost sales, these promotions have not been effectively communicated through social media or by Panin Dai-ichi Life's sales associates. As a result, many potential

customers are either unaware of or do not fully understand the benefits of these promotional offers, which reduces their motivation to purchase insurance products from Panin Dai-ichi Life. On Panin Dai-ichi Life's social media, more users are interested in giveaway content that offers prizes compared to content that educates them about the importance of having insurance. The promotional content of Panin Dai-ichi Life, which aims to attract the younger generation who frequently view ads through social media rather than print media, still has a lower viewership compared to one of Panin Dai-ichi Life's competitors, Prudential. This indicates that Panin Dai-ichi Life's promotional content or advertisements have not yet managed to capture the attention or raise awareness among potential customers who might be interested in purchasing Panin Dai-ichi Life insurance products after viewing their promotional ads.



Figure 1. 4 Panin Instagram Content

Source: @panindaiichilife



Figure 1. 5 Panin Instagram Reels
Source: @panindaichilife

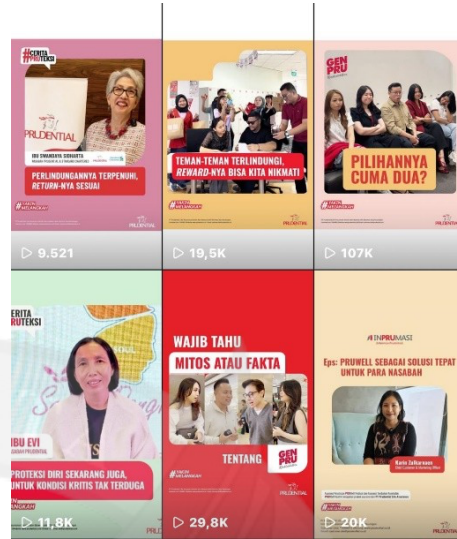


Figure 1. 6 Prudential Instagram Reels
Source: @id_prudential

The following diagram illustrates the pre-survey data collected from 30 respondents aged between 20 and 40 years.

Apakah Anda pernah mengetahui atau mengikuti acara dan kegiatan yang diselenggarakan oleh Panin Dai-ichi Life?

30 jawaban

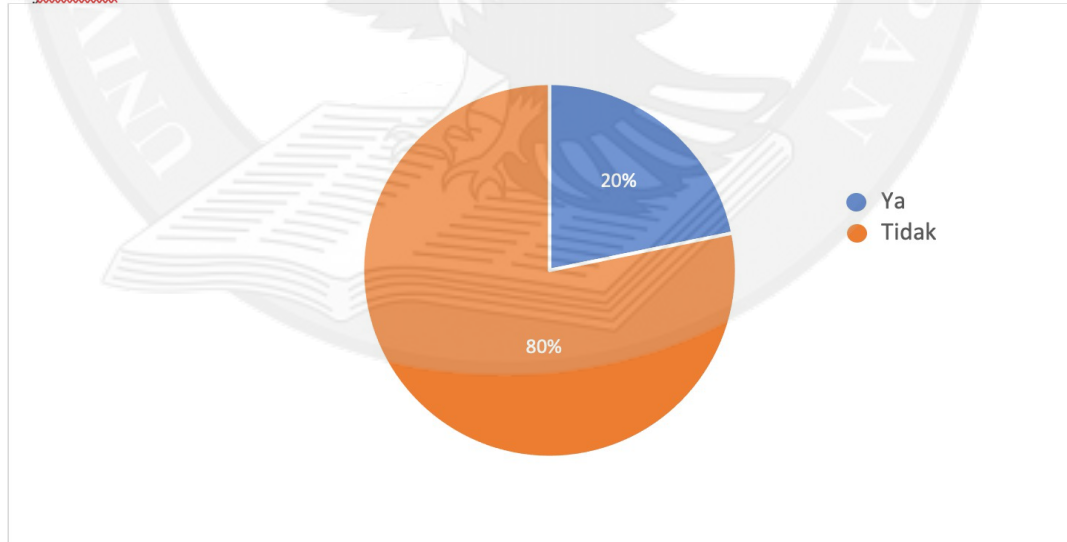


Figure 1. 7 Pre Survey Question 2 Result
Source: Prepared by the writer (2024)

According to the pre-survey data collected, the results indicates that major respondents were largely unaware of any events or activities held by Panin Dai-ichi Life. There were 24 respondents (80%) that answered no and 6 respondents (20%) that answered yes. This indicates that there is still a lack of promotion at Panin Dai-ichi Life which can influence the customer purchase decisions.

Regarding trust, there have been several reports from policyholders about slow claim processing and a lack of transparency in the claims submission process. There have also been cases of misunderstandings or miscommunications between sales representatives and policyholders, leading to the perception that the company is intentionally complicating the claims process. This can damage policyholders' trust in the company and negatively impact insurance sales at PT Pou Sukses Bersama. The trust issue is further complicated by incidents involving other agencies, which have indirectly harmed the brand image and customer trust in PT Pou Sukses Bersama because they were selling insurance products from the same provider.

Suara Pembaca

Sebelumnya Dijanjikan akan Cair, Klaim Asuransi Panin Dai-ichi Life Ditolak

Indra - detikNews
Selasa, 16 Apr 2019 11:52 WIB

Keluhan

Almarhum suami saya adalah pemegang polis asuransi jiwa Panin Dai-ichi Life sejak tahun 2016 dengan Nomor Polis 2016009977 dan selalu membayar premi tepat waktu. Pada tanggal 9 Februari 2018, suami saya meninggal dunia.

Pada bulan Maret 2018, saya mengajukan klaim asuransi ke Panin Dai-ichi dan pihak agen menjanjikan akan mencairkan dana dalam waktu 14 hari. Namun pihak Panin Dai-ichi Life menyatakan bahwa klaim tidak disetujui dengan alasan yang tidak tepat atau tidak sesuai dengan Pasal-pasal dalam Polis Asuransi tersebut.

Saya melihat Panin Dai-ichi Life tidak adil dalam memberikan keterangan ataupun alasan penolakan klaim tersebut. Saya hanya meminta apa yang menjadi hak saya sebagai istri Almarhum atau sebagai ahli warisnya. Terima kasih.

OPERATOR INSPECTION

MANUAL DETECTION
Relying on manual detection, the model dependent on the fact for human eyes to follow.

VS

OX WOODVIEW PRO

mediakonsumen

Lamanya Proses Klaim Asuransi Kematian Panin Dai-ichi Life

12 Juni 2021 • Uaheta • 8 Komentar • Asuransi, Asuransi Jiwa, Asuransi Panin Dai-ichi Life, Customer complaint handling, Customer Service, Klaim Asuransi, Pencarian dana asuransi, polis asuransi, Verifikasi Data

thinking huts

One School = Thousands of Dreams

Get Inspired

Children Education is the Strongest Lever to Impact the Livings

Ikuti kami di Google Berita

Pembaca yang terhormat,

Saya adalah nasabah pemegang polis asuransi Panin Dai-ichi Life. Saya ingin menyampaikan kepada manajemen Panin Dai-ichi Life agar lebih meningkatkan kinerja dalam layanan pengajuan klaim manfaat asuransi yang sangat terbilang lama dan tidak berkomitmen sebagai "BY YOUR SIDE FOR LIFE". Saya mengutarakan disini atas proses pengajuan klaim manfaat asuransi dengan tertanggung atas nama Phoeay Giok Nio, nomor: 2017028409, 2020016660, 2020013967.

Figure 1. 8 Customer Complaint
Source: Detik News and Media Konsumen

The following diagram illustrates the pre-survey data collected from 30 respondents aged between 20 and 40 years.

Apakah Anda meyakini bahwa Panin Dai-ichi Life akan membantu Anda terhadap keluhan atau masalah yang Anda hadapi?

30 jawaban

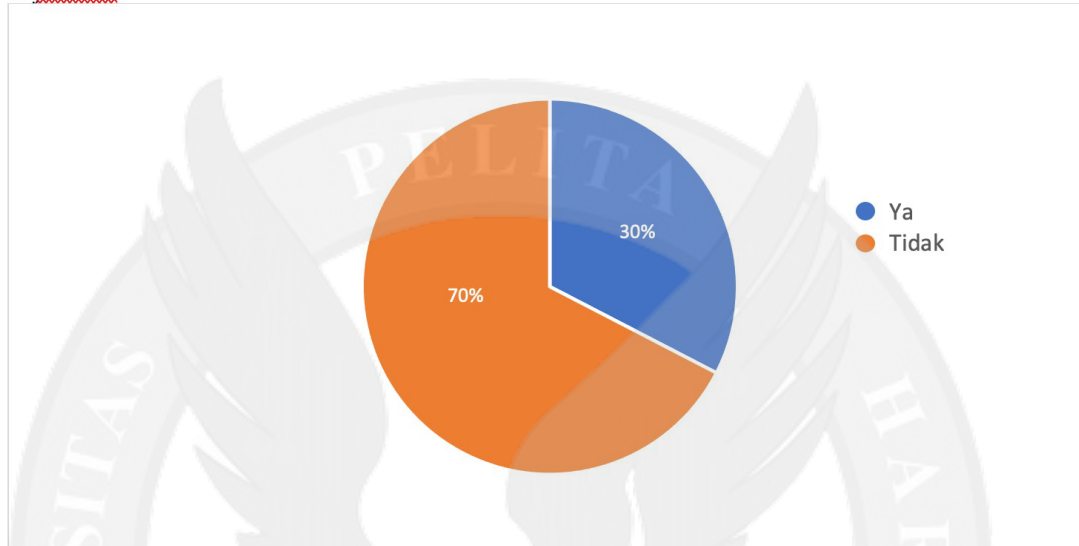


Figure 1. 9 Pre Survey Question 3 Result

Source: Prepared by the writer (2024)

According to the pre-survey data collected, the results indicate a significant portion of respondents still remains uncertain about whether Panin Dai-ichi Life will effectively assist respondents with the challenges that respondents may encounter. The majority of respondents expressed doubt, showing a lack of confidence in the company's ability to provide reliable solutions to the issues. The pre – survey result shows that there were 21 respondents (70%) that answer no and 9 respondents (30%) that answer yes. This indicates that there is still a lack of trust in Panin Dai-ichi Life which can influence the customer purchase decisions. This suggests that Panin Dai-ichi Life still faces difficulties in convincing potential customers of the benefits and support it offers.

Customers consider the company's brand image, how the company promotes their products to attract interest, and the trust that will be built for long-term benefits. Through this research, the writer can obtain a deeper understanding of the importance of brand image, promotional strategies, and trust in influencing customers purchase decisions. This research aims to highlight how these variables contribute to customer behavior and decision-making processes, providing valuable insights into shaping customer preferences and choices.

Based on the background research, the writer will conduct the research with the title **“The Influence of Brand Image, Promotion, and Trust on Customer Purchase Decision at PT Pou Sukses Bersama”**.

1.2 Problem Limitation

Given the limited time and resources available, the writer recognizes that undertaking the research that covering all Panin Dai-ichi Life branch offices in Indonesia would take substantial time and effort. The broad scale of research would meet significant obstacles in terms of data collection, analysis, and logistics. To ensure that the research is manageable and generates relevant results within the limits, the writer decide to focus on one of Panin Dai-ichi Life's independent marketing branch offices. The research will focus on PT Pou Sukses Bersama, which is located in North Sumatra. By limiting the scope of research to PT Pou Sukses Bersama, the writer hopes to deliver comprehensive conclusions in the research. The writer will narrow down the research on three specific independent variables: Brand Image (X_1), Promotion (X_2), and Trust (X_3), with the customer

purchase decision as the dependent variable (Y). The research will explore how brand image, promotion, and trust influence customer purchase decisions at PT Pou Sukses Bersama.

1.3 Problem Formulation

The writer creates a number of question keys based on the research that will be done in order to gather all of the necessary information, including:

- a. Does Brand Image has partial influence on Customer Purchase Decision at PT Pou Sukses Bersama?
- b. Does Promotion has partial influence on Customer Purchase Decision at PT Pou Sukses Bersama?
- c. Does Trust has partial influence on Customer Purchase Decision at PT Pou Sukses Bersama?
- d. Do Brand Image, Promotion, and Trust have simultaneous influence on Customer Purchase Decision at PT Pou Sukses Bersama?

1.4 Objective of the Research

Based on the research's background and problem formulation, the objective of the research will be:

- a. To analyze whether Brand Image has partial influence on Customer Purchase Decision at PT Pou Sukses Bersama.
- b. To describe whether Promotion has partial influence on Customer Purchase Decision at PT Pou Sukses Bersama.

- c. To explain whether Trust has partial influence on Customer Purchase Decision at PT Pou Sukses Bersama.
- d. To investigate whether Brand Image, Promotion, and Trust have simultaneous influence on Customer Purchase Decision at PT Pou Sukses Bersama.

1.5 Benefit of the Research

1.5.1 Theoretical Benefit

The research at PT Pou Sukses Bersama aims to enhance the understanding of how the independent variables (Brand Image, Promotion, and Trust) influence the dependent variable (Customer Purchase Decision). These variables aim to enhance the existing theories on customer purchase decisions in the business operated by PT Pou Sukses Bersama.

1.5.2 Practical Benefit

- a. For the Writer

The purpose of this research is to improve the writer's comprehension and to produce additional insights into the ways in which the independent variables (Brand Image, Promotion, and Trust) influence the dependent variable (Customer Purchase Decision) within the context of the financial services industry.

b. For PT Pou Sukses Bersama

The research aims to support PT Pou Sukses Bersama in improving the company's sales through greater brand image visibility, implementing effective and appealing promotional strategies, and establishing market trust in the company as a credible and reliable company that could influence the customer purchase decisions to purchase insurance product at PT Pou Sukses Bersama.

c. For Future Researchers

The findings of the research could serve as a reference or source of information for researchers in the future who are doing an investigation into the ways in which trust, promotion, and brand image influence the purchase decisions of customers in the financial services industry.

