The Influence of Financial Literacy to Consumer Purchase Intention of Traditional Life Insurance Product

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ABSTRACT

This study investigates customer purchase intentions for traditional life insurance products, focusing on the impact of financial literacy. It investigates the specific challenges faced by Life Insurance Companies in Indonesia due to tightening regulations imposed by Indonesia's Financial Services Authority ("OJK") regarding unit-link Insurance Products, a modified Whole Life Insurance Product that combines protection and investment. As a result, Life Insurance Companies have recently competed to supply traditional life insurance products to ensure company continuity. By addressing the need for more research in this area, this study fills a void by informing Life Insurance Companies on how financial literacy influences consumer purchase intentions of traditional life insurance products.

This study gives a thorough knowledge for Life Insurance Companies to establish ways to learn more about consumer behavior in the emergence of various traditional life insurance products through a synthesis of existing literature, qualitative research findings, and empirical evidence. The suggested research framework emphasizes critical characteristics of financial literacy, attitude, subjective norm, perceived behavior control, and their impact on customer purchase intention of traditional life insurance products.

While this conceptual article provides valuable insights and a research framework, a more empirical study is required to validate and expand on the offered claims. Future research should look into the impact of financial literacy on consumer purchasing intentions, particularly among Generation Z.

This study will benefit others, mainly by providing insights to the boards of management of Life Insurance Companies in understanding the consumer intention of the Traditional life insurance product, particularly in understanding the shift from unit-link Life Insurance products to Traditional life insurance products.

Keywords: Financial Literacy, Purchase Intention, Life Insurance

1. INTRODUCTION

Life insurance is a financial instrument that individuals acquire to protect themselves and their families against unanticipated risks with financial repercussions.Additionally, life insurance is a solid foundation for complete financial planning and is particularly important for households with young children. Simply put, consumers contribute a certain amount each period to their "savings accounts" or life insurance policies, which serve as collateral for loans. Life insurance policies have evolved to provide additional conveniences and a safety net for consumers, such as coverages for unintentional risks like incapacity for employment or accidental death, after which the company pays them a sum of assured benefits.

The development of the Insurance Industry itself in Indonesia within ten past years is increasing, especially life insurance, which annually contributes premiums of dozens or hundreds of trillion IDR. Even recorded in 2021, there is an exceptional contribution of IDR 203 trillion by predominance 62,9% contribution or equivalent IDR 127,7 trillion comes from Unit Link Life Insurance Products, which growing 6,4 % from 2020, and the remaining 37,1 % comes from Traditional Life Insurance Products (2022, Source Data AAJI).

Various studies have stated that financial literacy is one factor that needs attention in advancing the life insurance industry, one of which is the study conducted by Wang et al. (2020). The study was conducted in China and concluded that an increase in the financial literacy index would impact the premium income of the life insurance industry. In the Indonesian context, these findings are pretty related to the results of the National Financial Literacy and Inclusion Survey conducted by the Financial Services Authority in 2019, where the insurance sector literacy index is still far below the banking literacy index and even the overall financial literacy index, while the penetration rate is still stagnant.Indonesia's financial literacy index in 2019 continues to increase compared to previous surveys conducted in 2013 and 2016. In 2019, the financial literacy index reached 38.03%, an increase of 16.19% from 2013.

In 2021, the public was enlivened by customer complaints due to unit-linked Life Insurance products. In marketing, agents tempt large investment profits to customers, but in practice, many customers experience losses. Simply put, unit-linked insurance can be a life insurance product linked to an investment and provides two benefits in one policy: protection and investment benefits. The investment benefits offered by this product have risks according to the type of investment chosen.

Departing from the many customer complaints, Otoritas Jasa Keuangan (OJK) issued new regulations regarding investment-linked insurance products, which is unit-link. This new regulation will tighten the process of selling products to report product performance to its customers. In this rule, OJK focuses on transparency in unit-link sales, including the after-sales service. In addition, customers should be educated enough to compare which insurance product is better, buy a package of protection and investment together (unit-link) or buy it separately between traditional life insurance products and investment products alone, which all of these have a strong relationship with customers' financial literacy.

Due to tightening regulations from the OJK regarding unit-link Insurance Product a modified of Whole Life Insurance Product which combined between protection and investment, life insurance companies have recently been competing to issue traditional life insurance products as a form of anticipation to maintain business continuity.

However, with the emergence of many traditional life insurance products, do people already have sufficient financial literacy to know enough to differentiate which insurance product is best for customers, be it a unit-linked life insurance product or a traditional life insurance product? Suppose the public already has sufficient financial literacy and understands the latest OJK regulations regarding unit-linked life insurance. Will there be an increase in purchasing intentions for traditional life insurance products?

This research will employ a modified version of Ajzen's (1991) model of the theory of planned behavior to assess financial literacy as a factor influencing customer purchase intention of traditional life insurance products (TPB). The TPB was used for this research because it evaluates numerous personal and environmental aspects influencing consumer purchasing intention. TPB will measure customer intent to acquire traditional life insurance products by predicting consumer attitudes, subjective norms, and perceived behavioral control.

Therefore, this research will address this gap by investigating the influence of financial literacy to consumer purchase intention of traditional life insurance product
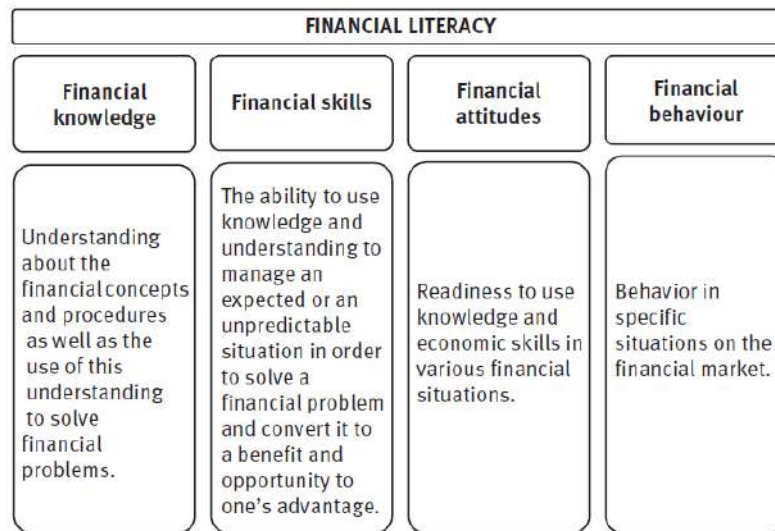
This research is formulated to understand the factors influence the consumer's purchase intention with the following six research questions:

1. What is the effect of Consumer Attitude (ATT) to Purchase Intention of Traditional Life Insurance Product (PI)?
2. What is the effect of Consumer Subjective Norm (SN) to Purchase Intention of Traditional Life Insurance Product (PI)?
3. What is the effect of Consumer Perceived Behavioral Control (PBC) to Purchase Intention of Traditional Life Insurance Product (PI)?
4. How Financial Literacy (FL) would affect the relationship between Consumer Attitude (ATT) to Purchase Intention of Traditional Life Insurance Products (PI)?
5. How Financial Literacy (FL) would affect the relationship between Consumer Subjective Norm (SN) to Purchase Intention of Traditional Life Insurance Products (PI)?
6. How Financial Literacy (FL) would affect the relationship between Consumer Perceived Behavioral Control (PBC) to Purchase Intention of Traditional Life Insurance Products (PI)?

2. LITERATURE REVIEW
2.1 FINANCIAL LITERACY

Chen and Volpe (1998) define financial literacy as the knowledge to manage finances in financial decision-making. A lack of financial literacy causes a person to be more likely to have problems with debt, be more involved with higher credit costs, and less likely to plan for the future (Lusuardi et al., 2010). Hilgert et al. (2003) and Cude et al. (2006) also stated that knowledge of how to manage finances and how the technique in investing must be addressed as in previous times.

FINANCIAL LITERACY			
Financial knowledge	**Financial skills**	**Financial attitudes**	**Financial behaviour**
Understanding about the financial concepts and procedures as well as the use of this understanding to solve financial problems.	The ability to use knowledge and understanding to manage an expected or an unpredictable situation in order to solve a financial problem and convert it to a benefit and opportunity to one's advantage.	Readiness to use knowledge and economic skills in various financial situations.	Behavior in specific situations on the financial market.

Elements of Financial Literacy
Source: Beata Swiecka, 2019

Financial literacy consists of the following elements (see Figure 2.1)

a. Financial knowledge – knowledge and understanding of economic concepts and mechanisms of the economy. Financial knowledge helps people to understand the financial concepts and procedures, as well as to use this understanding in solving financial problems. It is the knowledge of how to manage money in different usage, including the monitoring of day-to-day financial matters in the market and make the right choices for "financially literate" people's needs. Parts of financial knowledge includes:

- Conceptual financial knowledge,
- Procedural financial knowledge,
- Applied financial knowledge.

b. Financial skills – application of acquired economic knowledge in economic decisions (analysis, evaluations, choices). It is the ability to use knowledge and understanding to manage an expected or unpredictable situation to solve a financial problem and convert it into a benefit and opportunity to one's advantage.

c. Financial attitudes – motivation and readiness to use knowledge and economic skills in various situations. They are the individual characteristics that take the form of tendencies towards a financial practice or action. They show the inclination or likelihood of a person to undertake a behavior.

d. Financial behavior – behavior in specific situations on the financial market.

2.2 THE THEORY OF PLANNED BEHAVIOR

The Theory of Planned Behavior (TPB) has become one of the most utilized theories in terms of explaining and predicting behaviors of individuals. The TPB has been cited over 5000 times according to the Web of Science since Icek Ajzen originally published it in book (1988) and article (1991) form. The TPB's main assentation's are that behavior is preceded by one's intentions to perform the behavior and perceived control over the behavior (Ajzen, 1991).

2.3 ATTITUDE

The TPB relies on an expectancy-value formulation to describe the formation of attitude toward a behavior. Specifically, attitude toward the behavior is assumed to be a function of readily accessible beliefs regarding the behavior's likely consequences, termed behavioral beliefs. A

behavioral belief is the person's subjective probability that performing a behavior of interest will lead to a certain outcome or provide a certain experience, for example, the belief that wearing a heart monitor (the behavior) can detect heart arrhythmia (the outcome) or is inconvenient (the experience) (Ajzen, 2020). Attitudes are defined as an individual's positive or negative evaluation of self-performance of the particular behavior.

2.4 SUBJECTIVE NORM
Subjective norms are the societal pressures placed on a person to act in a certain way (Ajzen, 1991). Members of collectivist cultures are more sensitive to subjective norms than members of individualistic cultures, and this pressure can come from anyone they know (Ajzen, 2002). Subjective norm or normative pressure is defined as an individual's behavior being influenced by actions proposed by close friends. "It can also be a person who approves or disapproves of an action," says the author (Ajzen & Fishbein, 1975).

2.5 PERCEIVED BEHAVIORAL CONTROL
Perceived behavior control is concerned with an individual's perception of their ability to engage in conduct (Ajzen, 1991). It also refers to available resources, such as purchasing power. Ajzen (1991) was the first to propose the concept of perceived behavior control. The greater the PBC over the intention, the more resources and opportunities people believe they have (Madden, Ellen, & Ajzen, 1992). PBC is an individual's assessment of their ability to undertake a specific activity, and it has become one of the most powerful predictors of intention (Notani, 1998). Perceived Behavioral control (PBC) refers to a person's perceptions or beliefs about having access to the knowledge, resources, and opportunities needed to engage in a particular action (Ajzen, 1985).

2.6 PURCHASE INTENTION
Purchase intention refers to the probability of consumers purchasing products or is defined as a measure of the strength of one's intention to perform a specific behavior or decide to buy a product or service. The higher the likelihood, the stronger the purchase intention (Schiffman & Kanuk, 2015). Understanding consumers' purchase intentions can help companies analyze the market and adjust their products or services to increase sales and generate more profits (Anastasiei & Dospinescu, 2019).

2.7 TRADITIONAL LIFE INSURANCE PRODUCT
The word traditional in terms of Traditional Life Insurance is due to modifications in life insurance products, especially those that have recently been rife, namely Unitlink Life Insurance, where the product is combined with mutual fund investment instruments.
Two major types of life insurance are currently called Traditional Life Insurance: Term Life Insurance and Whole Life Insurance.

3. RESEARCH FRAMEWORK
The research will focus on the factors that affect Consumer Purchase Intention of Traditional Life Insurance Product. This research is measuring the effect of consumer attitude (ATT), consumer subjective norm, consumer perceived behavioral control (PBC) toward purchase intention (PI) of Traditional Life Insurance Product and measuring the effect of financial literacy (FL) as moderating role towards the relationship between consumer attitude (ATT), consumer subjective norm, consumer perceived behavioral control (PBC) and purchase intention (PI). Theoritical framework and hypotheses will be as follow:
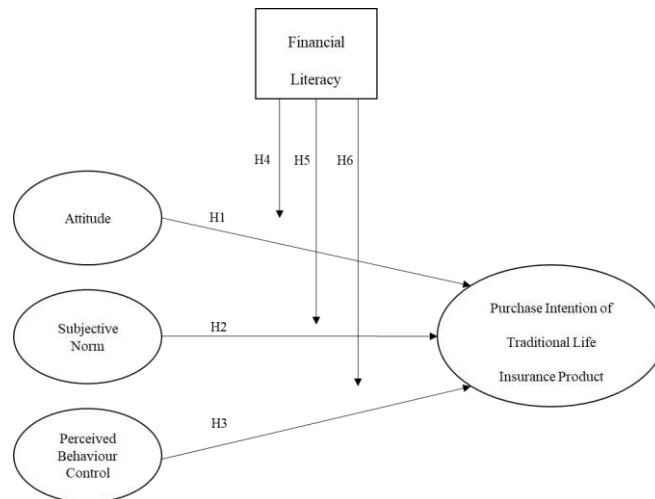
Research Framework
Source : Author (2023)

H1 : The higher (lower) attitude (ATT), then the higher (lower) purchase intention (PI).

H2 : The higher (lower) subjective norm (SN), then the higher (lower) purchase intention (PI).

H3 : The higher (lower) perceived behavioral control (PBC), then the higher (lower) purchase intention (PI).

H4 : The higher (lower) Financial Literacy (FL) will impact the dynamic between attitude (ATT) and purchase intention (PI).

H5 : The higher (lower) Financial Literacy (FL) will impact the dynamic between subjective norm (SN) and purchase intention (PI).

H6 : The higher (lower) Financial Literacy (FL) will impact the dynamic between perceived behavioral control (PBC) and purchase intention (PI).

4. METHODOLOGY
4.1 SAMPLE & DATA COLLECTION

In February 2023, the researcher collected primary and secondary data to strengthen the study. In the form of a survey, the primary data is a source of research data gathered directly from the source (without intermediaries). In this investigation, primary data will be collected directly through online surveys completed by 162 respondents. In contrast, secondary data is the source of research data obtained by looking for and gathering materials from literature reviews, research, books, and reports, as well as comments from Google, IPMI, or the academic supervisor, as outlined in Table below.

Type of Data	Description	Sources
Primary Data	Responses to questionnaires	Life Insurance Products Consumers', especially who already purchase unit-link product in Jabodetabek area with minimum education S1 and monthly income between IDR 5,000,000 – IDR 100,000,000
Secondary Data	Materials by searching and collecting	Previous research, books, reports, and feedbacks from Google, IPMI or the academic supervisor

In order to gather data efficiently and in a reasonable amount of time, questionnaires will be given via an online form to participants in this study. The questionnaire format consists of closed-ended questions in which the responder selects a response from a list of possibilities.

Google Forms was used to generate an online survey, which was then sent to targeted responders via WhatsApp. Moreover, the online survey distributed in February 2023.

Typically, research is conducted on samples rather than entire populations. A survey is valuable and effective for answering research questions through data collection and subsequent analyses. A population is the total number of individuals with particular characteristics, while a sample is a subset of the population. By studying the sample, the researcher can draw findings that apply to the target population. This study's population consists of individuals familiar with life insurance products. Either they are consumers/customers of life insurance products or are interested in or knowledgeable about such goods.

Sampling is the process of picking the appropriate person, object, or event for investigation. Types of sample design are probability and non-probability sampling. For probability sampling, there is a known likelihood that sample participants will be selected from the population. According to Shekaran, in non-probability sampling, elements have no known or predefined likelihood of being selected as subjects for sampling (2003). In this investigation, we shall employ the non-probability sampling technique called purposive sampling. The sampling is restricted to several categories of persons who are able to supply the needed information, either because they are the only ones have it or because they meet the researcher's predetermined criteria. Convenience sampling refers to the practice of selecting samples from a population based on ease of access. Another sampling method is snowball sampling, which uses a small number of cases to entice additional cases to participate in the study and increase the sample size.

This study will employ the techniques of purposive and snowball sampling to identify the sample, keeping the following considerations and criteria in mind:

- People who has at least one protection from any life insurance products (esp. unit-link Life Insurance Product), with a minimum 21 years old, S1 Education, and minimum monthly income between IDR 5,000,000 – IDR 100,000,000 in greater area Jabodetabek (representative of consumers/ customers)
- People who interested and understand life insurance products, either they work in insurance companies or in an insurance projects or assignments, in greater area Jabodetabek.

According to Hair et al. (2014), the sample size will impact the suitability and statistical power of multiple regression, as well as generalizability.

4.2 MEASUREMENT & SCALING

The variable research was utilized to support chapter 2 ideas. Some variables have already been updated and modified based on customer behavior and industry conditions observed when purchasing a local brand of perfume. The operational variables in this research are represented by 25 indicator items. On a four-point Likert scale ranging from strongly disagree (1) to strongly agree (4), the factors under study are measured. In the format of a questionnaire, the variables' explanation and measurement items are provided in the table below

Variable	Measuring Item	Scale	Source
Attitude (ATT)	1. Buying traditional life insurance product is a good idea. 2. Buying traditional life insurance product is a wise choice. 3. I like the idea of buying traditional life insurance product	4-point likert scale	(Wang et al., 2013; Ariffin et al., 2019)

	4. Buying traditional life insurance product would be pleasant. 5. I like to choose traditional life insurance product 6. Buying traditional life insurance product is my own choice.		
Subjective Norm (SN)	1. Many people around me think of purchasing traditional life insurance product 2. I feel social pressure to purchase traditional life insurance product 3. Most people who are important to me, think I should purchase traditional life insurance product 4. The people who I listen to, could influence me to purchase traditional life insurance product	4-point likert scale	(Mishra et al., 2020)
Perceived Behavioral Control (PBC)	1. It is easy to buy traditional life insurance product. 2. I cannot decide whether to buy traditional life insurance product or other life insurance product e.g. Unit-link Insurance. 3. It is very likely, I will choose traditional life insurance product next time. 4. Buying habits of purchasing traditional life insurance product will have a strong impact on decision making. 5. Past purchase traditional life insurance product experience will have strong impact on decision making.	4-point likert scale	(Chen & Deng, 2016)
Purchase Intention (PI)	1. I will buy traditional life insurance product frequently. 2. I will encourage my relatives and friends to buy traditional life insurance product. 3. I will buy traditional life insurance product in the near future. 4. It takes a long time for me to purchase traditional life insurance product.	4-point likert scale	(Wang et al., 2013)
Financial Literacy (FL)	1. Knowledge ; I have good knowledge or understanding related the financial concept especially about Traditional Life Insurance product to achieve my financial goals 2. Skills ; I have ability to use my knowledge or understanding about the financial concept to choose the most suitable Traditional Life Insurance Product to support to achieve my financial goals 3. Attitude ; I have positive views towards Traditional Life Insurance product if there's financial situations happen beyond my financial planning e.g. wrong financial	4-point likert scale	(Beata, 2019)

	decision-making, unemployment and unexpected medical bills 4. Behaviour ; I know what to do with my Traditional Life Insurance's policy in case there's specific situations happen on the financial market e.g. economic recession or new policy about Traditional Life Insurance product from regulator or government.		

Source : Author (2023)

5. FINDINGS, ANALYSIS & DISCUSSION
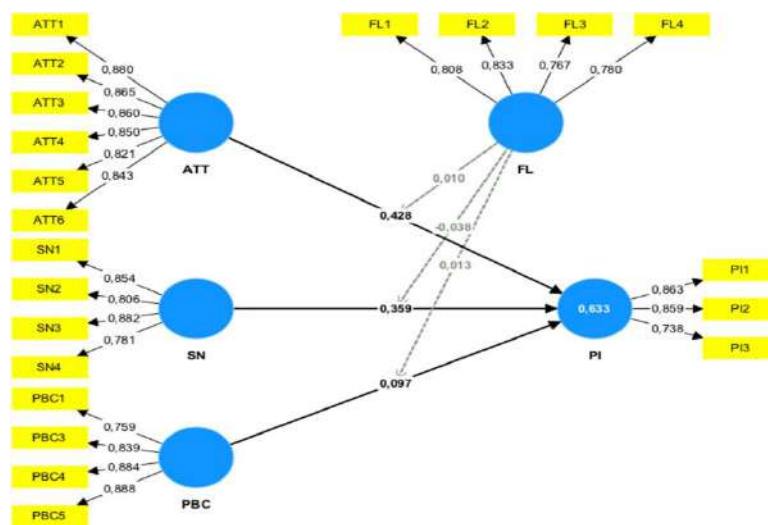
Outer Model

Source: PLS-SEM Report, 2023

5.1 RESULTS
5.1.1 Measurement Model Testing

The instrument's validity and reliability were evaluated on a small scale to ensure their quality and the respondents' comprehension of the items. First, Cronbach's alpha reliability coefficients were utilized to examine the internal consistency (reliability) (Zikmund et al., 2013). Cronbach's alpha value of 0.70 as a minimal point of reliability demonstrated that the questionnaires were reliable (Shekaran, 2010). Second, Pearson's Correlation is utilized to distinguish the validity of the questionnaires. Pearson (1948) stated that 0.3 is the legitimacy of the relationship between the factors to determine the quality of their successful run and that a confidence level of 0.05 is valid. The results of the instrument's validity and dependability are displayed in Table below

Indicator	Outer Loading	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
ATT1 ATT2	0.880 0.865	0.926	0.929	0.942	0.729

ATT3	0.860				
ATT4	0.850				
ATT5	0.821				
ATT6	0.843				
FL1	0.808				
FL2	0.833	0.812	0.822	0.875	0.636
FL3	0.767				
FL4	0.780				
PBC1	0.759				
PBC3	0.839	0.865	0.881	0.908	0.712
PBC4	0.884				
PBC5	0.888				
PI1	0.863				
PI2	0.859	0.760	0.781	0.861	0.676
PI3	0.738				
SN1	0.854				
SN2	0.806	0.852	0.875	0.900	0.692
SN3	0.882				
SN4	0.781				

Validity & Reliability Test Result
Source: SPSS Report, 2023

5.1.2 Structural Model Testing

The relationship between the latent variables is revealed by evaluating the structural model (or inner model). Path coefficient, collinearity issue (VIF), coefficient of determination R^2, and effect size f^2 must be validated to evaluate the structural model.

The coefficient of determination - R Square (R^2) calculates the variance of the dependent variable concerning the change of the independent variable. The R^2 value ranges from 0 to 1, with a higher score indicating greater predictive accuracy. R^2 values for an endogenous variable of 0.25, 0.5, or 0.75 can be interpreted as weak, moderate, or substantial (Hair et al., 2011). Table below shows the results of the analysis.

Variable	R-square	R-square adjusted	Note
PI	0.633	0.610	Moderate

R-Square

Source: PLS-SEM Report, 2023

The R2 of Purchase Intention (PI) in Table R-Square has a moderate level of predicting accuracy (0.608), which is a significant level and close to 1 as an indicator of excellent predicting accuracy to evaluate structurally.

Based on the findings in Table R-Square, the Purchase Intention score is 0.633. This means that Attitude, Subjective Norm, Perceived Behavioral Control, and Financial Literacy have a 63.3% influence on the Purchase Intention variable while the remaining 36.7% is influenced by other variables not studied in this research.

6. CONCLUSION & RECOMMENDATION

6.1 RESEARCH CONCLUSION

The bootstrapping method determines the significance of path coefficients by producing empirical t values that are significant if they are greater than the critical value (t distribution values) at a given probability of error. This study used the following critical values for two-tailed tests: 1.65 (significance level= 5%) (Hair et al., 2017).

The bootstrapping test was used to determine the importance of path coefficients (t distribution values) by calculating empirical t values greater than the critical value. The coefficient is considered significant at a given likelihood of error. 5000 bootstrap samples are recommended (Hair et al., 2017). SmartPLS 3.0's bootstrapping approach was used to test hypotheses and investigate the significance of path coefficients and t values. The two-tailed t-value is 1.65, and the p-value is 0.05 (at 5%). The findings are summarized in Table 4.13 were only two hypotheses were found to be supported, as shown below.

Hypothesis	Variable	Path Coefficient	T-Statistics	P Values	Result
Direct					
H1	ATT -> PI	0.428	3.512	**0.000**	H1 Supported
H2	PBC -> PI	0.097	0.648	0.517	H2 Not Supported
H3	SN -> PI	0.359	5.590	**0.000**	H3 Supported
Moderating - Financial Literacy (FL)					
H4	FL x ATT -> PI	0.010	0.078	0.938	H4 Not Supported
H5	FL x PBC -> PI	0.013	0.089	0.929	H5 Not Supported
H6	FL x SN -> PI	-0.038	0.642	0.521	H6 Not Supported

Hypothesis Testing Result
Source: PLS-SEM Report, 2023

Attitudes Influence Against Purchase Intentions. This is evidenced by the original sample value of 0.428, which means it has a positive relationship. The t-statistic value in this constructed relationship is 3.512 with a two-tailed value of 1.68 at a significance level of 5 percent where the criteria mean that the criteria for the t-statistic are > 1.68 and the p-value is 0.000 so that the attitude relationship affects Purchase Intention declared significant. Therefore, the first hypothesis states that Attitude influences Purchase Intention is accepted.

The original sample value of 0.097 indicates that Perceived Behavioral Control has no positive influence on Purchase Intention. The t-statistic value for this constructed relationship is 0.648, with a two-tailed value of 1.68 at a significance level of 5%, and the p-value is 0.517, indicating that Perceived Behavioral Control does not affect Purchase Intentions. As a result, the second hypothesis, which states that Perceived Behavioral Control has a significant effect on Purchase Intention, is rejected.

The original sample value of 0.359 indicates that the Subjective Norm influences Purchase Intention, indicating a negative relationship. The t-statistic value in this constructed relationship is 5.590, with a two-tailed value of 1.68 at a significance level of 5%, where the criteria mean that the t-statistic value criterion must be greater than 1.68 and the p-value is 0.000, indicating that the Subjective Norm affects Purchase Intention is significant. As a result, the third hypothesis, stating that Subjective Norms have a significant effect on Purchase Intention, is accepted.

The original sample value of 0.010 indicates that the Financial Literacy construct cannot mediate the effect of Attitude on Purchasing Intention. The t-statistic value for this constructed relationship is 0.078 with a two-tailed value of 1.68 at a 5% significance level where the criteria mean that the criterion value of t-statistics must be 1.68 and the p-value is 0.938, indicating that Financial Literacy cannot mediate the effect of Attitude on Purchasing Intention. As a result,

the fourth hypothesis, that Financial Literacy can mediate the Effect of Attitude on Purchasing Intention, is rejected.

The original sample value of 0.013 indicates that perceived behavioral control cannot mediate the Effect of Perceived Behavioral Control on Purchasing Intention. The t-statistic value on this construct relationship is 0.089 with a two-tailed value of 1.68 at a significance level of 5% where the criteria the t-statistic value must be 1.68 and the p-value is 0.929 indicating that Financial Literacy cannot mediate the Effect of Perceived Behavioral Control on Purchasing Intention. As a result, the fourth hypothesis, that Financial Literacy can moderate the Effect of Perceived Behavioral Control on Purchasing Intention, is rejected.

The original sample value of -0.038 indicates that Financial Literacy cannot mediate the Effect of Subjective Norm on Purchasing Intention. The t-statistic value on this construct relationship is 0.642 with a two-tailed value of 1.68 at a significance level of 5% where the criterion value of the t-statistic must be 1.68, and the p-value is 0.521 indicating that Financial Literacy cannot be mediate the Effect of Subjective Norm on Purchasing Intention. As a result, the fourth hypothesis, that Financial Literacy can mediate the Effect of Subjective Norm on Purchasing Intention, is rejected.

6.2 THE IMPLICATION OF THE STUDY

The findings of this investigation point to a possible conclusion. Because the measuring items obtained from linked products or different industries were not carefully modified prior to data collection. This could explain why the moderating effects of Financial Literacy (FL) on the impact of Attitude (ATT) on Purchase Intention (PI), Perceived Behavioral Control (PBC) on Purchase Intention (PI), and Subjective Norm (SN) on Purchase Intention (PI) did not always support. This was a result that described how the moderating effect of Financial Literacy (FL) has no positive or negative impact on the impact between the independent variable and Purchase Intention (PI).

To summarize, this study affirms that while Financial Literacy (FL) may not have a significant moderating effect, it certainly has an impact on Attitude (ATT) and Subjective Norm (SN), as independent variables that influence Purchase Intention (PI).

According to the research findings, only two variables can influence Purchase Intentions: Attitude and Subjective Norm. This results from research conducted on many respondents from the majority demographic, namely those between the ages of 31 and 40, with a bachelor's degree, working as private employees, and earning between 10 million IDR and 50 million IDR per month. As a result, insurance management can use this research to show how Attitude factors and Subjective Norm can influence purchase intentions in this respondent demographic, particularly when targeting consumers in that age range e.g., improving product feature and after-sales service.

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