JOURNAL OF SOCIAL SCIENCE
Printed ISSN: 2720-9938
Electronic ISSN: 2721-5202
jsss.co.id

Determinants of Insurance Awareness and Perceived Value and Their Impact on Unit Linked Insurance Customer Retention with COVID-19 Pandemic as Moderator

Japari Antony[1]*, Hermana Budi[2], Sudaryanto[3]
PT Capital Life Indonesia, Jakarta, Indonesia[1]
Economics Faculty, Universitas Gunadarma, Jakarta, Indonesia[2,3]
Email: antony.japari@gmail.com*

ARTICLE INFO

Date received: January 2, 2023
Date revised: February 10, 2023
Date accepted: 24 March 2023

Keywords:
Customer retention; insurance awareness; perceived value; COVID 19 pandemic; insurance agents

ABSTRACT

The study aims to analyze pandemic life insurance companies faced matter of concerning to extension of customers of unit linked insurance policies during the COVID 19. Unit-linked life insurance product has become a major contributor to the company's profits. This study aims to investigate the factors that influence insurance awareness and perceived value and their impact on customer retention with the COVID 19 pandemic as a moderator. Design/methodology/approach. This study conducted an online survey and total of 230 completed questionnaires were collected from customers in Jakarta. The data was analyzed using SmartPLS software. Findings – Results indicate that insurance awareness, perceived value, and COVID 19 pandemic significantly influence customer retention. Insurance agents, psychological factors and financial literacy significantly influence insurance awareness. E-service quality significantly affects perceived value. The interaction between the COVID 19 pandemic and insurance awareness and the interaction between the COVID 19 pandemic and perceived value did not significantly affect customer retention. Originality/value – The study contributes to the marketing literature by proposing a conceptual model: the life insurance customer retention model. The findings offer practical guidance to life insurance companies to keep the customer loyalty.

INTRODUCTION

As the COVID 19 pandemic detected in Indonesia, the insurance industry has not yet felt the impact. The more widespread the impact of the pandemic, the longer the insurance industry will feel its effects to this day. Most government and private institutions must comply with government policies in dealing with the impact of the pandemic by imposing Large-Scale Social Restrictions to the Enforcement of Restrictions on Community Activities. These restrictions affect the operations of insurance companies in marketing their products. Ghana's insurance industry is currently experiencing heavy losses, due to trip cancellations, events, and other economic losses. Therefore, insurance companies must adapt to pandemic conditions by requiring their employees to comply with the health protocol provisions set by the government, improve cyber security protocols, and simplify premium claims/ processing using electronic payment channels (Babuna et al., 2020). Sales of new business policies have decreased, the percentage of policy slack has increased and also recorded delays in premium payments (Yadav and Suryavanshi, 2021). Insurance companies develop plans for business continuity (Holliday, 2020).

During the pandemic insurance companies also face problems in retaining middle- and upper-class customers. They can still survive as they can still work even from home and have sufficient savings to meet their needs and pay for insurance policies. Most of the growth in sales of unit-linked insurance products was driven by demand from the middle to high-income community and they contributed to most of the profits to the company. Life insurance companies had to pay special attention to the segment to keep them loyal which is indicated by customers renew their policies every period. Esti at al., (2014) explains that customer retention is a form of loyalty related to loyal behavior as measured by consumer buying behavior and is characterized by a high frequency of consumers buying a product (Abdulla & Nizam, 2015; Bhatti et al., 2016).

Relationship between consumers and companies is built on two parties involved in a continuous exchange process where both will benefit in the long run (Alshurideh, 2016). Loyalty is a loyal attitude that is measured based on the components of attitudes, beliefs, feelings, and the will to make a purchase. Companies can increase profits by 25 to 95 percent with only a 5 percent increase in customer retention and loyal customers are the main source of potential growth for companies (Gengeswari et al., 2013; Matiş & Ilieş, 2014). Nowotarska-Romaniak (2020) states that companies that focus on customer loyalty can earn higher business returns. One of the successes in maintaining customer retention in the health insurance sector is employees who are responsive and empathetic (Jatav, 2017).

Today there has provided many investment options in financial products and knowledge of finance has become important for investors to minimize investment risk and increase investment returns. Nowadays, everyone must do financial planning in the short, medium and long term and many factors influence financial planning (Dalkilic & Kirkbesoglu, 2015). Purchasing unit-linked insurance products is one way to protect income from inflation risk and insurance is a financial instrument to cover risks, but public awareness of insurance is still low (El Monayery, 2013). Most people have heard about life or health insurance, but they have incomplete and inaccurate knowledge about various aspects of insurance even among policyholders such as policy lapse, policy redemption, and information about agents who provide complete and accurate information. An insurance system that ensures the safety of financial risks for individuals is an important dynamic in financial education and creating awareness.

The concept of financial education is a dynamic and continuous process in increasing investment motivation and improving perfect relationships with financial institutions as well as to increase awareness that transacting in financial markets carries risks. The more financial knowledge increases, the more aware there is of risk and a certain level of risk readiness. The role of insurance as the backbone for customers to secure their future (Raza et al., 2020). Insurance knowledge to individuals who are new to young professionals has increased awareness of the importance of insurance and in choosing coverage options to reduce life risk (Przybytniowski, 2017). Communities need education about financial management for families to make better financial decisions and increase economic security (Insurance Regulatory and Development Authority, 2011).

Perceived value is the consumer's overall assessment of the usefulness of a product based on perceptions of what is received and what is given (Zeithaml et al., 2002). Customers will always base their purchasing decisions on the perceived value of the products or services offered by the company. After purchasing a product/service, customers tend to compare the benefits received with the cost of the purchase. Perceived quality is the customer's assessment of the way the service is delivered by the service provider or the way the product is offered by the manufacturer and is formed in the customer's mind during the service/product experience (Gallan et al., 2013). Higher degrees of empathy result in higher satisfaction and perceived value (Hojat et al., 2010). This empathy is an antecedent to customer satisfaction and perceived value in the conceptual model (Cameran et al., 2010).

Nomi and Sabbir (2020) conclude that financial literacy has a significant positive effect on consumers' purchase intentions for life insurance. Inheritance motives and financial literacy have the most significant impact on customers' purchase intentions for life insurance. Uncontrolled spending is a result of shallow financial knowledge (Delafrooz & Paim, 2011). The majority of policyholders buy insurance policies for savings purposes (Chaudhary, 2016). Uncertainty is one of the determinants of household saving behavior (Mody et al., 2012; Rocher & Stierle, 2015).

In marketing insurance products, the role of insurance agents is very important in providing education, understanding, and serving customers. Insurance agents are still needed in meeting people's needs for life insurance. Online marketing can reduce the role of agents, but cannot eliminate agents, since electronic marketing only for simple and short-term insurance products. Insurance agents continue to play a major role in selling life insurance products including in the digital era, because of their role in explaining in detail to prospective customers digitally (Muhamat et al., 2018).

One of the biggest challenges for life insurance companies is that they must strive to innovate in superior services and only insurance agents can explain innovative services (Bala et al., 2011). In addition, they must have honesty and integrity, act fairly and prioritize the interests of customers, act carefully and skillfully and diligently, have the ability to provide solutions to customers, provide complete and accurate information to customers, avoid conflicts of interest, and provide security for customer assets (Insurance Authority. 2019) and they must be qualified agents. Trust, expertise, and attractiveness of insurance agents have a significant effect on customer attitudes in renewing insurance policy (Ayuningtyas et al., 2018). Salespeople who can produce effective performance will generate loyal customer segments as well as large profits for the company (Schmitz et al., 2014) and superior personality of the agent can increase sales and open nature of insurance agents, awareness of achieving goals, friendliness, and emotional control are the effective behavior to support the company's success. Insurance agents must have knowledge in sales, good adaptability, role ambiguity, cognitive attitudes, and work involvement in order to improve sales performance (Verbeke et al., 2011). These skills interpersonal skills can improve salesperson performance (Basir et al., 2010). In marketing insurance products, insurance agents must be able to sensitize potential customers. Life insurance agents in India still play an important role in marketing insurance products and as recipients of premium payments (Patil, 2012) and student awareness of the importance of life insurance in Nigeria comes from families and insurance agents (Okunnu & Adeyemi, 2008), and awareness for health insurance in India comes from insurance agents (Desai et al., 2013), and Takaful sales agents in Malaysia with attributes of high ability and self-control perform better in their sales performance (Salleh & Kamaruddin, 2011). Life insurance agents in Malaysia with problem-solving skills and a ready-to-help attitude will lead to an increase in customer intention to buy life insurance products (Panigrahi et al., 2018).

In deciding to renew unit liked insurance policy, customers must have financial literacy as insurance products is a form of investment to generate benefits in the future, so that customers must be able to consider and analyze various factors against various investment alternatives. This financial literacy includes a combination of sufficient awareness, knowledge, skills, attitudes, and behaviors to make effective lifelong financial decisions. This knowledge of finance can be in the form of a conceptual model which includes knowledge of savings, loans, inflation effects, the importance of the compounding effect, financial goals, financial planning, retirement planning, different investment products and the risks and returns associated with them. People who have financial knowledge will be able to: a) make financial allocation choices; b) take advantage of financial markets; c) plan how to use money for life purposes; d) interact with government programs and systems; e) filter financial information; and f) managing the resources owned in the best way (Felipe et al., 2017).

Technological advances and market innovation have created a sophisticated financial industry and have created various types of complex financial products and services, so that people have more choices and make financial plans that best suit their needs. Financial education is also important in the selection of insurance products by contributing to the development of insurance awareness (Dalkilic & Kirkbesoglu, 2015). Individual investors may experience greater difficulty in gathering and digesting all financial information, leaving investors in a bad position to make appropriate financial decisions to achieve less efficient allocation of wealth (Mouna & Jarboui, 2015).

Psychological factor in the insurance marketing process has important factors for the further implementation of insurance marketing and the development of the insurance industry as a whole. Customers are more willing to buy or renew insurance for the object at stake if the customer has a greater effectiveness to the object. In the modern market, consumers have many product choices, making it confusing to choose (Durmaz, 2014). To convince consumers, marketers must persuade consumers to get maximum sales. One of the factors that influence consumer buying behavior is psychological factors. Insurance industry must understand customer psychology for the process and implementation of insurance marketing and the development of the insurance industry as a whole. Insurance companies can formulate personalized marketing plans for different target customers, making insurance marketing stimulus degrees more aligned.

The development of information and communication technology has increased fiercer competition in various product and service markets, because companies can shift from manual operations (offline) to online-based services effectively and efficiently in the areas of marketing, administration, pre-sales, and after-sales services and etc. Companies use the internet to publish various types of information – annual and monthly reports, printed materials of publicity and public relations departments, certain information about products and services, promotional messages, advertisements for other companies and so on (Sekulovska & Sekulovski, 2012). Information technology including the internet has become source to obtain a sustainable competitive advantage for all sectors including the insurance industry. New Zealand insurance industry is well positioned to benefit from using electronic commerce (e-commerce) (Yao, 2004).

The virtual and global nature of the e-environment allows consumers to easily compare the benefits of competing services and easily switch due to low switching costs (Poon and Lee, 2012). This technological development has also caused a cultural change where consumers start shopping through e-commerce rather than in physical stores (Rita et al., 2019). Lifestyle and work are affected by the increasing demand for accessing the internet to receive information and services. Therefore, insurance companies cannot be indifferent to the demand. Insurance companies can take advantage of new information and communication technologies to provide better services (Meshkat et al., 2012). E-insurance is the use of the internet and information technology to produce and distribute insurance services. The impact of e-insurance on company efficiency includes (a) e-insurance will reduce managerial and administrative costs through business automation processes and will increase managerial data and (b) e-insurance, by selling insurance policies will directly reduce commissions paid to the agent.

Electronic services (e-service) are becoming increasingly important for companies to facilitate transactions, presentation and provide information, payment processing and various other activities and customers evaluate the quality of electronic services. One of the characteristics of today's society is the increasing use of information and communication technology in all fields. Computer applications (electronic services) are being developed and applied within companies to provide services electronically (Lorena et al., 2009). Insurance companies must adopt it for electronic marketing to achieve corporate success (Hossinpour et al., 2014). They prove that e-marketing can increase life insurance sales and investment and produce highly competitive and innovative products (Maheswari and Chandrasekaran, 2013). The use of E-insurance can be useful in promoting, recommending, negotiating, and purchasing and settling insurance policy claims. This self-service gives customers more control over the service process, reduces the workload of insurance agents, increases adoption speed, and reduces transaction costs, competitive product introduction and market expansion.

In this paper, we proposed model to retain customers by increasing the customer awareness and the perceived value. This research contributes to life insurance companies by keeping customers extending their policies through the performance of insurance agents who continue to provide the latest information and remind about the importance and benefits of unit linked insurance as financial risk protection in the future in addition to providing investment benefits compared to managing risk and managing their investment independently. Another contribution is that the perceived value received by customers through a comparison of the benefits and costs incurred. The benefits obtained are in the form of online services; complete, clear, and accurate information; online purchase of insurance policies; online claim submission; provision of professional investment managers; an insurance rider; and other form of services. The costs that must be incurred are in the form of premium payments and mobile data costs for interacting with life insurance companies. We next organize this paper consist of literature review and hypothesis development, research method and data analysis, results, and discussion, and finally conclusion.

Hypothesis Development

The economic model hypothesis which states that economic agents/actors try to achieve optimal/best results under certain conditions. Consumers are also economic actors who make rational decisions every time. They try to maximize satisfaction by spending a certain amount of sacrifice, including the purchase of insurance products where they consider the benefits and costs incurred. One form of profitable relationships is the company's relationship with loyal customers. Rai and Srivastava (2014) explain that loyal customers are customers who consistently feel the benefits of a product and service as expected. Gerpott et al. (2001) state that customer satisfaction is a direct determinant of customer loyalty and loyalty in turn is a major determinant of customer retention. Anderson and Mittal (2000) suggest that companies assess the relationship between retention and profitability in each segment and then decide on the optimal resource allocation strategy to optimize retention and profitability. Alshurideh (2016) states that the trend of customer retention has emerged to increase organizational profits and minimize costs and customer switching in the long run. Abdulla and Nizam (2015) conclude their research that customer retention is related to maintaining business relationships that exist between contractors and customers. Ouma et al. (2013) stated that most organizations such as banks pay more attention to customer retention as an effective tool to gain strategic advantage. Roig et al. (2006) argue that companies should strive to maintain long-term relationships with customers in order to make a profit.

Measurement of customer loyalty is done by measuring the strength of the relationship between a customer and a business. Companies must have the ability to assess and understand customer loyalty. Loyalty for the company is the activity of communicating different ideas and information to different people. Companies must be able to measure customer attitudes and behavior, so that loyalty programs can be arranged to consumers and form real loyal consumers.

The relationship between insurance awareness and perceived value and customer retention

Awareness is the extent to which customers recognize when told about product characteristics, persuaded to try it, and reminded to repurchase (Kotler and Keller, 2016). A company always sets clearly goals such as increasing profitability, maintaining customer loyalty, increasing satisfaction, increasing product awareness, increasing market share, implementing expansion, and so on. Insurance companies can create, implement and maintain appropriate marketing programs to create consumer awareness about insurance and provide appropriate products (Ashok and Sarang, 2014). Consumers can rebuy if they are convinced of the quality through brand awareness because customers usually make purchasing decisions based on awareness, knowledge and experience of a particular brand. Consumer loyalty becomes stronger and stronger when they realize the brand that can be created through advertising and repeated publicity (Valavi, 2014).

Damtew and Pagidimarri (2013) explain that policyholders can hold several contracts with the same company with different risks. The customer and insurance company relationship is a very special type of relationship because it involves a long term commitment. Saaty (2012) explained that insurance companies need to focus on inviting the public to awareness and education programs. Kiseleva et al. (2016) explain that customer emotional loyalty is reflected in their level of awareness about the company, needs, and benefits of its products or services. According to Kuusik (2007) globalization of competition, market saturation, and the development of information technology have increased customer awareness and resulted in long-term success. Fedotova et al. (2019) explain that false loyalty occurs when behavioral loyalty matches a low level of attitude loyalty. This type of loyalty has a negative impact on the company because consumers are not emotionally attached to the company. Customer retention is also influenced by the customer's perceived value. Perceived value is a consumer's overall assessment of the usefulness of a product based on perceptions of what is received and what is given. In this case, what is received varies between consumers such as wanting volume, high quality products/services, convenience and what is provided varies such as money spent and or time and effort (Zeithaml, 1988). Companies must make products and provide services that are measured by perceived value to be able to create, maintain, and grow long-term relationships. Consumers buy products primarily for the perceived benefits of the product. A benefit is something that creates customer perceived value. When making a purchase, customers value the product's benefits more highly than its functionality. There are many factors that play a role in determining how customers perceive the value of a product.

Customer perceived value can be determined by the relationship between perceived benefits and costs. Someone who buys a new shirt can help keep him warm and look presentable, dashing, and stylish at work. The costs incurred include money, time, and labor. Abdelfattah et al. (2015) in their research conclude that health insurance customers are strongly influenced by service quality and perceived value in achieving loyalty. Azarnoush and Riasi (2016) found that artificial neural networks are an efficient way to evaluate the factors that influence customer loyalty. Customer satisfaction and perceived value are significant predictors of customer loyalty

(Oh, 1999; Lai et al., 2009; Qian et al., 2011; Chang and Wang, 2011; Shin, 2015; Thielemann et al., 2018 and Wiardi et al., 2020). Trust, perceived quality, and empathy have a significant impact on customer satisfaction and perceived value. Customer commitment to service providers is positively related to customer satisfaction and loyalty. Shanthi et al. (2015) find that the factors that influence customer loyalty in the insurance sector, Gobichettpalayam are first service quality, then customer value, and lastly customer satisfaction.

Customer loyalty is a deeply held commitment to rebuy the product/service of choice consistently in the future, thereby causing the purchase of the same brand or set of the same brands, despite marketing influences and efforts that have the potential to cause behavior change (Oliver, 1999). Tabaku and Kushi (2013) state that increasing competitive market, retaining actual customers, and getting new customers are the main goals of business. Many researchers suggest that perceived value is a strategic weapon in attracting and retaining customers. Customer satisfaction, perceived value and service quality are important constructs that determine brand loyalty. Ishaq (2012) found that corporate image, perceived value, and service quality are determinants for building customer loyalty in Pakistan's telecommunications sector. Asgarpour et al. (2015) argue that superior offerings to customers have the greatest impact on customer satisfaction and loyalty. Price is one component of customer value (perceived value) and the main driver of customer loyalty. Therefore, by offering the desired value to customers, the company will have a long-term relationship in the form of customer loyalty.

The covid 19 pandemic has affected the performance of insurance companies, especially in market penetration to find new customers. The marketing department, including salespeople, brokers, and insurance agents, has limitations in marketing products, because they are not free to approach prospective customers, both individual and group customers. Yadav and Suryavanshi (2021) state that the COVID 19 Pandemic and lockdown have impacted almost all industries and sectors around the world including the insurance sector which has a significant contribution to GDP and the country's economic development. They revealed the results of their research that COVID 19 had a bad impact on the life insurance business, especially in terms of a decline in new policy sales, premium income and the claim settlement crisis. During the COVID 19 pandemic, there was great demand for pure insurance products and health insurance, but demand for unit linked insurance policies and other life insurance decreased.

Insurance awareness, perceived values and COVID 19 pandemic are impotant for insurance companies to retain their unit linked insurance' customers. We therefore propose three the following hypothesis:
H1: Insurance awareness is positively related to customer retention
H2: Perceived value is positively related to customer retention
H3: COVID 19 pandemic is positively related to customer retention

Factors Affect Insurance Awareness and Perceived Value

Companies use distribution channels to market their products/services. A marketing channel is a collection of interdependent organizations that participate in the process of making a product or service available for consumption or use (Kotler and Keller, 2016). Insurance companies use a combination of distribution channels that include insurance agents, insurance distribution partners, marketplace, bancassurance, and websites (content marketing). Ashok and Sarang (2014) and Bawa and Chathha (2016) find that individual agents in the life insurance corporation of India are the dominant source for obtaining insurance product information. Subashini and Velmurugan (2016) find that life insurance policy holders seek personal services, and these services can be obtained through insurance agents. The Chartered Insurance Institute

(2018) explains that insurance companies encourage agents to act as financial consultants to increase insurance awareness for customers. The agent's job is to carry out contracts between insurance companies and third parties (Muhamat et al., 2018).

Gnanadevan and Singu (2017) conclude their research that most respondents know life insurance through agents and people's expectations of life insurance companies are security and service while investing. Prihatiningsih and Ayuningtyas (2018) state that insurance companies use insurance agents who are reliable, creative and know potential customers in marketing insurance products. Muthusamy (2018) states that salespeople who have high marketing skills can provide all types of information in a clear way according to customer needs. Mallik and Suhaib (2018) suggest insurance companies to develop corporate agents in terms of providing clear information to customers. Salleh and Kamaruddin (2011) state that insurance industry salespeople are considered to have an important role in marketing and selling their products. Takaful sales agents who have self-efficacy attributes can increase customer awareness about insurance products and influence them to make purchases or extend insurance policies.

Sonwaney and Chincholkar (2019) stated that respondents with moderate proficiency in using the internet had created awareness to shop online while browsing. In terms of psychological factors, the convenience of shopping from anywhere and a little time consuming is an important factor for online shopping. One of the main factors that play a role in consumer buying behavior is psychological factors. Increased sales of insurance products through psychological marketing in the form of psychological contracts between insurance companies and customers. Psychological contracts occur before, during and after sales management. Understanding consumer behavior can use the stimulus-response model to create consumer awareness and produce purchase decisions. Schiffmanand Wisenblit (2019) explain that motivation sometimes occurs below a person's level of consciousness. Stimuli from outside can stimulate below the level of consciousness. They can perceive stimuli without being aware that they are doing them.

Makarewicz (2013) explains that the evolution of consumer behavior that has occurred over the last few decades in the form of changes in living standards and increased social awareness stems from the development of knowledge along with technological developments. Cetină et al. (2012) explain that electronic commerce has determined major changes in consumer behavior and these changes are caused mainly by the modification of psychological and social factors that influence online consumer behavior. Uppily (2016) found that the life insurance industry in India is still at a very low penetration rate, due to a lack of awareness and lack of product innovation. Nomi and Sabbir (2020) conclude that attitude has a significant effect on purchase intention. Marketers must create more attractive campaigns to form positive attitudes towards company image, reputation, agency credibility, and money-back guarantee through promotional activities either through personal selling, direct marketing, advertising, public relations, sponsorship, sales promotion, and digital promotion. Khosla (2018) concludes that privacy, security, and trust are determinants of consumer purchase motives. Consumers place more emphasis on trust in online merchants.

Zhou (2020) explaines that along with the development of technology, the insurance industry is in a stage of high-speed development, which also shows increasing competition. Analysis of different customer needs at all levels and possible psychological phenomena that may occur in the insurance marketing process is very helpful in the insurance marketing process. Khaniwale (2015) argues that perceptions, motivations, learning, beliefs, and individual attitudes are the main psychological factors that influence consumer buying behavior. Pahwa and Gupta (2019) conclude that demographic factors, company-related factors, product-related factors, psychological factors, related marketing factors influence purchasing decisions. Revenue, awareness, reputation of the company, tax advantage and agency of the company are the main factors influencing the decision. Cetină et al. (2012) concluded that psychological and social factors determine consumer behavior in making online purchases.

Financial literacy is an important way for the public to understand the market and financial decisions through individual financial education programs. Financial education also aims to facilitate financial risk management. Financial risk can be managed with several risk management strategies. Financial education is also important in the selection of insurance products by contributing to the development of insurance awareness. Dalkilic and Kirkbesoglu (2015) conclude that there is a significant difference between insurance awareness between students taking financial and non-financial courses. Weedige et al. (2019) find that insurance literacy affects directly and through mediators of trust, perceived usefulness, and favorable attitudes towards insurance on behavioral intentions significantly and positively among middle class customers in Sri Lanka. Gupta (2021) finds that students majoring in commerce had insurance awareness about insurance basics through insurance education.

Insurance companies are currently transforming their services by using digital technology so that prospective customers can obtain various information from insurance company websites including marketing, consulting, registration, payment, claim submission activities and so on. Hossinpour et al. (2014) conclude that there is a significant relationship between e-marketing and life insurance sales and investment using the internet for marketing activities, distribution channels, and marketing research. Meshkat et al. (2012) explained that all employees in the Iranian insurance industry are positive about the implementation and spread of e-commerce in insurance companies and generally perceive e-commerce as an opportunity and believe that the use of e-commerce in their company is important.

Insurance agents can keep and even increase their customers's awareness about the benefits of uni-linked insurance. Customers' financial literacy and psychological factors are able to increase customers' insurance awareness. Online services are also important for customers to increase values that are perceived. We therefore propose six the following hypothesis:

H4: Insurance agent is positively related to insurance awareness
H5: Financial literacy is positively related to insurance awareness
H6: Psychological factor is positively related to insurance awareness
H7: E-Service Quality is positively related to perceived value
H8: The COVID 19 pandemic moderates the interaction between insurance awareness and customer retention
H9: The COVID 19 pandemic moderates the interaction between perceived value and customer retention

Based on literature review and hypotheses development, we propose research model in the following figure.

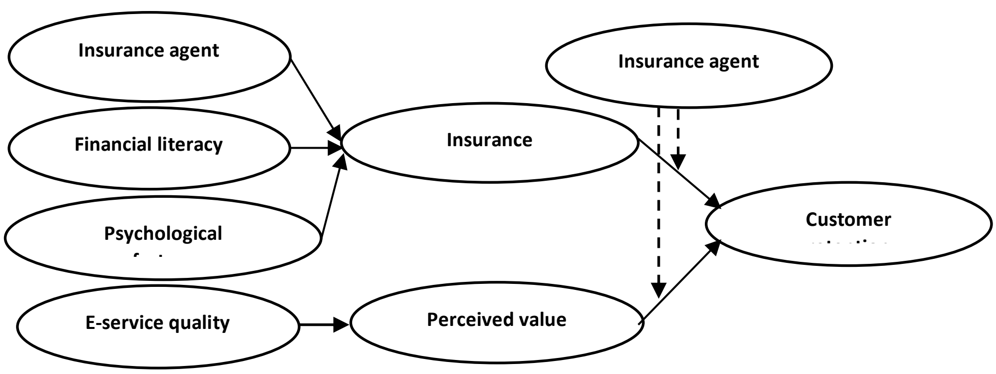

Figure 1 Proposed Research Model

METHOD

The research subject is life insurance companies that sell unit linked insurance products. The unit of analysis is unit linked insurance policy holders in Jakarta. The research object is related to the extension of the unit-link insurance policy, perceived value, awareness awareness, and the role of insurance agents, psychological factors, financial literacy, and the quality of electronic services (e-Service Quality).

The sampling method used in this research is a snowball sampling technique which is a sampling technique with the help of key-informants. This key-informant helps or will be able to develop based on the instructions given by him. In this case, the researcher only revealed the criteria as a requirement to be sampled. The distribution of the questionnaire was carried out using a Google form at the Equity life company by sending a link to fill out the questionnaire to customers and then sending the questionnaire link to the leadership of other insurance companies and asking to distribute the questionnaire to customers who have Unit-Link insurance policies. Customers who answered completely total 230. This number already meets the requirements set by Roscoe which provides rules in determining sample size that sample sizes greater than 30 and less than 500 are suitable for most studies (Sekaran and Bougie, 2016).

We use a simultaneous equation where customer retention is the dependent variable; awareness and perceived value as intermediary variables; the COVID 19 pandemic as moderating variable and insurance agents, psychological factors, financial literacy, and electronic service quality as exogenous variables. The collected data is then processed using statistical data packages to test hypotheses. This research uses a simultaneous equation model with the Smart PLS data processing tool. The mathematical model of this research is presented as follows.

$CRi = \beta 0+\beta 1PVi+\beta 2IAi+\beta 3Ci+\beta 4PVi*Ci+ \beta 5IAi*Ci+\varepsilon i$

$PVi = \alpha 0 + \alpha 1ESQi + \varepsilon i$

$IAi = \lambda 0+\lambda 1AAi + \lambda 2FLi + \lambda 3PFi + + \varepsilon i$

where:

CRi : perception of customer retention
PVi : perception of perceived value
ESQi : perception of electronic service quality
IAi : perception of insurance awareness
Ci : perception of COVID 19 pandemic
AAi : perception of insurance agent
FLi : perception of financial Literacy
PFi : perception of psychological factors
$\beta 0$, $\alpha 0$, $\lambda 0$: constant
εi : error term

Before the questionnaires were distributed to the respondents, the researchers tested the research instruments in the form of validity and reliability tests using the results of filling out the questionnaire as many as 50 people. Researchers use factor analysis by applying the Keiser-Meyer Olkin Measure of Sampling Adequancy (KMO) with a minimum value of 0.5, Bartlett's Test of Sphericity with a maximum probability value of 0.05 and loading factors with minimum value of 0.6 for validity testing and use cronbach alpha with a minimum value of 0.6 for the reliability test.

Partial Least Square measures two sub-models, namely the outer measurement sub model or the outer measurement model and the structural model or inner model or inner measurement sub model. Evaluation of this measurement model includes (a) validity test consisting of convergent validity using a loading factor for confirmatory research with a minimum value of 0.7

and average variance extracted (AVE) confirmatory research with a minimum value of 0.5 and discriminatory validity using cross loading with a minimum value of 0.7 for each variable; and (b) reliability test using composite reliability with a minimum value of 0.7 and cronbach's alpha with minimum value of 0.7. Evaluation of the structural model (inner model) using R-Square, path coefficients, and model fit.

RESULTS AND DISCUSSION

Research instrument testing

In this research, indicators used to measure each variable are based on the literatures and each indicator was measured on a five-point Likert scale, namely strongly disagree (1), disagree (2), neither agree nor disagree (3), agree (4), and strongly agree (5). All items/indicators are adopted from as follows: insurance agent (Babu and Mamun, 2009); financial literacy (Dam and Hotwani, 2018); psychological factors (Durmaz, 2014 and Sonwaney and Chincholkar, 2019; e-service quality (Zeithaml et al., 2002); insurance awareness (Ashok and Sarang, 2014); perceived value (Zeithaml, 1988, and Nguyen et al., 2018); COVID 19 pandemic (Mahmud et al.,2020); and customer retention (Nguyen et al., 2018, Minta, 2018, and Megawati et al., 2020). The results of the validity are presented in Table 1.

Table 1. Validity and Reliability Test Results On Research Instruments

Variable	Indicator code	Indicator	Cronbach α	Loading Factor	KMO	Bartlett Test	
						Chi-Square	Sign
Insurance agent	IAG1	i perceive that insurance agent has good presentation skills	0.927	0.869	0.900	209.138	0.000
	IAG2	i perceive that insurance agent has good speaking capability		0.827			
	IAG3	i perceive that insurance agent has professional appearance		0.812			
	IAG4	i perceive that insurance agent has good empathy		0.876			
	IAG5	i perceive that insurance agent has good listening skill		0.870			
	IAG6	i perceive that insurance agent has well mannered		0.886			
Financial literacy	FL1	i really understand that high inflation means that cost of living is increasing rapidly	0.725	0.780	0.672	29.256	0.000

Validity test on insurance agent variables, financial literacy, psychological factors, e-service quality, insurance awareness, perceived value, COVID 19 pandemic and customer retention shows that KMO values above 0.5; the Bartlett test values below 0.05; and the loading factor value above 0.6. The reliability test on those variables using cronbach alpha showed a value above 0.6. Based on the results of both tests, this research instrument is concluded to be valid and reliable.

Descriptive statistics

The sample description is presented in the Table 2 that shows the minimum, maximum, means, and standard deviations of the variables included in the study.

Table 2. Descriptive Statistics.

Variable	Indicator code	N	Minimum	Maximum	Mean	Standard Deviation
Insurance agent	IAG1	230	1	5	4.11	0.857
	IAG2	230	1	5	4.19	0.817
	IAG3	230	1	5	4.30	0.730
	IAG4	230	1	5	4.18	0.805
	IAG5	230	1	5	4.10	0.898

	IAG6	230	1	5	4.35	0.719
Financial literacy	FL1	230	1	5	4.33	0.738
	FL2	230	1	5	4.48	0.716
	FL3	230	1	5	4.41	0.814
Psychological factors	PF1	230	1	5	4.40	0.704
	PF2	230	1	5	4.29	0.775
	PF3	230	1	5	4.14	0.872
E-service quality	ESQ1	230	1	5	4.08	0.883
	ESQ2	230	1	5	3.65	1.058
	ESQ3	230	1	5	3.90	0.952
	ESQ4	230	1	5	3.62	1.145
	ESQ5	230	1	5	3.70	0.995
	ESQ6	230	1	5	3.85	0.943
	ESQ7	230	1	5	4.02	0.930
	ESQ8	230	1	5	4.03	0.905
	ESQ9	230	1	5	3.96	0.893
Insurance awareness	IAW1	230	1	5	4.36	0.790
	IAW2	230	1	5	4.55	0.690
	IAW3	230	1	5	4.55	0.715
	IAW4	230	1	5	4.53	0.728
	IAW5	230	1	5	4.34	0.782
	IAW6	230	1	5	4.29	0.928
Perceived value	PV1	230	1	5	4.18	0.876
	PV2	230	1	5	4.08	0.863
	PV3	230	1	5	3.95	0.880
	PV4	230	1	5	4.13	0.801
	PV5	230	1	5	4.07	0.833
	PV6	230	1	5	4.06	0.857
COVID 19 pandemic	CP1	230	1	5	3.70	1.086
	CP2	230	1	5	2.79	1.282
	CP3	230	1	5	3.60	1.221
	CP4	230	1	5	3.04	1.291
	CP5	230	1	5	2.92	1.311
Customer retention	CR1	230	1	5	4.01	0.887
	CR2	230	1	5	3.97	0.885
	CR3	230	1	5	4.03	0.901
	CR4	230	1	5	3.74	1.028
	CR5	230	1	5	3.51	1.199
	CR6	230	1	5	3.91	0.951

Items/indicators for insurance agent, financial literacy, psychological factors, e-service quality, insurance awareness, perceived value, COVID 19 pandemic, and customer retention variables have the lowest value of 1 and maximum value of 5 with most of the average values (mean) for each the indicator is above a value of 3 and the standard deviation value varies. This shows that the value of all statements that are between agree and strongly agree is 63 percent, between moderate and agree is 29 percent and the remaining 8 percent is between less agree and enough. The larger the standard deviation indicates the larger the answer distribution, but conversely the smaller the standard deviation value indicates the smaller the answer distribution.

Model testing

The measurement model is a model that shows the complete latent variables with their operational variables. Validity test is used to determine the feasibility of the items in a list of questions in defining a variable. The validity test used includes the convergent validity test used to measure the level of correlation between different measuring instruments used to measure the same construct and the discriminant validity test is a measure that measures how far a measure is different from other measures that can be compared with it. According to Hair et al. (2017) that the factor loading in general should be 0.70 and for the average variance extracted (AVE) > 0.50. The test results of the measurement model are presented as follows:

Table 3. Model validity test

Variable	Indicator code	Loading factor	Average variance extracted (AVE)
Insurance Agent	IAG1	0.836	0.706
	IAG2	0.859	
	IAG3	0.734	
	IAG4	0.881	
	IAG5	0.856	
	IAG6	0.866	
Financial Literacy	FL1	0.789	0.683
	FL2	0.833	
	FL3	0.855	
Psychological factors	PF1	0.863	0.708
	PF2	0.868	
	PF3	0.792	
E-Service Quality	ESQ1	0.777	0.63
	ESQ2	0.817	
	ESQ3	0.855	
	ESQ4	0.757	
	ESQ5	0.820	
	ESQ6	0.828	
	ESQ7	0.734	
	ESQ8	0.753	
	ESQ9	0.796	
Awareness	IAW1	0.804	0.617
	IAW2	0.845	
	IAW3	0.815	
	IAW4	0.768	
	IAW5	0.753	
	IAW6	0.724	
Perceived Value	PV1	0.738	0.678
	PV2	0.773	
	PV3	0.834	
	PV4	0.873	
	PV5	0.861	
	PV6	0.854	
COVID 19 pandemic	CP1	0.799	0.707
	CP2	0.861	
	CP3	0.772	
	CP4	0.921	
	CP5	0.843	
Customer Retention	CR1	0.865	0.72
	CR2	0.866	
	CR3	0.879	
	CR4	0.859	
	CR5	0.753	
	CR6	0.864	

The loading factor of each indicator on the insurance agent variable, financial literacy, psychological factors, e-service quality, insurance awareness, perceived value, the COVID 19 pandemic and customer retention has value of more than 0.7 and the average variance extracted (AVE) for the variable insurance agents, financial literacy, psychological factors, e-service quality, insurance awareness, perceived value, the COVID 19 pandemic and customer retention have more than 0.50. This means that all indicators for insurance agent variables, financial literacy, psychological factors, e-service quality, insurance awareness, perceived value, COVID 19 pandemic and customer retention in the model are valid.

Cronbach alpha value to measure reliability with value > 0.60 and a composite reliability value > 0.60. The results of the reliability test are presented in the following table.

Table 4. Model reliability test

Variable	Cronbach's Alpha	Composite Reliability
Insurance Agent	0.916	0.935

Financial Literacy	0.768	0.775
Psychological factors	0.793	0.798
E-Service Quality	0.927	0.932
Awareness	0.876	0.879
Perceived Value	0.904	0.908
COVID 19 pandemic	0.896	0.907
Customer Retention	0.922	0.927

The Cronbach alpha value for insurance agent variables, financial literacy, psychological factors, e-service quality, insurance awareness, perceived value, the COVID 19 pandemic and customer retention exceeds 0.60 and the Composite Reliability value for insurance agent variables, financial literacy, factors psychology, e-service quality, insurance awareness, perceived value, the COVID 19 pandemic and customer retention exceeding 0.6. This means that all variables in the model are reliable.

Structural models are useful for ascertaining how well the existing empirical data support the theory or concept being used. Structural model evaluation is an evaluation of the R2 values, path coefficients and model fit. The test results for the research model using the COVID 19 pandemic variable as a moderator and the research model without the COVID 19 pandemic as moderator are presented in the following table.

Table 5. Determination coefficient (R2)

Variable	With COVID 19 Pandemic as Moderator		Without COVID 19 Pandemic as Moderator	
	R Square	R Square Adjusted	R Square	R Square Adjusted
Awareness	0.581	0.575	0.581	0.575
Perceived Value	0.383	0.38	0.383	0.380
Customer Retention	0.540	0.53	0.518	0.514

The coefficient of determination for insurance awareness is good by including the COVID 19 pandemic as moderator and excluding the COVID 19 pandemic as moderator at 58.1 percent and the adjusted determination coefficient value at 57.5 percent. This means that variations in insurance agents, financial literacy and psychological factors can explain the effect on insurance awareness by 58.1 percent. The coefficient of determination for perceived value is good by including the COVID 19 pandemic as a moderator and excluding the COVID 19 pandemic as moderator at 38.3 percent and the adjusted determination coefficient value at 38 percent. This means that the variation of e-service quality can explain its effect on the perceived value of 38.3 percent. The coefficient of determination for customer retention by including the COVID 19 pandemic as moderating is 54 percent and the adjusted coefficient of determination is 53 percent. The coefficient of determination for customer retention without including the COVID 19 pandemic as moderating is 51.8 percent and the adjusted coefficient of determination is 51.4 percent. This means that variations in insurance awareness and perceived value by including the COVID 19 pandemic as moderator can explain its effect on customer retention by 54 percent and variations in insurance awareness and perceived value without including the COVID 19 pandemic as moderator can explain its effect on customer retention by 53 percent.

Table 6. Path Coefficient

Variables	With COVID 19 pandemic as Moderating			Without COVID 19 pandemic as Moderating		
	Customer Awareness	Perceived Value	Customer Retention	Customer Awareness	Perceived Value	Customer Retention
Insurance Agent	0.135			0.135		
Financial Literacy	0.249			0.249		
Psychological factors	0.524			0.524		
Perceived Value		0.618			0.618	
COVID 19 pandemic			0.140			0.134
Awareness			0.576			0.620
Perceived Value			0.159			-
C*A			0.018			-

C*PV	-0.011	-

The influence of insurance agents on insurance awareness is 0.135, whether it includes the COVID 19 pandemic as moderator or not. The effect of financial literacy on insurance awareness is 0.249, whether it includes the COVID 19 pandemic as a moderator or not. The influence of psychological factors on insurance awareness is 0.524, whether it includes the COVID 19 pandemic as a moderator or not. The effect of e-service quality on perceived value is 0.618, whether it includes the COVID 19 pandemic as moderator or not. The effect of the COVID 19 pandemic on customer retention is 0.159 by including the COVID 19 pandemic as a moderator. The effect of the interaction between insurance awareness and the COVID 19 pandemic on customer retention is 0.018 by including the COVID 19 pandemic as moderator. The effect of the interaction between perceived value and the COVID 19 pandemic on customer retention is -0.011 by including the COVID 19 pandemic as moderator.

Table 7. Model fit

Measure	Criteria	Value		Conclusion	
		With COVID 19 pandemic as Moderator	Without COVID 19 pandemic as Moderator	With COVID 19 pandemic as Moderator	Without COVID 19 pandemic as Moderator
Standardized root mean square residual (SRMR)	<0.08 Hu and Bentler, 1999	0.067	0.069	Fit	Fit
Normed fit index (NFI)	>0.9 Byrne, 2013	0.747	0.76	Marginal Fit	Marginal Fit
RMS_{theta}	≤ 0.12 Hair, Hult and Ringle, 2017	0.123	0.13	Marginal Fit	Marginal Fit

The standardized root mean square residual value is 0.067 by including the COVID 19 pandemic variable as moderator and 0.069 without including the COVID 19 pandemic variable as moderator. This value is smaller than the maximum limit of the criteria, so the model is fit. The normed fit index (NFI) and RMStheta have values of 0.747 and 0.123 for model with COVID 19 pandemic as moderator and the Normed fit index (NFI) and RMStheta have values of 0.76 and 0.13 for model without COVID 19 pandemic as moderator. These results indicate that both values are close to the 2 limits of the criteria, so the models are marginal fit.

Hypothesis Testing

The results of the outer model and the inner model of the PLS Algorthm with and without the COVID 19 pandemic as moderator presented in table 8.

Table 8 Regression Output Test

Description	With COVID 19 pandemic as Moderator		Without COVID 19 pandemic as Moderator	
	Original Sample (O)	P Values	Original Sample (O)	P Values
Insurance Agent ->Awareness	0.135	0.010	0.135	0.005
Financial Literacy ->Awareness	0.249	0.000	0.249	0.000
Psychological factors ->Awareness	0.524	0.000	0.524	0.000
E-Service Quality ->Perceived Value	0.618	0.000	0.618	0.000
Awareness ->Customer Retention	0.140	0.050	0.134	0.036
Perceived Value ->Customer Retention	0.576	0.000	0.620	0.000
COVID 19 pandemic ->Customer Retention	0.159	0.004	-	-
C*A ->Customer Retention	0.018	0.812	-	-
C*PV ->Customer Retention	-0.011	0.881	-	-

Table 8 applies simultaneous model with COVID 19 pandemic as moderator and model without COVID 19 pandemic as moderator. The first and second model have similar results except in the first model there are two variables that do not affect significantly endogenous variable.

Insurance agent, financial literacy, and psychological factors significantly affect awareness and e-service quality affects significantly perceived value. Awareness, perceived value, and COVID 19 pandemic significantly affect customer retention. In the first model, interaction between awareness and COVID 19 pandemic, and between perceived value and COVID 19 pandemic do not significantly affect customer retention.

Table 8 is used to prove the hypothesis. Hypothesis 1 states that insurance agents affect insurance awareness. The coefficient value of the influence of insurance agents on insurance awareness is 0.135 with a probability value of 0.010 for the research model using the COVID 19 pandemic as moderator and probability value of 0.005 without using the COVID 19 pandemic as moderator. This means that insurance agents have a significant influence on customer awareness. Insurance agents who always look neat and professional, have a very good presentation competencies, professional communication and have empathy and be good listeners have increased awareness on insurance importance, on the head of the family (main breadwinner) who must have insurance, on minimizing risk in the future if the main breadwinner is no longer there, on the suitability of the insurance policy with needs, the design of a combination insurance product that suits customer needs, and insurance companies provide different services for every customer. These results support research of Ashok and Sarang (2014); Muhamat et al. (2018); Patil, (2012); Mustapha and Oludare, 2008 and Malik and Suhaib, (2018); Bhavesh et al., (2013); Salleh and Kamaruddin, (2011); Panigrahi et al. (2018).

Hypothesis 2 states that financial literacy affects insurance awareness. The coefficient value of the influence of financial literacy on insurance awareness is 0.249 with a probability value of 0.000 for both the research model using the COVID 19 pandemic as moderator or without using the COVID 19 pandemic as moderator. This shows that financial literacy has a significant influence on customer awareness. Financial literacy regarding inflation that affects the rising cost of living, investments with high returns tend to have high risks and to minimize risk, customers must invest in several investment options. These results support research by Dalkilic and Kirkbesoglu (2015); Manik and Mannan (2017); Przybytniowski (2017), and Lajuni et al. (2020).

Hypothesis 3 states that psychological factors affect insurance awareness. The coefficient value of the influence of psychological factors affecting insurance awareness is 0.524 with a probability value of 0.000 for both the research model using the COVID 19 pandemic as a moderator or without using the COVID 19 pandemic as a moderator. It means that psychological factors have a significant influence on customer awareness. Psychological factors in the form of a company that has a good reputation, cash value can be disbursed, easier and more comfortable to handle a risk and the ease and speed of transactions and can be done anytime and anywhere has increased awareness of insurance to customers. These results support research from Zhou (2020; Hsee and Kunreuther (2000); Petra (2012); and Durmaz (2014).

Simultaneously these results indicate that insurance agents, financial literacy and psychological factors have a significant effect on insurance awareness. Increasingly (a) the ability of insurance agents to understand presentation content very well, communicate professionally, empathize with customers, be a good listener, behave politely and courteously, and look neat and professional; (b) knowledge of inflation, income from deposit interest, compound value techniques used in all business calculations, use of discount concepts, taxable deposits, investment returns and risks, how to minimize investment risk, annuities and cash value in insurance, and various types of life insurance policies and (c) customer psychological factors related to insurance and protection motivation, insurance and investment, customer impression of a good reputation, ease of disbursement of cash value, ease and convenience to handle a risk with insurance, the convenience and ease and speed of transactions and cost savings, the higher the awareness of customers in insurance which is shown by the awareness that insurance is a necessity of life, as the head of the family (the main breadwinner) must have insurance, can minimize risks in the future if the breadwinner main is gone l again, a tailored insurance policy, a need-based combination insurance product design, basic insurance as a term plan, different insurances that serve different purposes.

Hypothesis 4 states that e-service quality affects perceived value. The coefficient value of the effect of e-service quality affecting perceived value is 0.618 with a probability value of 0.000

for both the research model using the COVID 19 pandemic as a moderator or without using the COVID 19 pandemic as a moderator. This means that e-service quality significantly affects perceived value. Increasing e-service quality which is manifested in the ease of learning about services on the insurance company's website, services through websites that are fast and easy, completion of all transactions on the website, efficient website services as a substitute for manual services, timely fulfillment of appointments through the website, guarantee the security of information regarding transaction activities, provision of contacts (telephone, email, etc.) to resolve problems/complaints quickly, accurate information, the existence of online customer service and an attractive and visually pleasing website display. The increasing perceived value by customers in the form of payment of one premium with investment and protection benefits, provision of various additional insurances (rider), provision of professional investment managers, premium paying easily and provide convenience in pay policy value with costs in the form of unit linked insurance product premiums that vary according to income. These results support the research of Grossman et al. (2004); Yao (2004); Hossinpour et al. (2014), and Maheswari and Chandrasekaran, (2013).

Hypothesis 5 states that insurance awareness affects customer retention. The coefficient value of the effect of insurance awareness affecting customer retention is 0.140 with a probability value of 0.050 with the research model using COVID 19 pandemic as a moderator and a coefficient of 0.134 with a probability value of 0.036 without using COVID 19 pandemic as a moderator. This means that insurance awareness has a significant influence on customer retention. The more insurance awareness increases from customers towards unit linked insurance products, the more customer retention is realized through the extension of the insurance policy. These results support research from Nwite and Perpetua (2014); Kiseleva et al. (2016); Kuusik (2007); and Fedotova et al. (2019).

Hypothesis 6 states that perceived value affects customer retention. The coefficient value of perceived value influencing customer retention is 0.576 with a probability value below 0.06 with the research model using COVID 19 pandemic as a moderator and a coefficient value of 0.620 with a P value below 0.00 without using COVID 19 pandemic as a moderator. This means that perceived value significantly affects customer retention. These results support the research of several researchers, namely Roig et al. (2006); Abdelfattah et al. (2015); Kungumapriya and Malarmathi (2018); Azarnoush and Riasi (2016); Oh (1999); Lai et al. (2009); Qian et al. (2011); Chang and Wang (2011); Shin (2015); Thielemann et al. (2018); Wiardi et al. (2020);Tabaku and Kushi (2013); Ishaq (2012); Rico et al. (2018); Asgarpour et al. (2015); Yang and Peterson (2004); and Marcos and Coelho (2021).

Hypothesis 7 states that the COVID 19 pandemic moderates the relationship between insurance awareness and customer retention. The coefficient value of the interaction effect between the COVID 19 pandemic and insurance awareness on customer retention is 0.018 with a probability value of 0.812. This means that the interaction of the COVID 19 pandemic and insurance awareness does not significantly affect customer retention. This is due to the response from customers to the interaction of the COVID 19 pandemic and the highly varied awareness.

Hypothesis 8 states that the COVID 19 pandemic moderates the relationship between perceived value and customer retention. The coefficient value of the interaction effect between the COVID 19 pandemic and perceived value on customer retention is -0.011 with a probability value of 0.881. Partially, the COVID 19 pandemic significantly affect customer retention. This means that the interaction of the COVID 19 pandemic and perceived value does not significantly affect customer retention. This is due to the response from customers to the interaction of the COVID 19 pandemic and the highly varied customer perceived value.

Simultaneously these results indicate that insurance awareness, perceived value, and COVID 19 pandemic have a significant effect on customer retention. The higher the awareness of insurance, the higher the perceived value, and longer COVID 19 pandemic the higher the customer retention.

CONCLUSION

This research aims to analyze the effect of insurance agents, financial literacy, psychological factor, and e-service quality on customer retention with insurance awareness and perceived value as intermediary and COVID 19 pandemic as a moderator.

Insurance agents have a significantly influence on insurance awareness. In interacting with customers, insurance agents must have presentation competencies, professional communication, empathize and be a good listener and have a neat and professional appearance to increase insurance awareness of customers. Financial literacy has a significantly influence on insurance awareness. Customer knowledge concerning to inflation, investment and risk and various investment options including investing in unit linked insurance policy are able to increase insurance awareness. Psychological factors significantly influence insurance awareness. Psychological factors in the form of tiered needs, trust in the company's reputation, ease of disbursing cash value, customer feelings about the unit linked insurance policy as a protection and investment solution, and ease of transaction have increased awareness of insurance. E-service quality significantly affects perceived value. Services provided by insurance companies in the form of ease of learning about services on the website, speed and convenience in completing all transactions on the website, efficient website services, timely fulfillment of promises, information security guarantees, provision of contacts, presence of customer service, and website display, attractive and visually pleasing has increased customer perceived value. Insurance awareness significantly influences customer retention. Customers who are increasingly aware of insurance as a necessity of life, the risks faced by the head of the family and how to minimize it, the need for insurance policies that are tailored to their needs have increased the retention of unit linked insurance policies by customers. Perceived value significantly influences customer retention. Various benefits that have been felt by customers such as investment and protection benefits, additional insurance (rider), provision of professional investment managers, easy unit linked sales and ease of policy payments that are adjusted to income have increased customer retention of unit linked insurance policies. The interaction of COVID 19 and insurance awareness has an insignificant effect on customer retention. The interaction between COVID 19 and perceived value has an insignificant effect on customer retention. Insurance agents, financial literacy and psychological factors simultaneously affect insurance awareness. The more the performance of the insurance agent, the customer's financial knowledge and the customer's psychological factors, the more the customer's insurance awareness increases. Insurance awareness and perceived value have a simultaneous effect on customer retention. The increasing awareness of customer insurance and the increasing perceived quality of electronic services (perceived value), the more customer retention is realized which is realized by extending the unit linked insurance policy.

The unit linked insurance policy product is a unique insurance product because it has elements of protection and investment, customers in deciding to do retention must consider various factors such as benefits, convenience, comfort, risk, investment returns, protection and so on. The company must maintain the presence of insurance agents in retaining customers and marketing unit linked products to new customers. Along with the transformation of the insurance company's business model to a business model based on digital and information technology, the company must improve the ability of insurance agents to use this technology in order to facilitate and increase professionalism in providing services to customers. Insurance companies must educate both loyal and prospective customers in the use of digital technology and information technology so that they can interact with the company more effectively and efficiently. Insurance companies must promote unit-linked insurance products by providing superior products, so that customer needs for solutions to minimize life risk and obtain investment returns can be met. Insurance companies must continue to improve e-service quality and the benefits can be felt by customers in order to maintain loyal customers.

REFERENCES

Abdelfattah, F.A., Rahman, M. and Mohamad, O. (2015), "Assessing the Antecedents of Customer Loyalty on Healthcare Insurance Products: Service Quality; Perceived Value Embedded Model", Journal of Industrial Engineering and Management, Vol. 8 No.5, pp. 1639-1660. Google Scholar

Abdulla, A., & Nizam, I. (2015). The Determinants of Customer Retention in the Construction Industry of the Maldives. *International Journal of Accounting, Business and Management*, 1–26. Google Scholar

Alshurideh, M. T. (2016). Is customer retention beneficial for customers: A conceptual background. *Journal of Research in Marketing (ISSN: 2292-9355)*, *5*(3), 382–389. Google Scholar

Anderson, E.W. and Mittal V. (2000), "Strengthening the Satisfaction-Profit Chain" Journal of Service Research, Vol. 3 No. 2, pp. 107-120. Google Scholar

Asgarpour, R. Hamid, A.B.A. and Sulaiman, Z.B. (2015), "Review on Customer Perceived Value and Its Main Components", Global Journal of Business and Social Science Review. Vol. 1 No. 2, pp. 632-640. Google Scholar

Ashok, S.B. and Sarang, S.B. (2014). "Awareness Of Life Insurance Among Sample Customers", Indian Streams Research Journal. Vol. 4 No. 7. Google Scholar

Ayuningtyas, F., Prihatiningsih, W., & Laura, R. (2018). The Pattern of Online Purchase Behavior by Millennial Family. *Malaysian Journal of Social Sciences and Humanities (MJSSH)*, *3*(5), 10–16. Google Scholar

Azarnoush, A. and Riasi A. (2016), "Explaining the Consumer Decision-Making Process: Critical Literature Review", Future Business Journal, Vol. 2, pp. 15–30. Google Scholar

Babu, M.M. and Mamun, M.Z. (2009), "Customer perception of Success Factors of Insurance Agents: An Empirical Study in Bangladesh", The Journal of Risk Management and Insurance, Vol. 13 No. 1. Google Scholar

Babuna, P., Yang, X., Gyilbag, A., Awudi, D. A., Ngmenbelle, D., & Bian, D. (2020). The impact of Covid-19 on the insurance industry. *International Journal of Environmental Research and Public Health*, *17*(16), 5766. Google Scholar

Bala, N., Sandhu, H. S., & Nagpal, N. (2011). Measuring life insurance service quality: An empirical assessment of SERVQUAL instrument. *International Business Research*, *4*(4), 176. Google Scholar

Basir, M. S., Ahmad, S. Z., & Kitchen, P. J. (2010). The Relationship between sales skills and salesperson performance: an empirical study in the Malaysia Telecommunications Company. *International Journal of Management and Marketing Research*, *3*(1), 51–73. Google Scholar

Bawa, S.K. and Chathha S. (2016), "Distribution Channels of India Life Insurance Industry: Understanding Customers' Awareness", Business Analyst, Vol. 37 No. 1, pp. 63-80. Google Scholar

Bhatti, H. S., Abareshi, A., & Pittayachawan, S. (2016). An Empirical Examination of Customer Retention in Mobile Telecommunication Services in Australia. *ICE-B*, 72–77. Google Scholar

Cameran, M., Moizer, P., & Pettinicchio, A. (2010). Customer satisfaction, corporate image, and service quality in professional services. *The Service Industries Journal*, *30*(3), 421–435. Google Scholar

Cetină, I. Munthiub, M.C. and Rădulescu, V. (2012), "Psychological and Social Factors that Influence Online Consumer Behavior", Procedia - Social and Behavioral Sciences, Vol. 62 No. 24, pp. 184-188. Google Scholar

Chang, H. and Wang, H. (2011), "The moderating effect of customer perceived value on online shopping behaviour", Online Information Review, Vol. 35 No. 3, pp. 333-359. Google Scholar

Chaudhary, S. (2016). Consumer perception regarding life insurance policies: A factor analytical approach. *Pacific Business Review International*, *9*(6), 52–61. Google Scholar

Dalkilic, N., & Kirkbesoglu, E. (2015). The role of financial literacy on the development of insurance awareness. *International Journal of Economics and Finance*, *7*(8), 272–280. Google Scholar

Delafrooz, N., & Paim, L. H. (2011). Determinants of saving behavior and financial problem among employees in Malaysia. *Australian Journal of Basic and Applied Sciences*, *5*(7), 222–228. Google Scholar

Damtew, K. and Pagidimarri, V. (2013), "The role of trust in building customer loyalty in insurance sector-A study", IOSR Journal of Business and Management (IOSR-JBM), Vol. 14 No. 4, pp. 82-93. Google Scholar

Desai, B., Desai, R., Algotar, G., Desai, K., & Bansal, R. K. (2013). Health insurance: Effects and awareness. *Journal of the College of Community Physicians of Sri Lanka*, *18*(1). Google Scholar

Dharmaraj, S. (2019), "Customer Perception towards Bancassurance – A Study of Select Banks in Tamilnadu", SMART Journal of Business Management Studies, Vol. 15 No. 2, pp. 47-57. Google Scholar

Dubey, P. and Sahu, S.K. (2019), "Effect of Perceived Value on Customer Satisfaction, Loyalty and Service Quality of Selected Hospitals in Chhattisgarh", International Journal of Recent Technology and Engineering (IJRTE), Vol. 8 No. 3S2, pp. 58-64. Google Scholar

Durmaz, Y. (2014). *The impact of psychological factors on consumer buying behavior and an empirical application in Turkey*. Google Scholar

Eckert, C. and Osterrieder, K. (2020), "How digitalization affects insurance companies: overview and use cases of digital technologies", Zeitschrift für die gesamte Versicherungswissenschaft, Vol. 109 No. 3, pp. 333–360 Google Scholar

El Monayery, R. (2013). Insurance awareness. *The Macrotheme Review*, *2*(7). Google Scholar

Esti, W., Lubis, N., & Wijayanto, A. (2014). Pengaruh nilai pelanggan terhadap retensi pelanggan melalui kepuasan. *Jurnal Ilmu Administrasi Bisnis*, *3*(1), 187–196. Google Scholar

Fedotova, I. Kryvoruchko, O. and Shynkarenko, V. (2019), "Theoretical aspects of determining the types of customer loyalty", SHS Web of Conferences 67. available at: https://doi.org/10.1051/shsconf /20196704004. Google Scholar

Felipe, I., Ceribeli, H., & Lana, T. Q. (2017). Investigating the level of financial literacy of university students. *Revista de Administração, Contabilidade e Economia-RACE, Bol*, *16*. Google Scholar

Gallan, A. S., Jarvis, C. B., Brown, S. W., & Bitner, M. J. (2013). Customer positivity and participation in services: an empirical test in a health care context. *Journal of the Academy of Marketing Science*, *41*, 338–356. Google Scholar

Gengeswari, K., Padmashantini, P., & Sharmeela-Banu, S. A. (2013). Impact of customer retention practices on firm performance. *International Journal of Academic Research in Business and Social Sciences*, *3*(7), 68. Google Scholar

Hojat, M., Louis, D. Z., Maxwell, K., Markham, F., Wender, R., & Gonnella, J. S. (2010). Patient perceptions of physician empathy, satisfaction with physician, interpersonal trust, and compliance. *International Journal of Medical Education*, *1*, 83. Google Scholar

Holliday, A. (2020). Culture, communication, context, and power. *The Routledge Handbook of Language and Intercultural Communication*, 39–54. Google Scholar

Jatav, S. (2017). Determinants of Customer Retention in Health Insurance Sector. *International Journal of Research and Innovation in Social Science (IJRISS)*, *1*. Google Scholar

Khaniwale, M. (2015), "Consumer Buying Behavior", International Journal of Innovation and Scientific Research, Vol. 14 No. 2, pp. 278-286. Google Scholar

Manik, E.A. and Mannan, A. (2017), "An Investigation of the Awareness of the Life Insurance Among the Hawkers in Dhaka City", European Journal of Business and Managemen, Vol. 9 No. 2, pp. 82-95. Google Scholar

Matiş, C., & Ilieş, L. (2014). Customer relationship management in the insurance industry. *Procedia Economics and Finance*, *15*, 1138–1145. Google Scholar

Marcos, A.M.B.d.F. and Coelho, A.F.d.M. (2021), "Service quality, customer satisfaction and customer value: holistic determinants of loyalty and word-of-mouth in services", The TQM Journal. Available at: https://doi.org/10.1108/TQM-10-2020-0236. Google Scholar

Mashizha, M. and Sibanda, M. (2017), "The Linked Between Financial Knowledge, Financial Product Awareness and Utilization: A Study among Small and Medium Enterprises in Zimbabwe", International Journal of Economics and Financial Issues, Vol. 7 No. 6, pp. 97-103. Google Scholar

Megawati, S. Nadia, E.P. Lilik, N.Y. and Sabri, M.F. (2020), "Enhancing customer retention using customer relationship management approach in car loan business", Cogent Business and Management. Vol. 7 No. 1, available at: DOI: 10.1080/23311975.2020.1738200 Google Scholar

Meshkat, L. Farkhondehnia, F. Bagheri, Z. Alihoseini, O. Sanayeimatak, S. Esmaeili, M. Mostafalo, M. Ebadati, H. Masaratbakhsh, M. (2012), "Electronic Insurance and its application in e-commerce", Interdisciplinary Journal of Contemporary in Research Business, Vol. 4 No. 8, pp. 640-647. Google Scholar

Minta, Y. (2018), "Link between Satisfaction and Customer Loyalty in the Insurance Industry:bModerating Effect of Trust and Commitment", Journal of Marketing Management, Vol. 6 No. 2. pp. 25-33. Google Scholar

Mody, A., Ohnsorge, F., & Sandri, D. (2012). Precautionary savings in the great recession. *IMF Economic Review*, *60*(1), 114–138. Google Scholar

Mouna, A., & Jarboui, A. (2015). Financial literacy and portfolio diversification: an observation from the Tunisian stock market. *International Journal of Bank Marketing*. Google Scholar

Muhamat, A. A., Karim, N. A., Mainal, S. A., Alwi, S. F. S., & Jaafar, M. N. (2018). Determinants of agents performance: A case study of AmMetLife Malaysia Berhad. *International Journal of Academic Research in Business and Social Sciences*, *8*(11), 768–778. Google Scholar

Nomi, M., & Sabbir, M. M. (2020). Investigating the factors of consumers' purchase intention towards life insurance in bangladesh: An application of the theory of reasoned action. *Asian Academy of Management Journal*, *25*(2). Google Scholar

Nowotarska-Romaniak, B. (2020). Customer loyalty on the insurance services market in Poland. *Marketing of Scientific and Research Organizations*, *36*(2), 77–89. Google Scholar

Okunnu, M. A., & Adeyemi, O. T. (2008). The Awareness of Having Life Insurance Policy: An Exploratory Study among Lagos State University Students in Ojo, Lagos, Nigeria. *Lex ET Scientia Int'l J.*, *15*, 265. Google Scholar

Oliver, R.L. (1999), "When ceconsumer loyalty?", Journal of Marketing. Vol. 63, pp. 33–44. Google Scholar

Pahwa, B. and Gupta, M. (2019), "A study of factors influencing the purchase decision of health insurance policies using AHP approach", An International Journal of Advanced Computer, Vol. 8 No. 7, pp. 3285-3293.

Panigrahi, S., Azizan, N. A., & Waris, M. (2018). Investigating the empirical relationship between service quality, trust, satisfaction, and intention of customers purchasing life insurance products. *Indian Journal of Marketing• January*. Google Scholar

Patil, S. J. (2012). A study on consumer satisfaction towards Life Insurance Corporation of India. *International Journals of Marketing and Technology*, *2*(7), 210–224. Google Scholar

Przybytniowski, W. P. (2017). The level of insurance knowledge of young people entering professional life–results of questionnaire surveys conducted among students of the Podkarpackie Voivodship. *Jagiellonian Journal of Management*, *3*(2), 107–121. Google Scholar

Raza, S. A., Ahmed, R., Ali, M., & Qureshi, M. A. (2020). Influential factors of Islamic insurance adoption: an extension of theory of planned behavior. *Journal of Islamic Marketing*, *11*(6), 1497–1515. Google Scholar

Rita, P. Oliveira, T. and Farisa, A. (2019), "The impact of e-service quality and customer satisfaction on customer behavior in online shopping", Heliyon, Vol. 5. Google Scholar

Rocher, S., & Stierle, M. H. (2015). *Household saving rates in the EU: Why do they differ so much?* (Vol. 5). Publ. Office of the Europ. Union. Google Scholar

Roig, J.C.F. Garcia, J.S. Tena, M.A.M. and Monzonis, J.L. (2006), "Customer perceived value in banking services", International Journal of Bank Marketing, Vol. 24 No. 5, pp. 266-283. Google Scholar

Saaty, A.S. (2012), "An Empirical Analysis of the Strategies Undertaken by Insurance Companies in Saudi Arabia to Enhance Customer Loyalty and Customer Retention", International Journal of Economics and Management Sciences, Vol. 1 No. 11, pp. 20-25. Google Scholar

Salleh, F., & Kamaruddin, A. (2011). The effects of personality factors on sales performance of takaful (Islamic insurance) agents in Malaysia. *International Journal of Business and Social Science*, *2*(5), 259–265. Google Scholar

Sang, L.T. Mohidin, R. and Budin, D.S.A. (2020), "The role of Financial Knowlefge on Life Insurance and Family Takaful Awareness", Malaysian Journal of Business and Economics, Vol. 7 No. 1, pp. 131-142. Google Scholar

Sangtani, V. and Murshed, F. (2017), "Product knowledge and salesperson performance: rethinking the role of optimism", Marketing Intelligence and Planning, Vol. 35 No. 6, pp. 724-739. Google Scholar

Schiffman, L.G. and Wisenblit, J. (2019), Consumer Behavior. Twelfth Edition. Pearson Education, Inc, New York. Google Scholar

Sekulovska, M., & Sekulovski, E. (2012). Implementation of ICT in Border Management in Republic of Macedonia. *Journal" Science Prospects"*. Google Scholar

Subashini, S. and Velmurugan, R. (2016), "Policyholders Satisfaction of Life Insurance Products with Reference to Coimbatore District", International Journal of Business and Management Invention, Vol. 5 No. 4, pp. 28-33. Google Scholar

Suganya, G. (2017), "A Study on Assessing Insurance Awareness in India", International Journal of Humanities and Social Science Invention, Vol. 6 No. 7, pp. 46-49. Google Scholar

The Chartered Insurance Institute. (2018), The future of commercial insurance broking, CII Research Report. South Woodford, London. Google Scholar

Thielemann, V.M. Ottenbacher, M.C. and Harrington, R.J. (2018), "Antecedents and consequences of perceived customer value in the restaurant industry: A preliminary test of a holistic model", International Hospitality Review, Vol. 32 No. 1, pp. 26-45. Google Scholar

Uppily, R. (2016), "A Study on Consumer Behaviour on Life Insurance Products - With Reference to Private Bank Employees in Chennai", International Journal of Engineering and Management Research, Vol. 6 No. 3, pp. 644-651. Google Scholar

Valavi, P. (2014), "Factors influencing mobile services adoption: a brand- equity perspective", International Journal of Research In Social Sciences, Vol. 4 No. 3. pp. 1-18. Google Scholar

Verbeke, W., Dietz, B., & Verwaal, E. (2011). Drivers of sales performance: a contemporary meta-analysis. Have salespeople become knowledge brokers? *Journal of the Academy of Marketing Science*, *39*, 407–428. Google Scholar

Yang, Z. and Peterson, R.T. (2004), "Customer Perceived Value, Satisfaction, and Loyalty: The Role of Switching Costs", Psychology & Marketing,Vol. 21 No. 10, pp. 799–822. Google Scholar

Yao, J. (2004). Ecommerce Adoption of Insurance Companies in New Zealand. *J. Electron. Commer. Res.*, *5*(1), 54–61. Google Scholar

Zeithaml, V. A., Parasuraman, A., & Malhotra, A. (2002). Service quality delivery through web sites: a critical review of extant knowledge. *Journal of the Academy of Marketing Science*, *30*(4), 362–375. Google Scholar