

Insured risk perception towards electronic insurance

Seyed Javad Bazqandi^a, Ahmad Nateq Golestan^{*b}

^a *Graduate student of Islamic Azad University, Neyshabur, Faculty of Humanities, Department of Management*

^b *Faculty Member of Islamic Azad University, Neyshabur, Faculty of Humanities, Department of Management*

Abstract

IT spiraled changing world and the changes in all areas of economic, social and cultural rights is evident. The main objective of this study was to investigate the effect of perceived risk-based electronic insurance the insurer to accept electronic insurance is going to realize these effects can be used to reduce risks for customers of electronic insurance services, planning the appropriate. The population of this research is insurance customers Khorasan Razavi province. A questionnaire has been prepared by collecting tools. Cronbach's alpha indicates good reliability and confirmatory factor analysis using LISREL software research had shown good validity of the questionnaire. Research shows that 99 percent confidence level, perceived risk insured intention to electronic security electronic insurance acceptance by his meaningful and significant negative impact .And the dimensions of perceived risk to the overall risk, performance risk, financial risks and social risks have the greatest impact are And other aspects have a significant impact on the perceived risk by the insurer has no intention of accepting electronic insurance.

Keywords: perceived risk, electronic insurance, electronics insurance plans accepted.

Introduction

E-commerce, which until recently were limited to a certain number of companies are entering a new era in which a large number of entities and consumers in the network are unknown. In addition, the content of the scope of the exchange of data related to the Order or to accept the order went beyond business and public activities such as advertising, Advertising, negotiations, contracts and settling accounts is as well. The application of e-commerce is much wider than the exchange of goods, services, etc. is available in its description and explanation of the policies in question should also be noted that the potential applications in addition to actual applications. One of the e-commerce applications in insurance. In this regard, the electronic insurance is very important.

In recent years, the adoption and use of technology in the insurance industry to the banking industry, has been

very limited due to some considerations and complexity The present study aims to identify risks affecting the acceptance of electronic insurance policyholders Khorasan Razavi, and the effect of each of the dimensions of perceived risk than electronic insurance on the intention to accept electronic insurance by policyholders to this matter has been discussed.

problem statement

Development and application of information technology in various fields, especially in the field of insurance, the IT capabilities of today's business world is faced with great interest. Man of the third millennium is trying to accelerate the process of development of information technology in various parts of the social system and take away the traditional model of a new model, tailored to the requirements of the information age has created (Ghafari Ashtiani et al.). In this regard, and like most service providers, the insurance system during recent decades to quickly capitalize on new technologies to provide services to policyholders, as a way to control costs, attract new customers and the customers turned and the use of these new technologies such as electronic insurance as a strategic necessity put on its agenda.

Acceptance by consumers and e-commerce services tend to use any of the services, including electronic banking and insurance, are directly related to their perception of the service characteristics plans (Moradi et al.).

Electronic Insurance important phenomena resulting from the use of IT and communications as well as managing information that have been profound changes in the way insurance sales and compensation, So on the one hand and the other hand to increase the level of communication with the insurer, the sale of virtual Some types of insurance has a wider (Amirikhni and fixed-fearing).

Importance and necessity of research

Including insurance industries that e-commerce can play an important role in its growth and development, because the insurance industry, the information industry, it is a fertile ground for widespread use of information technology (Sadraie). Electronic insurance as one of the most important parts of e-commerce, an industry that is highly regarded.

The loss of the limitations of space and time, reduced premium rates, increasing sales volume, easy access to data, reduce transaction costs, customer satisfaction, specialization and restructuring of sales network Among the advantages of electronic insurance. Production and dissemination of credit card insurance is one of the new tools the industry has to walk on foot credit and debit cards, insurance policies and tariffs insurance sales structure will undergo fundamental changes. Competitive place in another of the most important objectives of insurance companies in the insurance industry need to implement electronic insurance reveals. So e-commerce can be an important tool to increase the penetration of insurance in the country, insurance companies shall be used. Several studies show that perceived risk as a factor influencing the behavior of individuals against the use of the new service is electronic commerce (Martins et al., 2014).

Literature And backgrounds Research

Electronic business

History of e-commerce in its present form is rooted in the phenomenon, the Internet and electronic data interchange. When both the origin dates back to the '60s. In the 70s the emergence of the electronic transfer of funds between banks was done through a secure private network, Virtually completely revolutionized financial

market. Internet breakthrough began when the first email with the development of new technologies used in the year 1972, which resulted in a new version of the design data transfer protocol called TCP / IP was. E-commerce between businesses in the early 80s, was a significant development. At this time a message transmission technologies such as electronic data interchange and e-mail was used extensively in commercial firms. The advent of the Internet the possibility of new forms of e-commerce such as online services provided. With the advent of the World Wide Web or Internet application and development began. Internet has made e-commerce has become one of the low-cost methods for doing business, and after a while a very wide variety of business activities cover (Nahavandian and Haghighatkah). Organization for Economic Cooperation and Development, e-commerce "trade (buying and selling) goods and services) over the Internet, whether the goods and services that can be offered and delivered through the Internet and those who do not" is defined (monavaryan et al.).

An organization can be caused by one of these factors turned to e-commerce:

- High operating costs and lengthy processes to meet customer
- High overhead costs and the lack of using technology to create competitive advantage (Sarrafzadeh).

Electronic insurance

The insurance industry in the world because of the high costs and lower margin products related to information technology challenges faced heavy. Supply channels of insurance services and financial services is currently facing huge social shift is due to benefit from the Internet. Therefore, many insurance companies of its own Internet site for information on a wide variety of insurance products offered by the company and their shopping tips (Hassan Zadeh et al.).

Organization of the United Nations Trade and Development (UNCTAD) defines the electronic insurance: electronic insurance can be for use of the Internet and information technology for the production and distribution of insurance services defined. The electronic insurance, the use of ICT in all activities of insurance companies Both domestic and foreign exchanges are, in a way that promotes transparency in matters of insurance and the insurer and the policyholder rights in order to be effective. This definition on a smaller scale, to the preparatory process of searching for insurance coverage through the online account to purchase and contract refers.

Electronic insurance position in the insurance industry

In general, electronic insurance management and administrative costs through process and reduces business car management information to improve. The electronic insurance, commissions paid to intermediaries by selling insurance directly to the customer decrease. Finally, reducing the cost of reduced premiums in a competitive market and to customers and people are allowed to buy extra insurance resulting in higher insurance penetration in the country's development. In general, the Internet market will allow new and costly process installations avoid the traditional sales and financial services and insurance to do more through Internet services,

Therefore, it is expected to face increasing competitive pressure insurers are old. Insurance products that need little advice, for sale on the Internet are more suitable because traditional intermediaries, your insurance policy faced with the pressure of competition in this see, but in the case of insurance products and complex transactional value the customer is more willing to spend high cost of advice, sales through the Internet have not been very well, but using modern technology these problems can be overcome with intelligence (Banan, 2009).

Acceptance of innovation

Despite the large spending and investment in production, purchase and transfer of technology, the report argues that despite potential users access to new technologies, they do not use new technologies means users are not accepted (Martins et al., 2014). In the past related research new technologies focused on the development of technological and technical, but today is considered user-centered research.

Hernandez and Mason in a category, technology adoption studies have been classified in two categories:

*: descriptive studies that aim to directly identify characteristics, attitudes, reactions, barriers to adoption and attractive features of admission for Adopters technology.

** :association studies: that their goal is that by using a model of adoption of new technologies, or a combination of them, to identify the variables influencing technology adoption (Hernandez & Mazzon, 2007)

Due to the importance of technology adoption, various models in this area has been proposed in recent decades. For this reason, theoretical approaches and models in the second approach, the basic theories and models have been used in this area, can be summarized in the following cases(khetmatgozar et al.):

- 1.(Theory of Reasoned Action (TRA))
- 2.(Innovation Diffusion Theory (IDT))
- 3.(Theory of Planned Behavior (TPB))
- 4.(Social Cognitive Theory (SCT))
- 5.(Technology Acceptance Model (TAM))
- 6.(Task Technology Fit (TTF))
- 7.(Perceived Risk Theory (PRT))

Risk perception and acceptance of electronic insurance

The theory used in this research as a basic concept, the theory of perceived risk (PRT) is. The main characteristic that distinguishes this theory from other theories and models that, The fact that unlike other theories or models mentioned that most of the positive factors are influential in encouraging customers to focus on technology adoption, specifically on the theory of negative factors (risks) that are hindering technology adoption by customers , it is focused Perceived risk of the maximum old literature, specially in consumer behavior accordingly confirms that the perceived risk variable to explain the behavior of consumers is very strong, , Because consumers often try to avoid mistakes (Andrews & Boyle, 2008). Risk perception as a psychological concept is one of the main factors in the lack of customers via the Internet comes from business services (Zhao et al, 2010)

Risks involved in e-commerce transactions and sign contracts in virtual environments in different studies and has been studied from different perspectives and different classifications are given in this regard. Two main approaches to measure the perception of risk. In the first approach perceived risk as a function of the uncertainty of customer purchases results (in terms of subjective probability) and the implications of poor results Order is measured. But this approach is increasingly based on previous research in the field of statistical decision theory and economics, to define the perceived risk does not seem appropriate. On the other hand, the integrated approach based on multiple dimensions of risk when perceived risk, financial risk, performance risk, social risk,

security risk, privacy risk and overall risk is identified and measured as follows (Lee, 2009 and Martins et al., 2014):

Risk when: This risk refers to the concerns of customers about the following: 1. a lot of time learning to use the electronic insurance 2 dedicated much time to solve the problems that the use of electronic insurance agent (such as a transaction error proof) and (3) While which should be carried out and completed numerous transactions in the electronic insurance (Lee, 2009).

Risks Financial: The risk to customers' concerns about the potential for financial loss arising out of the following: (1) a mistake in entering a transaction profile. 2. The inability to get compensation from the insurance company in case of an error in the transaction and (3) the loss of control of personal accounts and the financial loss caused by the use of electronic insurance (employees and colleagues, 1389 and Martins et al., 2014) .

Risk Performance: Performance of the possibility of damages caused by improper operation or complex product / service you'd say (Bahrami, Seyed Hashem). This risk refers to factors that may function in the electronic insurance affect customers in the following cases: (1) lack of system performance due to lower download speed, interrupt the server or site maintenance operations and (2) failure to meet the customer expectations of electronic insurance, based on the supremacy of advertised after use (servant et al.):

Social risk: This risk refers to the concerns of customers in the following areas

1:Negative attitudes of family, friends and colleagues about the loss of social status in these groups in the event of error or fraud and -2: inability to communicate directly with insurance employees and help them if you use the electronic insurance (Martins et al ., 2014).

Security risk: Risks associated with personal information regarding how to protect customers' personal information to, both in terms of security (agents unauthorized access to the server vendor and read and copy or change information related to customers) and Keep them as well as how to use this information. This information includes credit card information and other personal information such as name, email, phone number and postal address clients (Torabi and Time).

Privacy Risk: This risk refers to the notion that users want to control all aspects of your personal data are collected. If the user's private data without their knowledge is collected and recorded, it will be of concern to them (Servant et al.).

Overall Risk: comprehensive and universal measure that by taking all measures together to discuss the customer's perceived risk. (Martins et al., 2014).

Research purposes

Based on the above, the objectives of this study are as follows:

- The effect of perceived risk on the insured to the insurance plan insurance acceptance electronic insurance
- Identify risks affecting the acceptance of electronic insurance
- The effect of each of the dimensions of perceived risk than electronic insurance on the intention to accept electronic insurance
- To reduce the risk of electronic insurance solutions

Research Hypothesis:

Perceived risk to the insurer of electronic insurance, a significant negative impact on the intention of accepting electronic insurance by him.

Conceptual Model:

In this study, the independent variable, customer-perceived risk to mail security and its dimensions such as risk, financial risk, performance risk, social risk, security risk, privacy risk and overall risk. The dependent variable is the intention to accept electronic insurance measured by relevant indicators behalf. Considering the theoretical literature review and conceptual model assumptions can be drawn as follows:

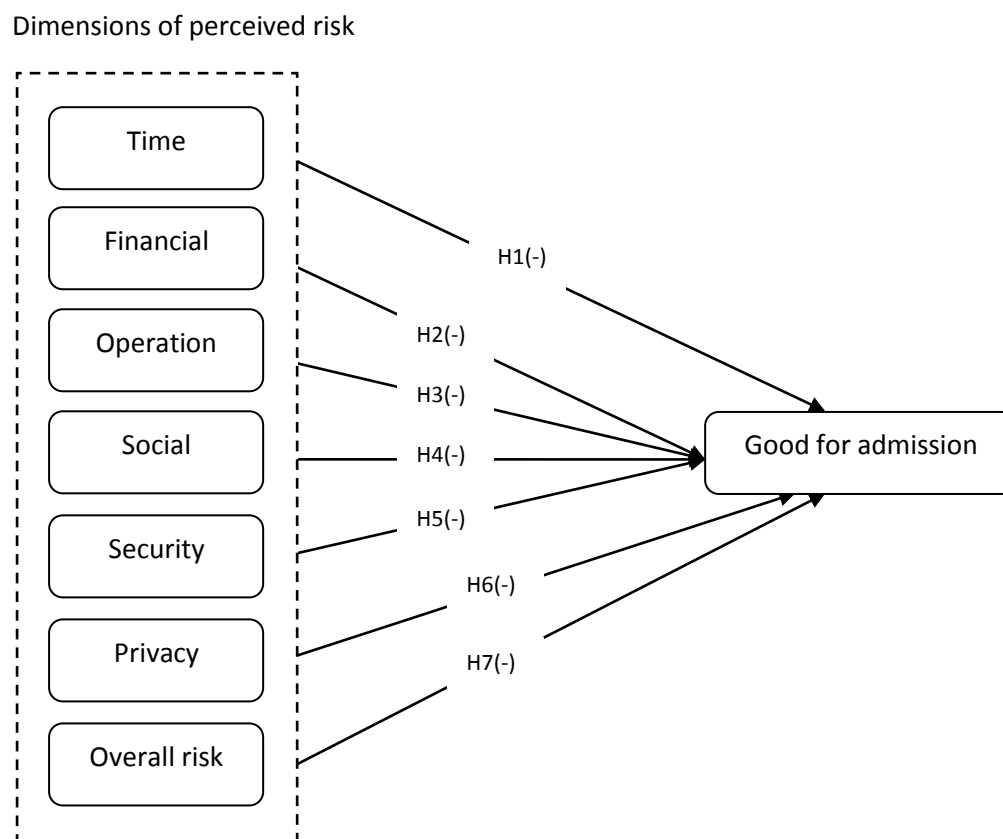


Figure 1: Conceptual model of research (researcher: from model Lee (2009), and Martinez et al. (2014))

research method

This study, in terms of gathering information, a descriptive survey research study is causal. Also, since the results can Tvrmly, used, for the purpose of the research is applied research.

Community sample

The population of this research customers insurance centers Khorasan Razavi province. The study sample size to unlimited community-based sample and sampling methods used for sample selection. Using Cochran's formula for determining the sample size and taking into account the level of 06/0 and error by letting values in Cochran formula to calculate the number of communities are unlimited sample, the sample size was 267.

Data collection tools

In this study, library and field methods were used to collect data. The data collection instrument was a questionnaire in the present study using the questionnaire Lee (2009), and Martinez and colleagues (2013) that the standard has been approved, and its results, using a Likert rating scale pilot questionnaire localizing were prepared and approved by the respective professors, 50 questionnaires were distributed and then determine the reliability and validity, the final questionnaire was prepared and the necessary information has been gathered.

findings

Examine the demographic characteristics of the sample members indicated that most respondents were male, so that 67% of respondents are men. According to information obtained from the questionnaire, most respondents aged between 31 and 40 years and has a bachelor's degree as well as members of the sample group, the Iran Insurance and the majority are between 5 and 10 years of experience in internet use.

Kolmogorov-Smirnov test for data distribution

The test for verifying the data distribution (normality) is used so that the results of this test can determine whether the samples were obtained from a society with a normal distribution or not?

Perceived risk							Good for admission	General
	Privacy	Security	Social	Functional	Financial	Time		
The number of data	267	267	267	267	267	267	267	267
Average	2.9213	2.9600	2.7191	2.9513	2.7856	2.6142	3.1768	2.7566
Standard deviation	1.09532	1.0941	.93377	1.00429	1.05384	1.08975	1.06717	1.1042
Absolute maximum deviation	2	8					7	9
The highest positive deviation	.204	.240	.095	.145	.153	.242	.145	.181
Most negative deviation	.171	.186	.095	.145	.153	.242	.128	.181
The statistic Z	-.204	-.240	-.084	-.131	-.101	-.153	-.145	-.133
Significance level	1.272	1.288	.593	.907	.956	1.129	.907	1.131
	.079	.072	.873	.383	.320	.151	.383	.155

Because a significant level obtained for all variables more than 5 hundredths of a normal distribution of data, hypotheses H0 and claims will be accepted. Because of these variables, the mean test normality of a population or in other words a sample T-test is used to check the status of variables.

Average test of a society

Using an average of a population or in other words a sample T-test, to examine the issue of whether the variables is good or not? Or words specifies that variables are at what level.

Table 3: Descriptive statistics of average test

Standard deviation	Average	Number	Variables	
1.08975	2.6142	267	When risk	Perceived risk

1.05384	2.7856	267	Financial risk	
1.00429	2.9513	267	Performance risk	
.93377	2.7191	267	Social Risk	
1.09418	2.9600	267	Security risk	
1.09532	2.9213	267	Privacy Risk	
1.10429	2.7566	267	Overall risk	
1.06717	3.1768	267	Good for admission	

Table 4: shows the average test statistics

Exam score of 3						Variables	
95% CI for difference		The difference between	A significant number	Degrees of freedom	T		
upper line	Low line						
-.2545	-.5171	-.38577	.000	266	-5.784	When risk	Perceived risk
-.0874	-.3414	-.21442	.001	266	-3.325	Financial risk	
-.0723	-.2697	-.14869	.029	266	-2.792	Performance risk	
-.1684	-.3934	-.28090	.000	266	-4.915	Social Risk	
-.0919	-.1718	-.10400	.031	266	-2.597	Security risk	
-.0533	-.2106	-.11787	.042	266	-1.993	Privacy Risk	
-.1104	-.3765	-.24345	.000	266	-3.602	Overall risk	
.3054	.0482	.17678	.007	266	2.707	Good for admission	

As can be seen in Table 4 a significance level of less than 5% is obtained for all variables, and so the level of 5% of the average of these variables with the number 3 is a significant difference. According to the upper and lower limit values for each of the seven dimensions of perceived risk is negative, given that the value of the standard T 96/1 is smaller, resulting in less number 3 was there where the average of these variables (as It is also specified in table 3) and this means that the dimensions of this variable is not in good condition and it can be concluded that the perceived risk than electronic insurance policyholders is at a high level.

Due to high levels of unity and positive change for the intention to accept the fact that the amount of 96 / 1t> to-be, the result is an average of three dimensions was higher than the number (as defined in Table 3) and this means that the intention is to adopt in good.

Test hypotheses,

In this study, structural equation modeling to test the main hypothesis and path analysis was used to evaluate the sub-hypotheses.

Structural equation modeling to examine the main hypothesis

In Figures 5 and 6 respectively in the coefficients of significant structural equation modeling (T-Value) and standard estimate is observed. Standardized path coefficient values indicate the effects of other variables on the values of the test statistics significant larger or smaller than the 1.96- 1.96, respectively, indicating the significance of the relationship is direct and inverse relationship.

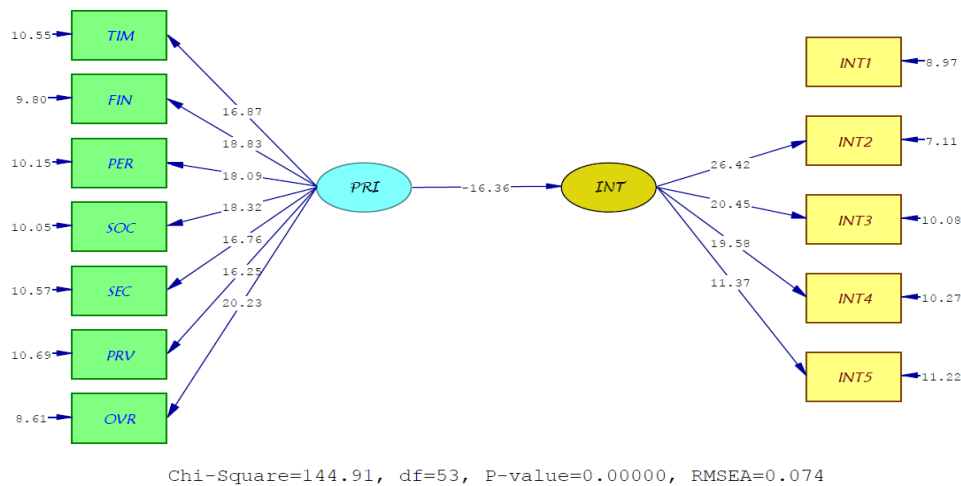


Figure 5: The significant factors related to the research model

As can be seen, a significant number of the effect of perceived risk (*PRI*) the intention to accept (*INT*) is equal to -16.36, indicating a significant negative impact on the dependent variable is independent. In the following structural equation model to estimate the standard assumption in the study.

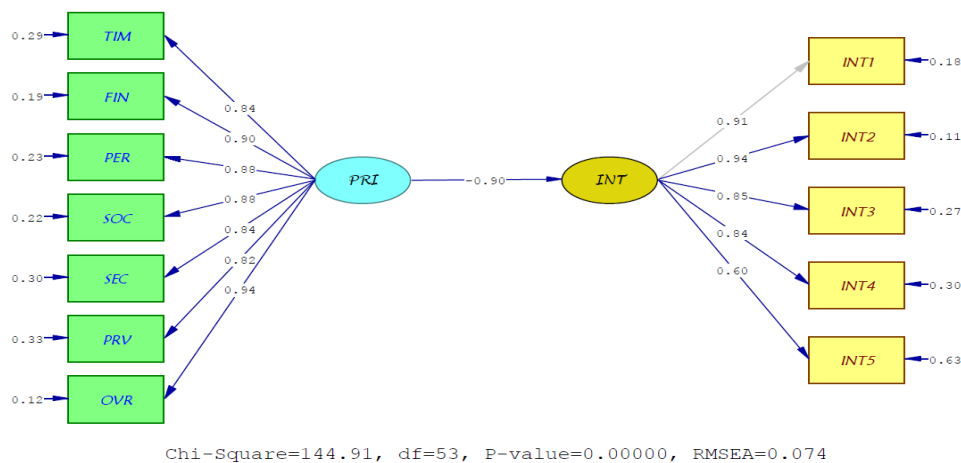


Figure 6: The main hypothesis in standard estimation of coefficients route

It is noteworthy that path if the top is 6/0 means that there is a strong relationship between the two variables; if it is between 3/0 to 6/0, and if the communication medium is below 3.0, there is a weak correlation (China, 2003). According to the obtained path can be said that the strong impact of perceived risk is the intention of accepting electronic insurance. In addition, the indicators suggest hypotheses path analysis model showed an acceptable fit models:

Table 5: Indicators of the underlying assumptions path analysis model

Criteria (fitness)	Earn points	Accepted domain
Chi square of the degree of freedom	2.73	<3
Root mean square error (RMSEA)	0.074	<0.08

Goodness of fit index(GFI)	0.95	>0.9
Modified goodness of fit index(AGFI)	0.92	>0.9
Bentler-Bonnet normalized fit index (NFI)	0.98	>0.9
Comparative fit index (CFI)	0.97	>0.9

According to the results of Figures 5 and 6, the path coefficient of -0.90 and a significant amount (-16.36), it can be concluded that the confidence level of 99%, and perceived risk to the insurance customer books the significant negative the intention of accepting electronic insurance by the impact. this impact, according to the coefficient, the impact is significant.

Conclusion

According to the study hypothesis that the perceived risk to the insurance-mail client, a significant negative impact on his intention of accepting electronic insurance can be concluded by managers and officials in the field can the plan to reduce the perceived risk policyholders with respect to their insurance electronic. Increased use of electronic services to insurance policyholders and their customers are hoping this handy tool. In order to be effective adoption of electronic insurance services, decision-makers with activities related to a broad and attractive awareness about the benefits of electronic insurance services, users are aware of these benefits. Also, insurers must design the services in a way that users do not have problems in using it. Recommended infrastructures in this area, such as providing access to computers and the Internet fast and cheap for different levels of society be provided to policyholders on the side of mitigation measures to perceived riskIf the insurance company executives with decision-making and appropriate ways to affect risk perception electronic insurance clients and reduce the growth and spread of the use of insurance services to be linked.

Given that the impact of financial risk, performance risk, social risk and perceived risk component of the overall risk of an intention to accept electronic insurance by the insured, meaning it could be concluded that managers and directors of these areas can build confidence in customer to reduce the factors causing this risk, to increase the adoption of electronic insurance plans insured by hope. In this regard Gzarbashd factors that could impact the insurer assured that in case of a mistake in entering the Profile transaction can be accurate and systematic follow-up to compensate the losses incurredAnd in case of an error in the transaction there will be the possibility of compensation from the insurance company. It is recommended that senior managers using secure servers and high-performance insurance and the use of trusted domains to improve and enhance your website performance And by reducing the duration of the operation, commissioning and maintenance of the website in order to reduce the risks they take action. Creating a 24-hour response support system to ensure that customers take these issues every hour of the day in its insurance activities on the Internet have trouble, Central to solving the problems, fix defects and responding to customers there, one of the ways that companies can take to reduce the risk of the insurer's customers operate. In order to reduce social risks, proposed to be famous and influential people in every community, region, ethnicity and professions and different age groups should be encouraged to use electronic insurance

And expanded with marketing techniques. Word of mouth advertising can be perceived risk reduction and management in the online environment can provide an environment for exchanging ideas and sharing views on perceived social risk reduction for electronic insurance help. To reduce the overall risk of the customer perception of online insurance services, insurance contracts and transactions of their customers on a daily basis without having to ask the customer to send emails from peopleTo reduce the overall risk of the customer perception of online insurance services, insurance contracts and transactions of their customers on a daily basis without having to ask the customer to send emails from peopleThe results demonstrated that when risk dimensions, security risk and privacy risk factors have a significant impact on the perceived risk by the insurer have no intention of accepting electronic insurance, Therefore it can be concluded if the insurance field managers and officials plan to increase the adoption of electronic insurance by the insurer are better focused on other aspects of perceived risk and with special programming to promote acceptance of the policyholders of these services are action.

Recommendations for future research

According to the results the following recommendations for future research is necessary to:

- Check the dimensions and other variables affect the perceived risk, based on models and theories put forward in accepting electronic insurance
- cultural and national restriction on the concepts studied and the relationships between them.
- A comparative study between public and private insurance plans to accept the electronic insurance by policyholders
- Use other models of innovation adoption rather than perceived risk theory

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