

**FACTORS INFLUENCING INSURANCE AGENTS BEHAVIORAL INTENTION
AND USAGE OF MOBILE TECHNOLOGIES AS BUSINESS TOOL**

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**Research report submitted in partial fulfilment of the requirements for the
Degree of Master of Business Administration**

UNIVERSITI SAINS MALAYSIA

2015

ACKNOWLEDGEMENT

After almost a year of hard work and numerous obstacles encountered in the thesis writing process, I have finally completed this management project with the help of my classmates and lecturers. I would like to express my deepest gratitude to my supervisor Dr Teoh Ai Ping. Her kind attention and selfless guidance has enabled me to complete my project efficiently. In addition, I would like to thank all lecturers, who has laid the foundation of business and management knowledge for me for the last two years, I have learned a lot.

In addition, I would like to express my sincere thanks to all my colleagues and friends who have assisted in managing the questionnaires distribution. I am truly appreciated to all whom willing to spend their time to involve in the survey.

My deepest appreciation goes to my mother and my dearest husband, my forever supporter in life. It is your constant support and encouragement that I have managed to complete my academic pursuit in Graduate School of Business, Universiti Sains Malaysia. I am very grateful to both of you, thanks for your understanding and sharing when I met setbacks, sad, and confused. I hereby dedicate my loftiest respect to both of you.

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ABSTRAK

Kajian ini bertujuan untuk mengkaji penggunaan teknologi mudah alih dalam perniagaan insurans sebagai peralatan perniagaan. Kajian ini telah menggunakan versi yang diubah suai dari Unified Theory of Acceptance and Use of Technology 2 (UTAUT2) untuk mencari hubungan antara konstruk UTAUT2 dalam niat dan penggunaan tingkah laku. Konstruk yang digunakan dalam kajian ini adalah jangka prestasi, jangka usaha, pengaruh sosial, keadaan memudahkan, motivasi hedonik, nilai harga, tabiat dan inovasi peribadi. Kajian ini bertujuan untuk memberikan pandangan yang perlu kepada syarikat-syarikat insurans yang mempunyai niat untuk menggunakan teknologi mudah alih sebagai peralatan perniagaan untuk meningkatkan kecekapan mereka di Malaysia. Partial Least Square dan Structural Equation Modelling telah digunakan untuk menilai model UTAUT2 yang diubah suai. Model hipotesis disahkan secara empirik menggunakan data yang diperoleh daripada 208 ejen insurans daripada beberapa syarikat insurans di Malaysia. Keputusan menunjukkan bahawa niat tingkah laku ejen insurans 'untuk menggunakan pembelajaran mudah alih dipengaruhi oleh jangkaan prestasi, pengaruh sosial, keadaan memudahkan, motivasi hedonik, tabiat dan inovasi peribadi kecuali jangka usaha dan nilai harga. Di samping itu, kajian ini mendapati bahawa jantina tidak mempengaruhi hubungan antara semua konstruk dan niat tingkah laku untuk menggunakan teknologi mudah alih. Pengalaman dalam menggunakan teknologi mudah alih sebagai alat perniagaan memoderatekan inovasi peribadi ejen insurans manakala umur hanya memoderasikan hubungan antara tabiat dan penggunaan teknologi mudah alih. Moderator yang terakhir, kesukarelaannya didapati memoderasikan kesan tabiat untuk niat tingkah laku untuk menggunakan teknologi mudah alih. Kesimpulannya, terdapat enam factor yang mempengaruhi ejen insurans menggunakan teknologi mudah alih dalam perniagaan insurans.

ABSTRACT

This paper aims to study the adoption of mobile technologies in insurance business as a business tool and its determinants. This study has adopted a modified version of Unified Theory of Acceptance and Use of Technology 2 (UTAUT2) framework to find the relationship between UTAUT2 constructs and the intention and use behavior. The constructs used in this study are performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value, habit and personal innovativeness. This study aimed to provide the necessary insights to insurance companies which have the intention to utilize mobile technologies as a business tool in order to increase their efficiencies in Malaysia. A partial-least-squares and Structural Equation Modeling approach were used to evaluate the modified UTAUT2 model. The hypothesized model is validated empirically using data collected from 208 insurance agents from various insurance companies in Malaysia. The results suggest that insurance agents' behavioral intention to use mobile learning is influenced by performance expectancy, social influence, facilitating conditions, hedonic motivation, habit and personal innovativeness except effort expectancy and price value. In addition, this study found that gender does not moderate the relationship between all the constructs and the behavioral intention to use mobile technologies. Experience in using mobile technologies as a business tool moderates the insurance agents' personal innovativeness while age only moderates the relation between habit and the usage of mobile technologies. The last moderating variable being voluntariness was found to moderate the effect of habit to the behavioral intention to use mobile technologies. In conclusion, there are six factors that influenced insurance agents' behavioral intention and usage of mobile technologies.

LIST OF ABBREVIATIONS

Abbreviation	Description
4G	Fourth generation mobile telecommunications technology
AVE	Average Variance Extracted
BI	Behavioral Intention
CR	Composite Reliability
EE	Effort Expectancy
FC	Facilitating Condition
HM	Hedonic Motivation
HT	Habit
ICT	Information and Communications Technology
IDC	International Data Corporation
IDT	Innovation Diffusion Theory
iPOS	Interactive Point-of-Sales
IT	Information Technology
LTE	Long-Term Evolution
MCPU	Model of PC utilization
MM	Motivational Model
PC	Personal Computer
PE	Performance Expectancy
PI	Personal Innovativeness
PLS	Partial Least Square
PLS-SEM	Partial Least Squares Structural Equation Modeling
PV	Price Value
SCT	The Social Cognitive Theory
SI	Social Influence
TAM	Technology Acceptance Model
TPB	Theory of Planned Behavior
TRA	Theory of Reasoned Action
TRA	Theory of Reasoned Action
UTAUT	Unified Theory of Acceptance and Use of Technology
UTAUT2	unified Theory of Acceptance and Use of Technology 2
Wifi	Wireless

CHAPTER 1

INTRODUCTION

1.0 Introduction

This chapter introduces the research outline of the study. This study is aimed to determine the factors that influence Malaysia insurance agents behavioral intention and use mobile technologies as a business tool. The mobile technologies may be called differently for every insurance companies. For example, the mobile technologies is known as IPOS system for AIA Berhad and this system runs on an iPad which was provided by the company to all their staff and insurance agents. Different companies may have different name for their mobile technologies and may even run on different portable devices like notebook, tablets and even smartphones. The functions and the type of work that can be done using these devices varies too according to the company needs and requirements.

This study started by explaining the background of the study, followed by stating the problem statement and the rest like research objectives and research questions. This chapter closes with the significant findings of this research and provides a brief overview of the chapters covered by the thesis.

1.1 Background of the Study

1.1.1 Overview of Malaysian Economy

Under the 11th Malaysia Plan (2016-2020), the Malaysia government has strived to improve the Information & Communication Technology (ICT) Human Capital Development as this is the basic needs of human capital for the 21st century. The government has taken various efforts in order to increase the ICT skills starting from elementary schools and all the way to

tertiary institutions. The main focus of Malaysia government will be on enhancing the skills of Malaysian in ICT. The reason being ICT like the mobile technologies will be the major catalyst to improve and upgrade the knowledge, skills and competencies of Malaysia work force. With this, companies and firms in Malaysia are encouraged to provide the required ICT trainings so that their employees are able to equip themselves with better skills and knowledge to compete effectively in the global market.

As for businesses, focus has been given by the Malaysia government to promote and encourage a wider usage of e-commerce. E commerce in this context refers to a new method or way of doing business and the business transaction will take place through the digital network. This method of doing business can only be achieved through the usage of mobile technologies as a business tool. The Malaysia government has taken various steps to build the trust and confidence among business owners to use the e-commerce including tightening and increase of security and user privacy, infrastructure and logistical support, which encompass networks, payment systems and logistics. With that in place, the government hopes that business and communities will participate actively in the development and the usage of e-commerce.

In the 2014 and 2015 World Economic Forum Global Competitiveness Index, Malaysia ranked 60th place out of 144 countries under the Technological Readiness pillar. This pillar measures the agility of Malaysia economy in adopting existing technologies for enhancing the productivity of Malaysia industries. Besides that, the 2011 Malaysia Economic Census found that only 27 percent of Small and Medium Enterprises in Malaysia actually use ICT in their business operations and 67 percent of the ICT users have utilised the Internet and

mobile technologies in their business daily operations.

The low percentage of businesses using the ICT, Internet and mobile technologies may cause Malaysian to be lacking behind in terms of work force capabilities and performance. Malaysians will not be able to compete globally with other countries workforce if the government does not put in more plans to improve the usage of technologies.

1.1.2 Role of Insurance Industry in Malaysian Economy

In the year 2014, the life insurance industry itself contributed 2.8 percent of Malaysia's Gross National Income (GNI) with insurance premiums totaling RM26 billion. Besides that, the insurance industry has provided employment opportunities to more than 18,000 Malaysian. With this, this study can say that the insurance industry has a very strong financial footing and this industry has continuously improved itself through various ways like new products and distribution channels.

The life insurance industry has played a key role in the progress and development of Malaysia's capital market. The Malaysia life insurance bond market is the largest in South East Asia which amounted to 104.5 percent of Malaysia Gross Domestic Product (GDP). More than RM150 billion has been invested by the Malaysia life insurance industry into the bond market to provide an important source for long term funding. This fund is crucial for the development needs of the Malaysia economy.

The insurance industry has become an important component in the Malaysian market especially contributing to the growth of bond and sukuk markets. Besides that, insurance companies were among the largest domestic investors that provide stability to the market

during the recent volatility in the market caused by substantial capital outflows by foreign portfolio investors. With this, it is important that the government ensure that the insurance industry remain competitive especially in the era of ICT.

Unfortunately, the demand for ICT products and services from the industry has not been encouraging mainly due to low adoption of digital technologies (11th Malaysia Plan). The SME Masterplan 2012-2020 found that SMEs like the insurance agency businesses are hesitant to invest or adopt new technologies and move into a higher value-added activities through usage of ICT like the mobile technologies. Coupled with the report by Ernest and Young on the 2015 Global Insurance Outlook state that there is a single word that describe the focus for insurers in year 2015 and it is “technology”

New approach must be implemented like the usage of mobile technologies to effectively serve the new generation market who are all technology savvy and technology oriented individuals.

1.1.3 Mobile Technologies and Its Characteristics

Mobile can be defined as having the ability to move from one location to another location. It is a change in location of an object with respect to time. Mobile is typically defined in terms of distance, speed and replacement. If the location of an object does not change according to the time with respect to a reference point, the object can be defined to be immobile or stationary. Mobility is typically defined as the user’s potential to move freely across space and time while using a mobile device like iPad, smartphones or notebook. Without mobile technologies, mobility would not exist (Axtell & Hislop, 2008). Mobility in the sales field can be considered as being free of time or does not stay in a location (Lee and Sawyer, 2002).

Kristoffersen and Ljungberg (2000) classify mobility as wandering, traveling, and visiting. Wandering is a form of local mobility where an individual walks around for an extended time while traveling is defined as moving from one place to another place in a vehicle. Visiting refers to the act of stopping at a location and spending time there before moving to another location. Communications technology that comes together with the mobile devices have the ability to provide such mobility while preserving the capacity for voice exchange, mobile collaboration, and execution of commercial transactions.

Technology can be defined as the collection of techniques and methods used in the production of goods or services. Technology can range from the knowledge or know-how of techniques and processes. This technology can be embedded or part of a machine, computer or devices and can be operated by any person easily without the need for special knowledge. Hence, mobile technologies can be defined as the ability to move or bring the technology from one point or location to another point. Mobile technologies have brought a huge impact to the people in all aspects of life especially in industries or businesses that relied heavily on this technology as a mean of conducting the daily operation. It offers new opportunities which can be utilized to increase the earnings or create a new market in the business world. Besides that, mobile devices which include notebook computers, mobile phones and tablets have offered an enormous flexibility and great convenience in conducting business transactions anytime and anywhere.

The use of mobile technologies would not be possible without a mobile device and a good internet broadband connection. Mobile devices are considered as an online communication tool and have the ability to communication with the other mobile devices. There are four common ways of communication or connection technologies being used in

today's world. They are 4G data connection, Wireless (Wi-Fi), Bluetooth and Infrared. Some mobile devices have all these different methods of communication whilst some devices do not. Given that the worldwide combined total shipments of technology devices which include the PCs, tablets, smart phones and ultra-mobiles are expected to touch 2.5 billion units in year 2015. With this estimation, mobile devices market is expecting a strong growth, a huge improvement in the communication or connection technologies in year 2015.

According to Churchill et. Al (2012), mobile devices are characterized by three important criteria with the first, being mobile or also known as portability. This means that the device can be taken to different locations and still able to perform its intended function. The second most important criteria is the connectivity of this device to the internet. This means the mobile devices should be able to access to a variety of information anytime and anywhere for the users. Thirdly, the mobile devices should be able to capture real and simulated data.

As stated earlier, the use of mobile technologies would not be possible without a good internet broadband connection. The number of mobile broadband users has grown significantly over the past years and this has strengthened the world's mobile devices market and development of mobile broadband services. Without the mobile broadband connection, this would render the mobile technologies useless. Hence, mobile broadband is one of the primary technologies to measure the success of the mobile technologies.

Wi-Fi and the 4G data connection, being one of the few types of data connections for a mobile device, are a must to have technology in mobile devices. It is a technology that able to provide mobile devices such as tablets, smartphones and notebooks with internet

connection. Mobile technologies would not be made possible without the advancement in the speed and connectivity of the mobile internet.

The most recent advancement in mobile technologies is the usage of Cloud Computing. This technology is a service that provides common data sharing among the data processing devices. Having said that, this technology still require an internet connection to transmit the data and information. The interesting part of this cloud computing is that the users is able to access the systems by using a web-browser regardless of the location and most importantly the type of device that the users are having. Users can use the system using a notebook, a PC, a smart phone, a tablet or an iPad. This has removed the limitation on the type of devices to run a system. As the infrastructure is usually provided by third party and it can only be accessed via the Internet, all users need an internet connection. With that, the user can connect from anywhere and use any devices.

1.1.4 Usage of Mobile Devices and Mobile Technologies

The usage of mobile devices for the purpose of communications has become a vital part of most consumers' daily activities. Coupled with the continuous evolutions of Internet and an ever increasing penetration rate of smart devices, this has created a new innovation for business activities to be carried out efficiently and easier. Besides using the mobile devices for personal management, leisure activities, communication, entertainment and many other use, the mobile devices have found a new role for office. The usage of mobile technologies has spread to almost every industry or business in the world. The overwhelming popularity of the mobile technology devices continues to play a significant role in office employees ranging from sales executives who can be part of mobile workers to office dispatch staff. Desk bound office staff no longer requires to be in the office to work. With these mobile

technologies, they can work from home instead.

Mobile workers need to be able to work from anywhere and because a large amounts of time is spent on travelling which means away from desks and offices. With this, productivity has become a major concern. Mobile workers need to manage their business or businesses when they are on the move. In order to save the times, become more productive and increase the efficiency, it is crucial to have access to the required information. It's also crucial to have the right systems in place that allow for this.

In the marketing perspective, it is known as mobile advertising. According to Nasco and Bruner (2008), marketers can tailor their mobile messages to communicate with consumers on their products and services. Its scope now include as an advertising channel to reach a specific consumer group. The advertisements will be tailored based on the consumers' usage habits and preferences.

In the education industry, Tablet Personal Computer based mobile computing has been integrated into student teacher interaction. A very good example is the University of Washington whereby students can provide feedbacks and ask real time questions during a lecture (Steel, et al., 2003). Hence, this mobile learning has been used by the university to keep ahead with the technology advancement. Mobile learning devices and technologies provides a platform for interaction between the learners and the teachers, among the classmates and with the learning systems (Wang et. al, 2003).

In the government sector, the use of mobile technologies in government agencies or commonly known as e-Government has increased steadily over the past few years. E-Government can be defined as the use of technology to enhance access to the government

services and include the delivery of the services to the people. This has benefitted the citizens, business partners and employees at local, municipal, state and national levels (Grant and Chau, 2005; Turban et al., 2002). West (2005) states that almost 19% of all government organizations worldwide offering online services.

1.1.5 Benefits of Mobile Technologies to Businesses

Mobile technologies have been the main solution to solving problems of the mobile work force, and field customer service (Beulen and Streng, 2002; Kakihara and Sørensen, 2002). The invention of new technologies such as 4G LTE services in the broadband service have changed the way mobile workers can perform their tasks.

The impact of mobile technology on every part of business has been very prevalent. No department is immune and remains unaffected by this technological advancement. Mobile technologies have changed how things are done in the past and this change is driven by the advancement of the devices used by the business. The better is the device used as a business tool, the more convenient is the computing works.

Mobile technologies are changing the key functional departments in a lot of businesses. For the sales department, having the access to up-to-date and accurate information is the most important aspect. Salespeople are able to download or upload information to find the required information. Hence, the mobile technology is able to provide real-time information to the customers and the entire supply chain which are affected by the information.

Businesses can gain a lot of benefits from using mobile technologies in the daily

operation and activities. Firstly, businesses tend to gain additional revenue through deeper relationships. For example, real-time and location-based promotions can be used to increase the sales revenue. The location-based promotions can be customized to meet the customers' preferences (Shankar and Balasubramanian, 2009). Customization can be made through collection and interpretation of the customers' information from sources like Facebook account (Varnali and Toker, 2010). Businesses can send promotional items or services offered at any time while the customers can satisfy their needs and wants instantly. Having the ability to meet the demand of customers, businesses can build a strong relationship with their customers and strengthen the brand loyalty (Bellman et al., 2011).

Secondly, businesses can reduce their operating costs. Text messages, e-mails and other communication based application have taken over the role of catalogues, hard copy printouts and letters. These have actually reduce the costs related to business operations. Another example of the application of mobile technologies that able to reduce the cost is mobile boarding passes that being used in aviation industry. This has actually eliminated or reduces the need for having a staff to help the passengers to check in.

Mobile technologies are able to provide instant market insights and latest information for the customers' knowledge. The primary advantage of such technology is to compress or reduce the time required for a business process or transaction for both the customers and the employees. With the availability of mobile broadband, the businesses market intelligence can be increased (Kleijnen et al., 2009). Mobile technologies may have the ability to collect instant customers' feedback and preferences thus providing valuable information to businesses. The information transfer from these mobile devices is implemented in real-time (Hennig-Thurau et al., 2010). This enables businesses to get the most current information on

the customers and then respond to any changes instantly. Mobile technologies are able to provide easily accessible, accurate and latest information to help their employees, partners, and customers. Leung and Antypas, (2001) state that mobile technologies are expected to enhance the business operations' efficiency by distributing information to the workforce and by offering new communication channels with new and existing customers.

1.1.6 Mobile Technologies in the Insurance Industry

In year 2012, AIA Berhad introduced their First-in-Market Technology that can insure their customers as fast as within one day. They have actually launched a fully mobile and secure interactive Point of Sales (iPoS) system that runs on an iPad. With this, they have become the first insurer globally to introduce a standalone point-of-sales system running on a mobile device which is an iPad. This system helped the insurance agents to perform a comprehensive financial advisory process with secured electronic submission of life insurance policies. Having this mobile technology in place, they have managed to increase the efficiency of the insurance-purchasing process. Customers can now obtain insurance coverage as fast as within one day by using this technology while the insurance agents will be able to focus on providing quality financial advice to the customers. This would actually mean spending less time on administrative matters which are now automated.

Previous studies have also explained the benefits of using mobile technologies in insurance business. For example, Govindaraju and Sward (2005) shown that the use of mobile technologies can improve the way a person manage their work-life boundaries. Mobile technologies have been known to increase individual productivity as the mobile workers can work while traveling or working from remote sites. The most direct benefit of mobile technologies on business operations is to facilitate communication among employee,

customer and supplier which will eventually enhance the communication and increase the organizational productivity and profitability. Hence, businesses also benefited from the mobile technologies.

Christos et al (2007) in their study found that employees in a service oriented industry including insurance industry have a tendency to work outside of office hours for their career advancement. Hence, mobile devices no longer being viewed solely for voice communication purpose (Kim and Jun, 2008) or message handling (Sullivan Mort and Drennan, 2002). Backed by the whole telecommunication industry, mobile technologies have become part of business tool for insurance agent career development. Insurance agents are now able to use mobile technologies to provide timely services since they are always on the go.

1.2 Problem Statement

Efficiency in the insurance business is very important in order to determine how the industry will respond to the challenges and which firms are likely to survive (Berger et. al, 1993). Nowadays, insurance industry is facing a huge increase in business competition and a fast changing regulatory environment. Not to forget the changing customers' needs and wants. With this, it is imperative for the insurance companies to always seek for ways and methods to improve their operating performance and the only way seemed logical is by improving their technology.

The main reason technology being considered as the most important change that insurance business must take on in the 21st century is insurance business is a business that can go fully electronic as every process and transaction can be done electronically using the mobile technologies. Insurance business need to adopt mobile technologies as this study

foresee that the insurance business model will be fully electronic based in the future just like MyEG.

A report by Ernest and Young on the 2015 Global Insurance Outlook state that there is one word that can sum up the focus of insurers for year 2015 and it is “technology” (Ernest and Young, 2015). EY’s Global Consumer Insurance Survey in year 2014 found that approximately 80 percent of the customers preferred to use digital and remote contact channels with their insurers. To effectively serve these technology oriented markets and address rising customers’ expectations, new approach like use of mobile technologies is a must. Many insurers are investing in digital platforms that can strengthen their relationships with the customers across all product classifications and geographies. The technology is expected to help insurers to empower both businesses and consumers to better shop for insurance, making the insurance products more transparent, easier-to understand and compare.

Few studies have been carried out to find out which is the primary factor in designing a proper mobile technologies that suit the users. Given that a huge initial investment is needed to buy the mobile devices, develop the system, train the staffs in using and maintaining the system, companies and businesses need to know what factors affect the success in implementing and adopting this mobile technologies given that the users’ age, gender and experience in using the technology may affect the users’ use and behavioral intention.

No doubt that mobile technologies can be applied in insurance business to increase the efficiency of the work force but up to date not much has been done by insurance firms in

exploring the factors that initiate the usage, enhance the current usage and develop a continuous usage among the employees and insurance agents. (Gebauer and Shaw, 2004; Shazali and Alias, 2000)

When the technology changed, so does the model being used to study the technology. The model used by past studies has not been able to fully explain the users' behavioral intention and usage of the mobile technology. (Benbasat and Barki 2007; Venkatesh et al., 2003; Venkatesh et al., 2012).

Hence, this study intends to investigate the factors affecting the insurance agents to go away from their conventional brick and mortar way of conducting the business and adopt mobile technologies as their business tool.

1.3 Research Objectives

This research aims to examine factors influencing insurance agents' behavioral intention and use of mobile technologies as a business tool in Malaysia. The users' behavioral intention toward the mobile technology is the major element of the actual technology usage behavior. Considering the significance of attracting the insurance agents to use the mobile technology as a business tool, it is therefore necessary to identify the factors influencing the insurance agents behavioral intention and use of the mobile technology.

The objectives of this research are as below:

- i. To examine the relationship between performance expectancy toward behavioral intention and use of mobile technology as business tool among insurance agents.

- ii. To examine the relationship between effort expectancy toward behavioral intention and use of mobile technology as business tool among insurance agents.
- iii. To examine the relationship between social influence toward behavioral intention and use of mobile technology as business tool among insurance agents.
- iv. To examine the relationship between facilitating condition toward behavioral intention and use of mobile technology as business tool among insurance agent.
- v. To examine the relationship between hedonic motivation toward behavioral intention and use of mobile technology as business tool among insurance agents.
- vi. To examine the relationship between price value toward behavioral intention and use of mobile technology as business tool among insurance agents.
- vii. To examine the relationship between habit toward behavioral intention and use of mobile technology as business tool among insurance agents.
- viii. To examine the relationship between personal innovativeness toward behavioral intention and use of mobile technology as business tool among insurance agents.
- ix. To examine the moderating effect of age on performance expectancy, effort expectancy, facilitating condition, hedonic motivation, habit, price value, personal innovativeness and social influence towards the behavioral intention and use of mobile technology as business tool among insurance agents.
- x. To examine the moderating effect of experience on performance expectancy, effort expectancy, facilitating condition, hedonic motivation, habit, price value, personal innovativeness and social influence towards the behavioral intention and use of mobile technology as business tool among insurance agents.
- xi. To examine the moderating effect of gender on performance expectancy, effort expectancy, facilitating condition, hedonic motivation, habit, price value, personal

innovativeness and social influence towards the behavioral intention and use of mobile technology as business tool among insurance agents.

- xii. To examine the moderating effect of voluntariness on performance expectancy, effort expectancy, facilitating condition, hedonic motivation, habit, price value, personal innovativeness and social influence towards the behavioral intention and use of mobile technology as business tool among insurance agents.

1.4 Research Questions

To understand the problem statement, this study attempt to address the following research questions as shown below.

- i. Does performance expectancy influences insurance agents' behavioral intention and use mobile technologies as a business tool?
- ii. Does effort expectancy influences the insurance agents' behavioral intention and use mobile technologies as a business tool?
- iii. Does social influence influences the insurance agents' behavioral intention and use mobile technologies as a business tool?
- iv. Does facilitating conditions influences the insurance agents' behavioral intention and use mobile technologies as a business tool?
- v. Does hedonic motivation influences the insurance agents' behavioral intention and use mobile technologies as a business tool?
- vi. Does price value influences the insurance agents' behavioral intention and use mobile technologies as a business tool?
- vii. Does habit influences the insurance agents' behavioral intention and use mobile technologies as a business tool?
- viii. Does personal innovativeness influences the insurance agents' behavioral intention

and use mobile technologies as a business tool?

- ix. Does the age moderates performance expectancy, effect expectancy, facilitating condition, hedonic motivation, habit, price value, personal innovativeness and social influence towards the behavioral intention and use of mobile technology as business tool?
- x. Does the experience moderates performance expectancy, effect expectancy, facilitating condition, hedonic motivation, habit, price value, personal innovativeness and social influence towards the behavioral intention and use of mobile technology as business tool?
- xi. Does the gender moderates performance expectancy, effect expectancy, facilitating condition, hedonic motivation, habit, price value, personal innovativeness and social influence towards the behavioral intention and use of mobile technology as business tool?
- xii. Does the voluntariness moderates performance expectancy, effect expectancy, facilitating condition, hedonic motivation, habit, price value, personal innovativeness and social influence towards the behavioral intention and use of mobile technology as business tool?

1.5 Significance of Study

Based on the research objective shared above, this study intends to focus on the factors that influencing the insurance agents on the behavioral intention and usage of mobile technologies as their business tool. Insurance companies which wanted to invest a huge sum of money to implement mobile technologies need to know what actually influence the insurance agents to use mobile technologies. If no proper study is being done on this, insurance companies are actually spending this money without getting any gain or benefits like improvement on the efficiencies and operations of the business. The insurance agents may just ignore and still using the conventional way of doing the insurance. Not only that, given that insurance agents are not the direct employees of the insurance company, there is no way insurance companies can make it compulsory for the agents to use this mobile technologies. Some insurance agents may give up and switch to another insurance companies if they are being forced to use a technology that they themselves do not even know. Some insurance agents have been too used to the conventional method of doing their business and this technology has not been able to prove that it will help the insurance agents in their business. Hence, insurance companies need to understand the factors that will influence the behavioral intention and usage of mobile technologies among the insurance agents as their business tool. Without an understanding of this, it is not advisable for insurance companies to pursue the mobile technologies.

Practically, the insurance agents in Malaysia will become more competitive if they were to equip themselves with the knowledge on mobile technologies. Given that the world insurance industry has changed from a brick and mortar business to an e-business, insurance agents who are not able to use mobile technologies may soon find themselves not being able to compete with other insurers and not able to meet their clients and customers requirement. The reason being most people have become more relied on mobile technologies especially the

younger generations and insurance agents who do not use it may not be able to click well with the customers.

Theoretically, when the insurance agents start to use mobile technologies as their business tool, they will be able to make good use of their time. This means that the insurance agents will be better in managing their time for use in meeting with customers, doing the paper work like case submission and time spend to follow up with the customers or clients. A common reason given by insurance agents who are not able to achieve their sales target would be not having enough time to get new customers or retain the existing customers. Hence, mobile technologies are expected to help the insurance agents to achieve better sales by increasing their efficiencies and time management. When the insurance sales done by the insurance agents increases, this will indirectly expand and strengthen the insurance industry. Expansion and strengthening of this insurance industry not only translate to more job opportunities, it also means having a bigger firm that can stabilize the Malaysian market and subsequently contribute to the nations' Gross Domestic Product (GDP).

1.6 Definition of Key Terms

Table 1: *Key Terms Definition*

Constructs	Definitions	Source
Performance Expectancy	<ul style="list-style-type: none"> Performance expectancy is defined as the degree to which an individual believes that using the system will help him or her to attain gains in job performance. The five constructs from the different models that pertain to performance expectancy are perceived usefulness (TAM/TAM2 and C-TAM-TPB), extrinsic motivation (MM), job-fit (MPCU), relative advantage (IDT), and outcome expectations (SCT). 	Venkatesh et al. (2003)
Effort Expectancy	<ul style="list-style-type: none"> Effort expectancy is defined as the degree of ease associated with the use of the system. Three constructs from the existing models capture the concept of effort expectancy: perceived ease of use (TAM/TAM2), complexity (MPCU), and ease of use (IDT). 	Venkatesh et al. (2003)
Social Influence	<ul style="list-style-type: none"> Social influence is defined as the degree to which an individual perceives that important others believe he or she should use the new system. Social influence as a direct determinant of behavioral intention is represented as subjective norm in TRA, TAM2, TPB/DTPB and C-TAM-TPB, social factors in MPCU, and image in IDT achieve pollution prevention, energy consumption, and sustainable development. 	Venkatesh et al. (2003)

Table 1: *Key Terms Definition (Continued)*

Constructs	Definitions	Source
Facilitating Conditions	<ul style="list-style-type: none"> Facilitating conditions are defined as the degree to which an individual believes that an organizational and technical infrastructure exists to support use of the system. This definition captures concepts embodied by three different constructs: perceived behavioral control (TPB/ DTPB, C-TAM-TPB), facilitating conditions (MPCU), and compatibility (IDT). 	Venkatesh et al. (2003)
Hedonic Motivation	<ul style="list-style-type: none"> Hedonic motivation is defined as the fun or pleasure derived from using a technology 	Venkatesh et al. (2012)
Price Value	<ul style="list-style-type: none"> An important difference between a consumer use setting and the organizational use setting, where UTAUT was developed, is that consumers usually bear the monetary cost of such use whereas employees do not. 	Venkatesh et al. (2012)
Habit	<ul style="list-style-type: none"> Habit has been defined as the extent to which people tend to perform behaviors automatically because of learning. 	Venkatesh et al. (2012)
Personal Innovativeness	<ul style="list-style-type: none"> An individual's cognitive interpretations of a target object comes from factors related to the individual 	Lu (2014)

1.7 Organization of the Remaining Chapters

This research paper is written and divided into five chapters. Chapter 1 begins with an introduction that is related to the topic of interest. The outline of the research background will be provided. The problem statements, key objectives plus the research questions that the paper intends to accomplish and answer will be included. In Chapter 2, comprehensive literature review based on previous studies will be explored. The conceptual framework with

the formulation of studies will be included. Chapter 3 then explains the methodology that will be used in this research including the questionnaires that will be sent out to collect the required data, how the measurement is being done, data sampling design and collection as well as analysis. Results of the questionnaires collected will be analyzed using the statistical model in Chapter 4. Lastly, Chapter 5 will summarize the research findings, implication of the results and the limitations of this study. The conclusion chapter will also provide some recommendations for future research in the similar topic. The following chapters will briefly outline the main content of the paper proposed.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter presents an outline of literature based on broad and comprehensive search of previous researches in this topic. This chapter focus on the discussion related to the underlying theories, and the enlargement of the theories to develop the current conceptual framework and next, the hypothesis development.

2.1 Review of Literature

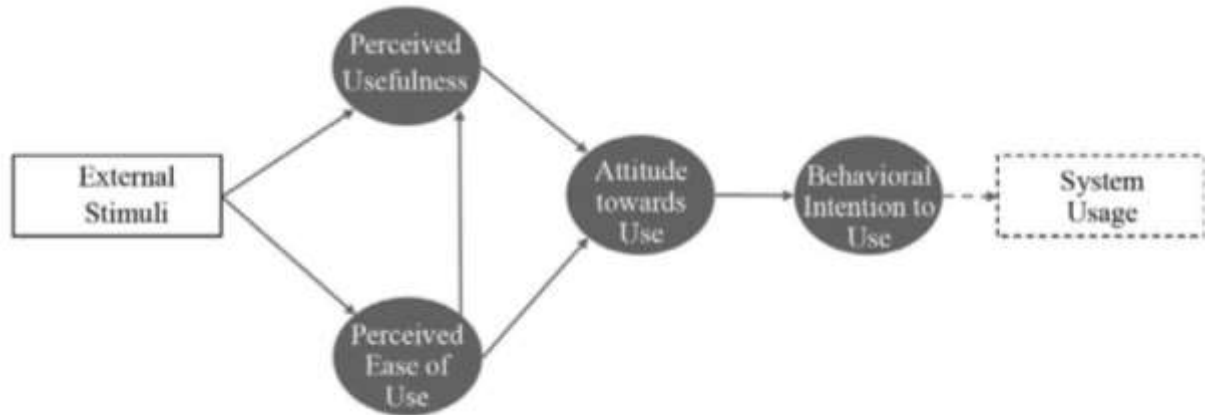
2.1.1 Technology Acceptance Model (TAM)

The TAM was adopted from another popular theory called theory of reasoned action (TRA) which was first published by Fishbein and Ajzen, (1975) from the field of social psychology. This field is used to study and explain a person's behavior through their intentions. Intention in turn is determined by two constructs namely the individual attitudes toward the behavior and social norms or the belief that specific individuals or a specific group would approve or disprove of the behavior.

TRA is being used to explain general human behavior while TAM specifically explained the determinants of technology acceptance that are general and capable of explaining user behavior across a broad range of user population (Davis et al., 1989). TAM is very popular (Lee et al., 2003; Hoof et al., 2005) because it fulfils the theoretical characteristics of being simple and this model is strongly supported by data. Besides that, this model is applicable to predict acceptance and usage of new technologies in various fields

which shows that it can be generalized.

Figure 1: *Schematic of the original Technology Acceptance Model*



(Source: Davis, 1989)

TAM was originally developed with an original emphasis on the design of system characteristics. It fails to take into account some salient characteristics of social media that could be used outside the organizational settings by individual users and such usage contributed to the “entertainment” component for users. TAM was originally assumed that information systems are used in organizational settings to improve the efficiency of the workers only. Besides that, TAM does not address the roles of other users in influencing an individual’s attitude which can subsequently affect the usage behavior.

2.1.2 Unified Theory of Acceptance and Use of Technology (UTAUT)

Models for technology acceptance and adoption including the technology acceptance model (TAM) (Davis, 1989) and innovation diffusion theory (IDT) (Rogers, 1995) have been tested extensively in the past research done until Venkatash et al. (2003) proposed a unified model that is able to integrate the acceptance determinants from several competing models. After reviewing and empirically tested the technology acceptance model which refers to the