User Acceptance for Mobile Applications in Insurance Service Applications: Case Study from Yemen

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8

Abstract

Few studies discuss the attitude toward and customer satisfaction with mobile application services in the life insurance industry. The purpose of this research is to investigate the effects of attitude toward using life insurers' mobile application services on customer satisfaction. A questionnaire was distributed to (600) insured people in Yemen. The data are analyzed through ANOVA, multiple regression, and path analysis.

The research findings have showed that Yemenis will accept mobile applications in tracking insurance companies.

Keywords: technology acceptance model, customer satisfaction, insurance, mobile application, risk.

Introduction

Technology Acceptance Model (TAM) have been used to investigate Technology effectiveness in several aspects in different cultures. Perceived usefulness (PU) and Perceived Ease of Use (PEU) formulate the pillars for user acceptance and behavioral intention to use it (Maraqa, 2018).

A mobile application (moapp) is a software application designed to run on mobile devices (Inukollu, 2014). Billions of mobile applications provide a broad basis for reaching clients in both developed and emerging markets (Ismail, 2016). Furthermore, financial institutions and mobile phone service providers are teaming up to provide banking services to customers (Rashed, 2014). Besides that, moapps uses growth rate has been so high (Islam, 2016).

To investigate moaopps in insurance sector; some consideration should be highlighted (Lai, 2017). Users' PU and PEU are positively affected (Lee, 2015).

In this study, TAM will be validated in insurance field in Yemen.

Literature review

TAM has been validated for moapps have been. Ahmed (2016) found that the educational context influences the acceptance of smartphones as mobile learning tools. However, Ismail et al. (2016) found that flexibility, visibility, satisfaction, consistency, and aesthetics should be considered to usability.

Vinnik (2017) found that user acceptance of moapps depends on performance expectancy, price value and habit are confirmed to be significant in the influence on the user behavioral intention to adopt moapps.

Lule et. al. (2012) validated TAM in of mobile banking applications in Kenya. They revealed that PEU, PU, perceived self-efficacy and perceived credibility significantly influenced customers' attitude towards usage of M-banking.

Anderson et. al. (2016) presented a qualitative exploration for health monitoring. Thus consumers use moapps and their perceived benefits. Similarly, Deng et. al. (2012) found that PU positively affects users' attitude toward Mobile Health Service, perceived service availability significantly impacts on PEU and PU, PU and attitude directly enhances intention.

Abu-Dalbouh et. al. (2017) used PU, PEU, user satisfaction and attribute of usability constructs for the mobile reminder application evaluations. Schmitz et. al. (2016) recommended series of approaches for checking suitability of health mobile applications. Suggested series are information fits to task, convenience value, and speed of transaction affect PU of moapps.

Concerning Yemen; some studies validated TAM in Yemen. Majority of them focused on user acceptance in ATM moapps in Yemen (Mutahar, 2018), (Rashed, 2013a) and (Rashed, 2014b). In contras (Maraqa, 2018) measured users' attitudes towards website characteristics in Yemen.

Many studies that validate TAM in Yemen. Majority of then focused user acceptance in ATM in Yemen and Portugal (Rashed, Santos, 2010a, 2010b, 2010c, 2010d, 2010e, 2010f,2013a, 2013b, 2013c, 2014) .

Marqa (2018) studied user acceptance for using websites. They found Yemenis to be keen on using websites. Meanwhile Rashed and Alajarmeh (2015) found that Yemenis would accept using biometrics rather than passwords.

Discussion

Table 1: Demographic background of respondents

Demographic characteristics		Frequency	%
Gender	Male	390	87.6%
	Female	55	12.4
Age	20-30 years old	144	32.4
	31-40 years old	174	39.1
	41-50 years old	95	21.3
	More than 50 years old	32	7.2
Academic Achievements	Secondary School	72	16.2
	Diploma	48	10.8
	Bachelor Degree	279	62.7
	High Diploma	24	5.4
	Master Degree	22	4.9
	Doctorate Degree	0	0
	Other	0	0
Length of Service	10 years and below	224	50.3
	11-20 years	54	12.1
	20-30 years	103	23.1
	31 years and above	16	3.6
	Missing	48	10.8
Occupational Level	Specialist	255	57.3
	Head of Section	87	19.6
	Manager	71	16
	General Manager	16	3.6
	Missing	16	3.6

Table 1 shows the sample which consisted of 600 insured individuals.

Cost was negatively effects PU(β = - 0.097). it agrees with the findings of Vinnik (2017), Yu and Buahom (2013) and Naicker and Merwe (2018). However, the practical findings indicate that Cost is not a significant factor to PEU. The results agree with findings of Vinnik (2017) and Hew et al. (2015) and disagrees with Yu and Buahom (2013) and Naicker and Merwe (2018).

The findings of (sig = 0. 287) indicated that Risk is not a significant factor to PU. The results disagree with Mutahar et all (2018), Alalwan et all (2017), Johnson (2005) and Naicker and Merwe (2018) .

Risk is found to be important factor that effect PEU (β = 0.065, sig = 0.047). results agree with (Mutahar, 2018), Alalwan et all (2016) and Johnson (2005) and Naicker and Merwe (2018).

Conclusion

The results advise to conduct more business research to explore users' desires and needs in depth. cost would play significant role thus insurance service providers must provide their smart application services in low cost or free. In addition, insurance service providers should make the services provided by their smart app more transparent, clear, and user-friendly to make their customers feel comfortable and perceive low level of risk when they use their services via smart phones. Besides that, insurance service providers should arrange some seminars to their customers to explore the benefits they will gain from using the smart app services. Moreover, they have to develop a privacy policy of the smart app services provided.

As future work, we recommend to expand the sample to include Sana'a and other areas. Moreover, we advise to include studies from nearby countries.

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