A Study on the Purchase Intention of Consumers for Insurance Products Sold on TV Shopping Channels in Taiwan

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<Abstract>

This study explores the determinants and purchase intention of consumers for insurance policies sold on the TV shopping channels in Taiwan. The middle-aged mothers who are at the age between 40 to 45, being used to watch Momo TV shopping channels, having ever purchased clothes, shoes and hand-bags on TV shopping channels, having children at the age between 13 to 18 are the major consumers for the insurance products sold on TV shopping channels. Convenience, without dealing with insurance agent and the reputation of TV shopping channels are

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the main determinants which make consumers have the intension to purchase insurance sold on TV shopping channels. Distrusting the insurance professional specialty of TV shopping channels, worrying the leakage of personal information security, can not be served by the designated insurance agent are the main reasons why consumers have no intension to purchase insurance sold on TV shopping channels.

Key words : TV shopping, Insurance, Purchase intention, Determinants, Taiwan

I. Introduction

Traditionally, consumers were used to purchase insurance products through insurance agents in Taiwan. As the development of marketing channel of insurance, insurance products are available through insurance broker, bank, internet and TV shopping channel now.

TV shopping is defined as that the host of TV shopping program and corporation representative transmit messages of product to consumers through special channel in cable TV system to promote the product. Consumers can order the product by telephone as they are watching the TV shopping program. Through the cash flow and logistic system, the product is then delivered to consumers directly and the payment is collected. (Tsai, 1995; Jiang, 1995; Engel, Warshaw, Kinnear and Reece, 2000; Pei, 2004; Chang, 2005)

The TV shopping industry in Taiwan was first established in 1992, and there were more than 300 TV shopping channels in 1994. After then, the TV shopping industry declined radically because of surplus and quality of TV shopping channels. There are a few TV shopping channels survived in Taiwan now.

In the past, there were disputes happened between consumers and TV shopping channels which made consumers distrust and even reject TV shopping. This situation was improved when EHS entered the TV shopping industry. EHS offered amortization