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Consumer Buying Behavior Towards Online Insurance Services: An Empirical Study in Bandar Baru Uda, Johor Bahru

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Abstract: Take a walk on any of the densely populated streets in Malaysia today, and you'll see a country rapidly embracing digitization, with cashless night markets, for example, as well as government services reached via a flick of the screen. But as the nation moves quickly toward full-fledged maturity, an unwelcome rub remains: trusting the average man or woman in the street is an ongoing process, even as the technology is in place. This psychological difference is most obvious in the financial industry, where conventional, face-to-face insurance handshakes are giving way to digital shops. This study examines the key factors influencing consumers' intention to purchase online insurance services in the metropolitan neighborhood of Bandar Baru Uda in Johor Bahru to identify what motivates or deters them from shifting to this medium. The thematic study focuses on the direct relationships between the most important underlying properties, such as satisfaction level, perceived internet quality, and motivating properties, which can affect customer purchasing decisions. The empirical findings indicate a statistically significant correlation between these consumer perceptions and their actions in purchasing. The results of these findings offer strategic guidance for insurance companies seeking to enhance their digital channels and empower customers to make informed decisions about the insurance sector in the digital era.

Keywords: *Consumer Buying Behavior, Satisfaction Level, Perceived Internet Quality, Motivational Factors.*

1. Introduction and Background

The insurance industry depends on the economics of preserving. It acts as a financial barrier, having risks that are collected together to protect individual assets and human futures from unanticipated weaknesses. Traditionally, the Malaysian insurance industry relied on extensive branch networks and in-person interactions to deliver this sense of security. The industry is going through unprecedented structural changes, however, as Bank Negara Malaysia (BNM) continues to actively drive the nation towards a fully digital financial landscape with the modern regulatory sandbox programs. The old-fashioned, touchy-feely handshake between agent and policyholder is soon to be replaced by direct-to-consumer applications over digital technology (Asian Insurance Review, 2025; Insurance Asia 2024; NielsenIQ Malaysia, 2024).

This digital revolution is not just about taking business online; it's about changing the perception of security. In the traditional theory of consumer behavior, the buying process has been described as a highly complex "black box" that is primarily triggered by external signals from the environment and marketing stimuli (Peter & Nord, 1982). These cues are all virtual these days. A customer visiting a digital platform is not simply looking at the economics of a life and/or general insurance policy. But they test their faith with a brilliant screen.

Smaller insurance companies like motor or travel have seamlessly integrated into web checkout, but the transition for larger insurance sets is a digital tussle. Interestingly, recent national data shows that although public awareness of digital insurance channels has risen by 20% over the past few years, over 40% of the market is still wary about it because of digital vulnerabilities, anxiety about technology, and a high degree of cultural dependence on human intermediaries (Insurance Asia 2024; NielsenIQ Malaysia, 2024). This friction reveals a big service gap for contemporary insurance companies. In today's increasingly competitive and congested environment, it's not just a matter of offering the lowest price, but it must also be a remarkable and smooth digital service experience. While it is well documented that certain cities have had successes with digital, in localized urban neighborhoods, it is a different picture. Bandar Baru Uda Johor Bahru is one of the locations where a considerable digital divide exists, as customers are still predominantly offline and use

traditional means to access the insurance marketplace. To overcome this gap, this study looks at the localized variables impacting consumer buying behavior towards online insurance services in Bandar Baru Uda. To help insurance companies get on the right track to successfully digitize Malaysia's changing consumer market, this study seeks to deliver empirical insights into particular areas: customers' previous level of satisfaction with the internet, localized internet challenges, and internal motivations.

Problem Statement: Imagine a town that never shuts down, and getting protected happens quicker than you can make a cup of coffee for your life, car, health, or next destination. In contemporary financial technology, Malaysia's government is actively pursuing its digital journey, while regulatory frameworks actively drive the development of fully automated digital insurers (PwC Malaysia, 2025). In today's world, complicated financial protection has become a one-tap commodity on our cellphone. But beyond this perfect digital veneer exists a huge psychological disconnect: millions of regular consumers still won't cross the digital line in the hopes of buying insurance. This is because sensitive health information or financial details are entered into a virtual cloud network, leading to a high level of user concern. This collective hesitancy is an intentional safeguarding measure in a world becoming more complex with advanced phishing techniques and fake websites using a proxy domain name (Cybersecurity Malaysia, 2025; Ye et al., 2021).

This huge customer distrust has become one of the most important front lines in the battle being waged by the modern insurance industry. Though this digital 'friction' is a widely researched phenomenon at a national scale, it is best understood at a localized urban scale. Bandar Baru Uda in the larger Johor Bahru district is a prominent example of this digital divide. While it is an established residential and business centre in South Malaysia, the digital insurance penetration is still relatively low. The question is simple: why, when they have the online tools in their hands, are the people of Bandar Baru Uda still not adopting online insurance services? This study directly tackles this gap by investigating the specific catalysts driving localized consumer buying behaviour. The research examines the topic via three key lenses. First, it studies customer satisfaction levels to evaluate whether existing digital insurance systems truly meet user expectations or leave them disappointed. Second, it addresses the infrastructure barrier by assessing perceived internet quality and availability issues, as well as mapping how concerns about connection stability and security interrupt the purchasing process. Finally, it investigates the internal motivators, such as possible cost savings or pure convenience, which may persuade a customer to switch from offline to online. Through localized empirical insights, this study aims to dismantle the barriers of digital anxiety, mapping the exact pathway to digital trust for the everyday Malaysian consumer.

2. Literature Review

Consumer Buying Behavior Towards Online Insurance Services: Today's corporate landscape is not about what they want to sell but about reading the consumer's complex and ever-evolving needs well. If there are a number of firms selling the same or very similar financial products in a tightly competitive arena, just dumping generic advertising into the stream of marketing is a recipe for failure. Firms need to know and comprehend the purchasing behavior of their target segment to prosper (Kotler et al., 2014). The objective of classic consumer behavior theory is to interpret the complex manner by which products and services are selected, purchased, used, and disposed of by individuals, groups, or organizations as a result of a combination of previous experiences, personal preference, pricing, and brand power(Kotler et al., 2014). Decoding this "human equation" has been a guessing game historically. In today's world, it has become a science; multinational corporations can now monitor what, when, and how often their customers are purchasing (Brink & Berndt, 2008). But the entire ecosystem has moved to the virtual world, which has changed the way that things are handled. With the advent of the internet in business, early digital models set that smooth online access to the system was the ultimate obstacle to good consumer contact(Liao & Cheung, 2002). Consumers were not just asking for digital platforms; they were also expecting to be able to access these services from remote geographic locations, as a basic infrastructural requirement that impacted their longer-term attitudes towards online systems (Joseph & Stone, 2003). This expectation has grown stronger in the modern period.

Empirical studies in recent years in emerging digital markets have shown that platform unavailability, unreliable digital infrastructure, and network latency are direct factors that lead to user attrition and have a significant impact on the technical accessibility of online service providers (Zhou & Wan, 2022). The new digital storefront is not only connected but it also attracts two very human desires – convenience and time efficiency

(Ranganathan & Ganapathy, 2002). The internet removes the friction from traditional business by changing the customer journey into a research sanctuary. Users can easily access important product information, can compare competing service providers side by side and can easily search for the exact information they need to satisfy their specific needs by clicking a button. As per the latest study on digital financial consumption, today's consumers are extremely motivated by "information symmetry", which is the ability to independently decide on complex financial products like insurance without feeling pressured by a salesman who is too pushy (Dinh et al., 2023). Understanding consumer behavior in this digital landscape then demands a focus on the interaction between the reliability of the infrastructure, the ease of access to the web and internal motivations, which can make a curious browser into a confident digital buyer.

Satisfaction Level: In the modern business environment, customer satisfaction is no longer regarded as a mere performance indicator; it is the very essence of the organization's operations and overall development, where the attitude towards customers is truly oriented and the effort is aimed at continuous improvement of the process. In the simplest definition, contentment is a continuous emotional review and a buyer's total assessment of the brand's performance against their expectations. If a company manages to connect both the expectation and the fulfillment of a consumer in a way that creates a great psychological impact, there is no other way to describe it. A satisfied customer translates to a loyal one, and thus equates to a customer who will actively advocate the product for future sales. However, feeling this satisfaction is much more precarious if a company removes the retail location and replaces it with an all-digital experience. Creating a strong online presence requires a vibrant online community where customers can feel included and secure.

While a modern insurance business can't simply depend on its own marketing voice, it must build a wide-reaching brand presence throughout digital channels where organic, eWOM (electronic word of mouth) communication can flourish. When regular consumers speak about their own experiences in their real lives, you see an authentic consumer response on the Internet which traditional advertising can't replicate. But being exposed isn't enough to make skeptical spectators into confident digital consumers. The transition to online banking systems requires proactive digital education for non-bankers. By providing users with clear information on the operation of automated platforms and demonstrating the platform's high security and encryption standards, companies can alleviate customer concerns and encourage greater participation (Afzal et al., 2025). Last but not least, it is important to establish a clear, causal link between the internal satisfaction an individual experiences and what they actually do in the real world to express their satisfaction, which requires a more complex and dynamic notion of feedback. Modern consumer behavior frameworks focus on the dynamic nature of satisfaction in digital retail finance in relation to various factors and timelines. Both the speed and the sense of security of an online network and the user interface play a role in a consumer's decision to complete an online transaction. Empirical studies of the digital insurance sector over the last few years have found that platform responsiveness, navigation and rapid real-time support are the key factors for digital retention (Jain et al., 2025; Wei et al., 2025). As a result, assessing consumer satisfaction in concentrated urban centers necessitates understanding how digital education, electronic peer influence, and seamless platform performance interact to build the modern purchase trip.
H1: There is a relationship between satisfaction level and consumer buying behavior towards online insurance services.

Perceived Internet Quality: Think about the frustration of a consumer who has decided to purchase an insurance policy online, has selected their coverage, entered the personal information, and then clicks on the final payment button and the page freezes, a hyperlink breaks, or the screen goes blank with no confirmation message. In the digital banking sector, an unresponsive or poor UI experience has a negative impact on the user and their trust in the brand. When a platform's tech design makes it hard to navigate, or when it breaks during a transaction, the buyer is in a stressed state, not knowing whether their funds have been stashed away in the cloud. One of the most common sources of revenue loss is technical issues and/or poor digital architecture. Studies have shown that the user's background – from the reluctant surfer to the person who has surfed for years, or the one who has been shopping online for years – has a significant impact on their judgment of a platform's structural reliability and data security measures. Once structural vulnerabilities arise, the perceived danger is an immediate obstacle that will stop the customer from going further on the digital journey. This technology barrier turns into a national reality, not a concern for businesses when one takes a broader view of the larger picture of developing countries. The paradox of Malaysia's digital development for many years has

been the government's attention to providing basic internet access to outlying areas, without prioritizing the overall speed of internet connections. This has effectively connected millions of residents to the internet, but the country was experiencing pockets of internet lag and congestion. The situation is completely different now.

To eliminate these digital dead zones, Malaysia has actively deployed advanced fiber optic networks and a comprehensive national 5G deployment, as outlined in the current digital economy plans(Digital Nasional Berhad [DNB], 2025; Malaysian Communications and Multimedia Commission [MCMC], 2024). The lifeblood of modern business activities has come to be known as high-speed fiber lines, which convert electrical impulses into light waves and transmit vast quantities of data at the speed of light. These are the big-scale changes happening nationally; however, there is a digital gap occurring at the grassroots level. The user experience on a day-to-day basis is not always indicative of high speeds in the national statistics in special-purpose suburban centres such as Bandar Baru Uda in Johor Bahru. In these areas, consumers are likely to experience micro-infrastructure challenges like unexpected signal drop-offs inside high-density residential buildings, network congestion or cellular dead zones within a specific area. Empirical studies recently conducted in Malaysia indicate that even minute fluctuations in network quality can disrupt more complex financial transactions like completing a multistep online insurance application. If the connection is not reliable, customers drop the digital channel altogether and switch to traditional, offline transactions (Shin, 2021). Therefore, exploring online buying behaviors in Johor Bahru requires a realistic evaluation of the effect of internet quality on digital customers' buying behaviors, which may either empower or repel them.
H2: There is a relationship between perceived internet quality and consumer buying behavior towards online insurance services.

Motivational Factors: For any business that wants to succeed in a very competitive business environment, the secret to getting a lot of sales and taking over the market area is a deep psychological understanding of consumer buying behaviors. Academic consensus categorizes these behavioral influences into four main groups: cultural, social, personal and psychological. The psychological pillar sub-components, such as individual perception, acquired habits, and personal motives, however, exert the greatest influence on the human mind when it comes to understanding why the client buys a product. Motivation is defined as an internal need condition that is highly engaged, which actively guides a person's behavior towards a goal. In traditional commerce, internal cues were slow-moving and highly intimate. Today, progressive digital marketers realize that if they can figure out the exact magic that causes this psychological momentum, they can design platform experiences that capture customers and keep them engaged with a brand's digital platform.

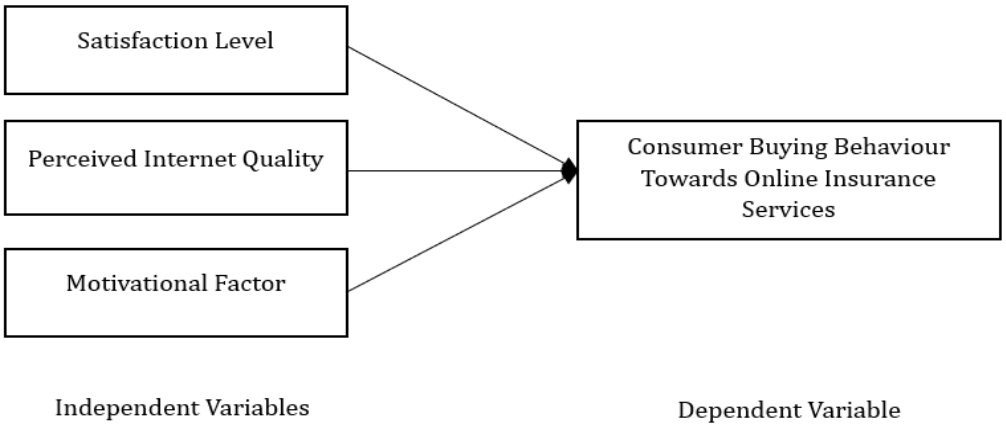
Virtual "shopping" is no longer just about getting a physical product; it's more of an exploration that's triggered by different kinds of digital stimuli. If consumers' behavior changes to include online shopping, their motivations should change with it as they are now evaluating and buying services completely online. Today, consumers aren't only interested in the product properties – they are much more inclined to be interested in the context, such as instant gratification, extreme convenience, or simple cost efficiency. The current macroeconomic data shows a huge behavioral transformation in emerging digital ecosystems where traditional financial behaviors are being replaced by independent, self-directed digital cashouts. Consumers want to engage with the brand digitally, and they have no intention of continuing with the tedious administrative hassles, wanting to take ownership of the entire purchasing process (Deloitte Insights, 2026).

Perhaps one of the best examples of this motivational change is the swift transformation of the digital retail finance sector in developing markets such as Malaysia. In the last national consumer survey, an overwhelming 88% of today's Malaysian insurance consumers are psychologically confident in conducting all financial transactions digitally on their own(Minime Insights Reports, 2026)The empirical evidence reveals a surprising truth: the main driver for this vast uptake is the desire for quick, seamless interactions – the ease of access around the clock, policy issuance in real time and the ability to create modular, flexible premiums that help alleviate personal cash flow constraints (FPT Global Finance, 2026; Minime Insights Reports, 2026). To gauge purchasing behaviors in a local suburban neighborhood, however, one must chart the influence of these compelling and contemporary internal drives in effectively negating the consumer fears and apprehension that would otherwise keep the average consumer on the sidelines.
H3: There is a relationship between motivational factors and consumer buying behavior towards online insurance services.

Research Framework: This study bases its framework on the Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh et al., 2003) and the Technology Acceptance Model (TAM) to build a rigorous conceptual foundation (Davis, 1989). According to these well-established theoretical frameworks, people's assessments of system performance, structural preparedness, and inherent advantages are what motivate people to adopt new technologies. The three independent variables in this study, which are satisfaction level, perceived internet quality and motivational factor, were chosen with these theoretical features in mind and specifically adapted to the Bandar Baru Uda local environment.

Initially, an experience antecedent is satisfaction level. Evaluating past contentment particularly with legacy, agent-driven services is critical because strong happiness with conventional face-to-face contacts frequently serves as a psychological anchor, reinforcing status quo bias and causing resistance to automated self-service channels. Second, the concept of facilitating conditions or perceived ease of use is represented by perceived internet quality. Micro-level infrastructure issues (like localized network latency or signal dropouts in high-density residential buildings) cause friction during complicated transactions in high-stakes digital financial services like insurance, which directly affects a consumer's willingness to adopt digital channels. Lastly, motivational factors are mapped onto performance expectancy and perceived usefulness. Intrinsic incentives like 24-hour convenience, information symmetry, instant policy issuance, and possible cost savings are what motivate modern self-directed customers to switch from conventional channels to digital platforms. Integrating these three variables into a single model enables a thorough evaluation of how infrastructural, motivational, and experiential forces interact to influence consumer purchasing behavior in a suburban ecosystem.

Figure 1: Research Framework



This conceptual design opens up the "black box" of consumer behavior. It suggests that if a consumer has had good experiences in the digital world, their physical network infrastructure is adequate and secure enough not to raise transaction anxiety, and their internal motivations such as cost-efficiency and absolute convenience are strong enough to replace their traditional experiences, then they will complete an online insurance transaction. Recent financial consumer frameworks highlight that losing even one of these pillars results in instant platform abandonment (Adyen Financial Reports, 2026; NielsenIQ Malaysia, 2024). Therefore, the framework is the exact empirical basis which is used in testing and analyzing the data collected from residents of Bandar Baru Uda.

3. Research Methodology

To comprehensively investigate the link between the independent factors and consumer purchase decisions, this study used a quantitative, cross-sectional research methodology. The target market consisted of adult citizens aged 18 and above living in Bandar Baru Uda, Johor Bahru, who made financial or insurance purchases. Because a thorough sampling frame containing all residents of the localized sub-district was unavailable, a non-probability convenience sampling procedure with quota restrictions was used to get a demographically balanced sample across gender and age distributions. The total sample size of N = 120 surpasses the minimal threshold necessary for multiple linear regression analysis with three predictors ($\boldsymbol{N \geq 50 + 8m}$, where $\boldsymbol{m = 3}$ requiring at least 74 observations), meeting Green (1991) rule of thumb. This research also used G*Power

analysis as suggested by Faul et al. (2009), which suggested a minimum sample size of 74, with a power of 0.8. Data were gathered using a standardized, self-administered questionnaire split into five sections. Section A collected demographic information from respondents, whereas Sections B, C, D, and E used 5-point Likert scales to assess satisfaction level, perceived internet quality, motivational factors, and consumer purchasing behavior. To ensure robust construct coverage, all measurement items were adapted from validated instruments in the prior literature: Satisfaction Level items from Zainal and Hussin (2025), Perceived Internet Quality items from Ye and Jia (2005), Motivational Factors from Wijaya and Tan (2025), and Consumer Buying Behavior from Peter and Nord (1982). Academic specialists in digital marketing and financial services reviewed the content and face validity ahead of time. Data collection took place over four weeks, with self-administered digital forms distributed through localized community groups and physical survey distribution in Bandar Baru Uda's key commercial and residential hubs to ensure broad representation across different user segments.

4. Results

This chapter presents the results of our investigation. We employed a computer algorithm to make sense of the vast amount of data we collected from 120 residents in Bandar Baru Uda, Johor Bahru. We examined the data in great depth because we wanted to know how members of this community thought about various issues. We began by examining the characteristics of the individuals. With 61 men and 59 women, it turns out that the number of men and women is nearly equal. The majority of the population is Malay. Additionally, there are some members of the Bumiputera population of Sabah and Sarawak, as well as Chinese and Indian populations. The majority of the residents in this region are young, single, and between the ages of 18 and 25.

The majority of people have completed their education and hold an SPM certificate. A few of them have also attended college. own a diploma or a bachelor's degree. While many are employed in the industry, some are still in school. We discovered something intriguing when we examined these individuals' usage of technology. 63.3% of them have never utilized an insurance facility. This is concerning as it indicates that a large number of individuals do not use platforms for money management. This stark digital deficit perfectly mirrors contemporary macroeconomic trends in secondary Malaysian urban hubs, where despite universal smartphone ownership and young demographic concentrations, a distinct gap persists between everyday e-commerce consumption and high-involvement digital financial adoption due to structural friction and trust barriers (Yang & Shi, 2024). We will utilize the information we know about the people to determine why they do or do not use financial services. In addition, we want to know how satisfied people are with financial services how good the internet is and what motivates people to use digital financial services. This will help us understand why some people are not using financial services and what we can do to change this.

Profile of Respondents: Table 1 displays a summary of the characteristics of the total sample of respondents who participated in the study.

Table 1: Demographic and Geographic Information of Respondents (n=120)

Variables	Frequency	Percentage
Gender		
Male	61	50.8 %
Female	59	49.2 %
Race		
Malay	104	86.7 %
Chinese	9	7.5 %
Indian	5	4.2 %
Others	2	1.7 %
Age		
18 – 25 years	57	47.5 %
26 – 35 years	39	32.5 %
36 – 45 years	20	16.7 %
46 – 55 years	4	3.3 %
56 years old and above	0	0.0 %
Marital Status		

Single	73	60.8 %
Married	47	39.2 %
Divorce	0	0.0 %
Others	0	0.0 %
Education level		
Secondary	55	45.8 %
Diploma	28	23.3 %
Degree	32	26.7 %
Master and PhD	0	0.0 %
Others	5	4.2 %
Work Sector		
Student	32	26.7 %
Public Sector	7	5.8 %
Private Sector	73	60.8 %
Self Employed	6	5.0 %
Unemployed	2	1.7 %
Online Insurance Services		
No	76	63.3 %
Yes	44	36.7 %

Reliability Analysis: Reliability Analysis was used to determine the consistency of the variables, as shown in Table 2 below. Through a rigorous Cronbach's alpha internal consistency check, the data revealed that the survey scales are highly stable and ready for inferential analysis. The dependent variable, consumer buying behavior, achieved a solid alpha value of 0.736, confirming that the items measuring purchasing choices are well aligned and reliable. Mirroring this strength, the independent variable for customer satisfaction level yielded a remarkably similar and acceptable alpha value of 0.735. Interestingly, the instrument captured varying degrees of human perception across the remaining factors; while the scale for perceived internet quality registered a moderate yet acceptable alpha value of 0.617, reflecting the slightly varied infrastructure experiences of the residents, the internal motivational factors emerged as the strongest and most cohesive element of the entire instrument, commanding a powerful alpha value of 0.817. Among the variables, perceived Internet quality reported relatively low reliability, as the respondents were mainly composed of young adults, who are 18 to 25 years old, and used the Internet not as frequently as other age groups.

According to standard psychometric thresholds, alpha values above 0.70 indicate robust reliability, while values hovering around 0.60 remain perfectly acceptable for exploratory, localized environmental variables (Hair Jr., 2023). Ultimately, these balanced scores provide a green light for the study, assuring that the questionnaire is a trustworthy tool for mapping the digital insurance landscape in Bandar Baru Uda.

Table 2: Reliability Analysis

Variables	No of Items	Cronbach Alpha
Buying Behavior	6	0.736
Satisfaction Level	7	0.735
Perceived Internet Quality	6	0.617
Motivational Factor	5	0.817

Correlation Analysis: Hair et al. (2022) stated that correlation analysis examines the strength of the relationship between variables. As for this study, correlation analysis was conducted to examine the strength of the relationship between independent variables(satisfaction level, perceived internet quality and motivational factor) and independent variable(digital buying behavior. The statistical results in Table 3 below reveal a fascinating, multi-layered story of digital consumerism in Bandar Baru Uda, complete with an unexpected behavioral paradox. First, the relationship between customer satisfaction level and digital buying behavior was reported to be highly statistically significant ($p=0.000<0.05$). However, the correlation coefficient revealed a weak-to-moderate negative relationship ($r=-0.358$). This negative sign indicates that as consumers grow more comfortable and satisfied with legacy, agent-driven operations or baseline online services, their immediate urgency to adopt fully automated digital insurance systems actually drops. However, the structural

variable of internet quality challenges failed to achieve statistical significance (p=0.061>0.05, r=0.172). This suggests that while connection stability is a minor disruption, it does not prevent an online insurance transaction in this urban context. This is supported by an interesting finding showing that motivational factors emerged as a statistically significant, positive driver (p=0.019<0.05). Though the positive correlation coefficient is low (r=0.213), it confirms a definite, small relationship, proving that internal triggers such as payment flexibility and immediate promotional initiatives have urged the consumer to adopt digital insurance transactions. This complex dynamic aligns perfectly with modern digital financial frameworks in Malaysia, which highlight that modern tech adoption is no longer a matter of basic infrastructure access, but rather an emotional negotiation driven by immediate convenience incentives and underlying trust parameters (Ernst & Young Malaysia, 2026).

Table 3: The relationship between consumer buying behavior towards online insurance services and satisfaction level, perceived internet quality and motivational factor

		Buying Behavior	Satisfaction Level	Perceived Internet Quality	Motivational Factor
Buying Behavior	Pearson Correlation	1	-.358**	.172	.213*
	Sig. (2-tailed)		.000	.061	.019
	N	120	120	120	120
Satisfaction Level	Pearson Correlation	-.358**	1	-.140	.120
	Sig. (2-tailed)	.000		.127	.192
	N	120	120	120	120
Perceived Internet Quality	Pearson Correlation	.172	-.140	1	.077
	Sig. (2-tailed)	.061	.127		.403
	N	120	120	120	120
Motivational Factor	Pearson Correlation	.213*	.120	.077	1
	Sig. (2-tailed)	.019	.192	.403	
	N	120	120	120	120

**Correlation is significant at the 0.01 level (2-tailed)
*Correlation is significant at the 0.05 level (2-tailed).

Analysis of Variance (ANOVA): Table 4 below indicates that the analysis produced an F-statistic of 9.923 with a significance value of p=0.000, falling well below the critical 0.05 threshold. In the narrative of quantitative research, this p=0.000 indicates that the overall regression model is highly statistically significant. Instead, this robust result delivers an empirical guarantee that the combined framework of satisfaction levels, infrastructure barriers, and internal motivations can reliably explain and predict the consumer buying behavior toward online insurance services in Bandar Baru Uda.

Table 4: Analysis of Variance (ANOVA)

MODEL	SUM OF SQUARES	df	MEAN SQUARE	F	Sig.
Regression	6.213	3	2.071	9.923	.000[b]
Residual	24.209	116	.209		
Total	30.422	119			

Prior to the regression analysis, assumptions for multiple regression have been checked through SPSS software. First, regarding the normality of data, the skewness and kurtosis values provided a good indication. Second, for linearity, the observed p-plot showed a close fit to the diagonal line, hence indicating that linearity among the variables is achieved. As for homoscedasticity, the scatterplots for the model line are constant and fit the best line, denoting that the assumption of homoscedasticity has been met for further analysis. Lastly, the common method variance (CMV) test has been conducted for all variables to test for common method bias. All variables showed an acceptable value of the variance inflation factor(VIF), which is less than 3.3 as suggested by Hair et al. (2022). Overall, all of the assumptions have been verified and the procedures followed.

Regression Analysis: Drawing upon the principles established by Malhotra et al. (2020), regression analysis serves as a powerful tool to evaluate the relationship between independent and dependent variables. This analysis was conducted to determine the primary factors influencing online insurance purchasing behavior. The results demonstrate that the collective framework consisting of customer satisfaction level, internet availability challenges, and motivational factors accounts for exactly 20.4% of the variance in the respondents' buying behavior within the Bandar Baru Uda community. This finding aligns with contemporary digital finance trends in Malaysia, which emphasize that platform trust and seamless convenience remain the definitive catalysts driving consumers toward digital transactions (Khan et al., 2025).

Table 5: Multiple Regression Model Summary

MODEL	R	R SQUARE	ADJUSTED R-SQUARE	STD. ERROR OF THE ESTIMATE
1	.452 [a]	.204	.184	.45683

To determine which predictors exert the strongest influence on digital insurance buying behaviour, the study evaluates the individual regression coefficients in Table 6 below, revealing compelling consumer decision-making in digital insurance transactions. The statistical output indicates that the satisfaction level is the most dominant predictor in the model (β=-0.374,t=-4.429,p=0.000), operating as a significant negative relationship. This implies that as consumers are satisfied with their current traditional insurance habits, their immediate urge to actively adopt automated insurance online alternatives significantly drops. It aligns Leong et al. (2020) findings, where high satisfaction with current methods acts as a psychological inhibitor for customers in adopting new technologies. It confirms that technical accessibility cannot overcome the satisfaction level with traditional services. Instead, when consumers feel fully satisfied with conventional channels, their status quo bias creates a far more resilient barrier to automated service adoption than any technical or connectivity issue. Conversely, motivational level emerges as a key, statistically significant positive relationship (β=0.250,t=2.987,p=0.003), indicating that internal incentives like instant convenience and rewards are pushing consumers to complete online insurance transactions. Interestingly, the physical infrastructure limitations and perceived internet quality reported insignificant statistical evidence (β=0.100,t=1.190,p=0.236), highlighting that connectivity no longer hinders digital insurance transactions in this urban context. This behavioural shift aligns with recent empirical studies on the Malaysian digital economy, which underscore that in modern suburban hubs, technical accessibility is largely secondary to emotional value drivers and the psychological subversion of status quo customer habits (Aziz, 2026).

Table 6: Multiple Regression Coefficients

MODEL	UNSTANDARDISED COEFFICIENTS		STANDARDISED COEFFICIENTS	T	Sig.
	B	STD. ERROR	BETA		
(Constant)	4.307	.564		7.640	.000
Satisfaction Level	-.533	.120	-.374	-4.429	.000
Perceived Internet Quality	.101	.085	.100	1.190	.236
Motivational Level	.251	.084	.250	2.987	.003

Discussion

In conclusion, the researchers carried out an extensive quantitative analysis based on the primary information collected from 120 respondents, consisting of adult residents within the urban ecosystem of Bandar Baru Uda, Johor Bahru. To obtain the definitive results of this study, we utilized a robust suite of analyses such as reliability testing, Pearson correlation, descriptive demographic mapping, and multiple linear regression coefficients. Researchers used correlation analysis as the first core technique to test the localized hypotheses that were built in the early stage of the study. Based on this technique, the researchers obtained mixed results showing that customer satisfaction level holds a significant negative relationship (p=0.000,r=-0.358), while internet availability problems failed to reach statistical significance (p=0.061). Consequently, for these specific variables, the null hypotheses were rejected for satisfaction but failed to be rejected for internet constraints.

Researchers then used multiple linear regression coefficients as the second comprehensive technique to test the structural framework built in the early stage of the study. The deep analysis of the study, which included reviewing current banking journals and fintech publications alongside collecting targeted questionnaires, revealed that customer satisfaction level and internal motivational factors function as the true, significant predictors of consumer buying behavior toward online insurance services. Ultimately, the resulting regression model shows that these collective variables successfully account for 20.4% of the total variance in consumer purchasing choices, meaning the critical alternative hypotheses regarding satisfaction (H_1) and motivation (H_3) are fully supported and statistically significant.

This finding aligns with modern empirical research in digital financial services and InsurTech. Recent studies establish that satisfaction with incumbent providers acts as a powerful "mooring factor" that suppresses a customer's intention to switch to online platforms, regardless of the attractiveness or convenience of those digital platforms (Wang et al., 2026; Wong et al., 2025). Similar patterns have been observed in InsurTech adoption studies, where satisfaction with offline interactions and human agents creates channel inertia, directly resisting digital migration (Leong et al., 2020) .

5. Managerial Implications and Recommendations

Findings from this study have given remarkable implications for policymakers, practitioners, and consumers. First, the data from this research reveal a deeply human narrative: consumers are not refraining due to internet disruptions (β=0.100), but because they are entangled in a mental struggle. They are rooted in a profound contentment with conventional, in-person insurance interactions (β=-0.374), anticipating a surge of intrinsic motivation (β=0.250) to boldly embrace the digital insurance platform. Policymakers must reallocate focus from physical digital infrastructure toward building regulatory trust and consumer protection frameworks. Practitioners, especially insurance operators, should design high-value digital experiences that actively break status quo habit inertia and trigger intrinsic customer motivation. Finally, consumers are encouraged to re-evaluate whether their reliance on conventional agents reflects actual superior service or merely dependence on status quo bias that limits their financial flexibility.

To overcome this inertia, insurance firms cannot merely create another static webpage; they must fundamentally change their story. Business executives and marketing groups need to move beyond vague commitments and adopt complete transparency. Envision a web-based platform where conversational AI tools serve not as impersonal checkout bots, but as virtual assistants that explicitly outline what a policy includes and, crucially, what it omits. This transparent honesty dismantles the perilous belief that a simple online policy shields against all unexpected crises, quickly fostering the one asset that money cannot purchase: genuine customer trust. Moreover, since basic tech accessibility is a certainty, the competition for the suburban consumer will be determined by emotional significance. Insurers need to initiate dynamic, short video campaigns on platforms such as YouTube and TikTok, translating complex legal language into relatable micro stories that highlight adaptable payment options and immediate claims processing. By integrating these digital financial tools into the community's everyday online behaviors, businesses can effortlessly connect the experience of browsing with that of purchasing (Bakar et al., 2025; Wang et al., 2026).

Conclusion

This research endeavor was never just a task of analyzing statistics; it was an exploration to grasp the subtle, human uncertainty that occurs just before a consumer hits "purchase" on an online policy. The core of this study pulsed with a clear aim: to unravel the intricate, unseen forces that influence consumer purchasing decisions regarding online insurance services. We observed a consumer's ultimate decision arising not in isolation, but from a conflict between their ease with conventional insurance agents, the unseen resistance of digital systems, and an unexpected surge of personal drive. Theoretically, these pages reveal insights into the contemporary mind, mapping how these influences intersect to shape actual buying decisions in a time when finance is transitioning to the cloud. In practical terms, this evidence acts as a reminder for both insurers and fintech creators. The age of unchanging, text-laden webpages is now over. To engage the vast pool of unserved customers, suppliers must emerge prominently by developing fully transparent, effortless platforms and smooth mobile interfaces that alleviate consumer concerns and transform uncertainty into complete understanding.

When the final figures are counted, they reveal an unforgettable narrative: customer satisfaction rates, internet access issues, and internal drives contain the crucial elements of the Bandar Baru Uda consumer market. Every variable functions as a distinct personality in this story, with some firmly holding consumers to the security of traditional practices while others serve as the driving force pushing them toward the future. By uncovering these micro-level dynamics, this research provides industry leaders with the essential framework to create financial ecosystems that individuals genuinely wish to engage with. This change in behavior elegantly reflects the larger, modern digital transformation occurring in suburban Malaysia, where shifting a consumer from mere browsing to actual purchasing now hinges not on enhancing connectivity speed, but on gaining their trust through significant value transparency and instant, concrete benefits (Aziz, 2026). In summary, this document signifies a starting point, rather than a conclusion. As our world becomes more interconnected, the responsibility now shifts to the upcoming generation of researchers. They are encouraged to flip the page and delve further into this emerging narrative, examining the uncharted landscape of perceived risk factors, platform trust frameworks, and changing demographic trends, while giving meaning to the data through candid focus groups and personal interviews, ensuring the tale of the digital consumer remains vividly engaging.

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