

The Influence of Perceived Risk and Consumer Knowledge on Behavior Intention with Consumer Trust As an Intervening Variable in Life Insurance Products in Balikpapan and Makassar

Ani Sri Winarti¹, Herning Indriastuti², Imron Sohsan³

^{1,2} Faculty of Economics and Business, Universitas Mulawarman, Indonesia

³ Faculty of Humanities and Social Science, University of Khon Kaen, Thailand

E-mail: anisriw@gmail.com, herning.indriastuti@feb.unmul.ac.id, imronso@kku.ac.th.

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ABSTRACT

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Life insurance is a financial product that protects individuals from the risk of unfortunate events such as death and disability. Although the life insurance market is showing increased penetration, many still do not have life insurances. This research aimed to analyze the influence of consumer trust in the relationship between the relationship of perceived risk and consumer knowledge with behavior intention. Design/methodology/approach: This research used a quantitative approach. The research was conducted on 210 respondents in Makassar and Balikpapan. Data were collected through an online questionnaire. The data collected were analyzed using the Structural Equation Modelling (SEM) with the AMOS application. Perceived Risk: financial risk, performance risk, physical risk, social risk and overall risk have negative influences and not significant to behavior intention. Consumer knowledge have a positive influence and significant to behavior intention. Consumer trust was a variable that mediated the influence of perceived risk and consumer knowledge on behavior intention.

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1. Introduction

Most people are in need of wealth management. They have various financial and personal goals they want to attain for themselves, their families, and perhaps for charitable entities and others. To help getting their goals, there are several options of investment products, financing plans, insurance coverages, tax-saving ideas, retirement plans, trusts, charitable giving arrangements, and other products and ideas. This objective involves planning for the many risks that may cause personal losses, such as medical expenses, disability of income earners, custodial care (long-term care) expenses, death, and property and liability losses (Hallman & Rosenbloom, 2014).

Everyone in life faces risk. Since risk is almost always inherent in human life, it must be managed properly (Bong, 2019). One way to reduce this risk is to buy an insurance policy from an insurance company (Abdelfattah et al., 2015). Life insurance is a financial product that protects individuals from the risk of unfortunate events such as death and disability. For this purpose, most people with an earned income and family or personal responsibilities need life insurance protection (Hallman & Rosenbloom, 2014).

Although the life insurance market is showing increased penetration, many still do not have life insurances. Based on data from the Financial Services Authority (OJK), insurance penetration in Indonesia in 2021 has only reached 3.18%, including life insurance penetration of 1.19%, general insurance of 0.47%, social insurance of 1.45%, and compulsory insurance of 0.08%. Meanwhile, the new density figure is around Rp 1.82 million. Whereas to become a developed country, insurance contributions must reach at least 20% of GDP (Ardianto, 2022). Compared to the five countries in ASEAN, Indonesia's penetration is in the lowest position. Meanwhile, in terms of density, Indonesia's position is better, but it still occupies the bottom position, which is ranked 9th out of 10 countries. Indonesia's density is only around 54 USD in 2020 (Ardianto, 2022) (Investor Daily, 2022).

Insurance penetration in Indonesia is assumed to be in the territory of Indonesia that has large population, which is the western part of Indonesia. Meanwhile in The Central and Eastern Indonesia, the majority of the population is in the urban part. Balikpapan and Makassar as the cities in central Indonesia have a fairly large population, those are 710,293 and 1,427,619 with a proportion of productive age (aged 20 – 54 years) about 53% in 2021 (BPS, access on October 2022). The per capita income of residents in the two cities is quite high, which is among the top 5 compared to other cities in central and eastern Indonesia, therefore it is expected that insurance users can be increasing in both cities. However, it is necessary to look again at the factors that will influence people to buy insurance products.

Insurance products purchase decisions are usually made based on extensive information search that builds the consumers' knowledge on the product category and perceived risk of the consumer to the products. Kinds of knowledge exerts varying levels of influence on the purchase decision-making process (Ateke & James, 2018). While numerous studies have been conducted to examine the role of perceived risk as a barrier to product purchases. Consumer knowledge and perceived risk will affect the consumer trust. Studies involving consumer trust have shown that system trust (seals, guarantees, and ratings) influences consumer perceived trust in an online vendor, which in turn increases the consumers' intention to purchase from such an online vendor (Badrinarayanan et al., 2014). It can be concluded that perceived risk and consumer knowledge will affect to consumer trust, while consumer trust will affect positively to behavior intention.

The inability of some insurance companies to pay and deliver the benefits as it's obligation to participants, especially from an insurance company that is a state-owned enterprise, gives negative perceived risk about insurance. Instead of getting protection from losses, people think they will lose their money because of insurance company failure. Therefore, today's consumers feel unsafe about buying insurance products. The concerns that consumers have over buying insurance products are collectively termed as consumers' perceived risk. High perceived risk will reduce the repurchase online (Lobb et al., 2007).

Besides that, financial literacy and inclusion in Indonesia is still low. Based on the 2019 National Survey on Financial Literacy and Inclusion, the insurance literacy and

insurance inclusion indices reached 19.4% and 13.2%, respectively, an increase compared to 2016 (15.8% and 12.1%) (Ulya, 2022). The insurance literacy that is low shows that knowledge and understanding of the people in Indonesia is still low. People's knowledge about risk and insurance is still low, therefore they do not think that it will be important to have protection against the risk of losses that may occur in the future.

Based on these assumptions, this study was conducted to observe how people's perceived risks to use insurance products, their knowledge of insurance that will affect perceptions of insurance products and companies, and mediated by the level of consumer trust in insurance products and the insurance industry.

The aim of this study is to investigate the relationship between perceived risk, consumer trust, consumer knowledge, and behavior intention in life insurance products in Balikpapan and Makassar. Specifically, this study seeks to achieve the following objectives:

1. To determine whether perceived risk has a significant influence on behavior intention in life insurance products in Balikpapan and Makassar.
2. To examine whether perceived risk has a significant influence on consumer trust in life insurance products in Balikpapan and Makassar.
3. To investigate whether consumer knowledge has a significant influence on consumer trust in life insurance products in Balikpapan and Makassar.
4. To explore whether consumer trust has a significant influence on behavior intention in life insurance products in Balikpapan and Makassar.
5. To examine whether perceived risk has an indirect effect on behavior intention in life insurance products in Balikpapan and Makassar through consumer trust.
6. To investigate whether consumer knowledge has an indirect effect on behavior intention in life insurance products in Balikpapan and Makassar through consumer trust.

2. Materials and Methods

The research method used in this study is an explanatory research design with a quantitative approach. Data were collected through primary data obtained from respondents' answers to the research questionnaire using a 7-point Likert scale. The data were collected from individuals in the range of age between 20 years old until 59 years old in Balikpapan and Makassar City, using purposive random sampling as the sampling technique. The number of samples was determined based on the results of the minimum sample calculation using the Hair method, with a maximum sample of 210 respondents. The collected data were analyzed and interpreted through several statistical tests, such as regression analysis using SPSS and Structural Equation Modeling (SEM) using the AMOS program. The data sources needed in this study were internal data obtained from the respondents and questionnaire scores, as well as external data obtained through various external reports of the organization. The study population was adults who work with the range of age between 20 years old until 59 years old in the city of Balikpapan and Makassar, based on the assumption that individuals in this range of age already have an income and are able to support family or others financially.

3. Results and Discussions

A. Descriptive Statistics Data

a) Variable *Behavior Intention*

Descriptive statistical testing on questions in the variable Behavior Intention can be seen in the table 4.12.

Table 4.12 Descriptive Variable *Behavior Intention*

Indicator	Mean	Description
BI1	5.8372	Highest
BI2	5.7481	
BI3	5.7442	Lowest
BI5	5.8333	
BI6	5.7442	Lowest

The BI1 indicator, which is the question "I will provide funds to buy insurance products" has the highest average value of 5.8372. This suggests that respondents tend to have a tendency to agree with the question. This implies that respondents provided funds to purchase insurance products.

The BI3 and BI6 indicators are for is the question "I will try to find information to buy insurance product" and "I am very serious about having an insurance product" have the lowest average value of 5.7442. This indicate that respondents agreed that they knew what kind of insurance product they needed.

b) Variable *Perceived Risk*

Descriptive statistical testing on questions in the Perceived Risk variable can be seen in the table 4.13.

Table 4.13 Descriptive Variable *Perceived Risk*

Indicators	Mean	Description
PR1	3.4186	
PR2	3.3411	
PR3	3.0775	Lowest
PR4	3.3488	
PR5	3.5039	Highest
PR6	3.4651	

The PR6 indicator, which is the question "How it is likely that insurance products will affect other people's views of you" has the highest average value of 3.5039. This suggests that respondents tend to have that others are neutral towards insurance products.

Indicator PR3, for the question "What is the probability that insurance products are not safe, (for example: unable to provide the promised benefits)" has the lowest average value of 3,075. This suggests that respondents felt that it was likely that the insurance product was safe enough.

c) Variable Consumer Knowledge

Descriptive statistical testing on questions in Consumer Knowledge variables can be seen in the table 4.14.

Table 4.14 Descriptive Variables Consumer Knowledge

Indicators	Mean	Description
PK1	5.8488	
PK2	5.6977	
PK3	5.6783	
PK4	5.6202	Lowest
PK5	5.7558	
PK6	5.7791	Highest

Indicator PK6, for the question "I think insurance products guarantee protection against the risk of loss in the future" has the highest average value of 5,779. This shows that respondents quite agree that the Insurance product gives protection against the risk of loss in the future.

Indicator PK4 for the question "I understand about the types of insurance" has the lowest average value of 5.6202. This suggests that respondents agree that they understand the types of insurance.

d) Variable Consumer Trust

Descriptive statistical testing on questions in Consumer Trust variables can be seen in the table 4.15.

Table 4.15 Deskriptif Variable Consumer Trust

Indicators	Mean	Description
CT1	5.8488	Highest
CT2	5.6977	
CT3	5.6783	
CT4	5.6202	Lowest

The CT1 indicator, which is the question "I believe in the benefits and protections of insurance products" has the highest average value of 5.8488. This shows that respondents agreed to believe in the benefits and protection of the insurance product.

The CT4 indicator, which is the question "I believe the insurance product I have will provide protection as expected" has the lowest average value of 5.6202. This shows that respondents agreed to believe their insurance products would provide protection as expected.

B. CFA Indicator Testing (Loading Factor)

CFA testing is carried out to determine the value of the standardized factor loading of each indicator towards the variable. The indicator is valid if it has a standardized loading factor value greater than 0.5.

a. Variable Behaviour Intention

CFA Indicators (Factor Loading) test on questions in the variable Behaviour Intention has a value greater than 0.5. It shows that this indicator is able to measure variables well. It can also be said that all indicators on the Behaviour Intention variable are valid. The results of the CFA Indicator (Factor Loading) test on questions in the variable Behaviour Intention (Figure 4.1 and Table 4.16).

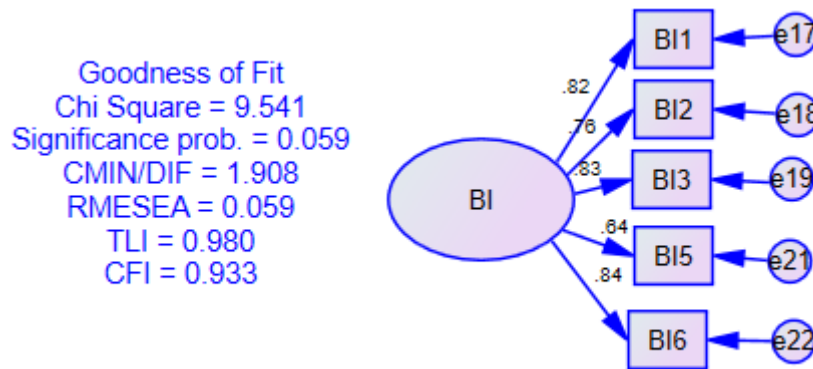


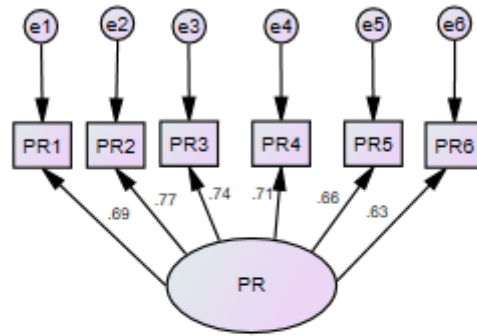
Figure 4.1 CFA Analysis of Behaviour Intention Variable

Table 4.16 Factor Loading Variable Behaviour Intention

Indikator	Standarized Factor Loading	Comparator	Description
BI1	0,81	0,5	Valid
BI2	0,76	0,5	Valid
BI3	0,81	0,5	Valid
BI5	0,64	0,5	Valid
BI6	0,84	0,5	Valid

b. Variable Perceived Risk

CFA Indicators (Factor Loading) test on questions in the Perceived Risk variable has a value greater than 0.5. This shows that the indicator is able to measure variables well. It also can be said that all indicators on the Perceived Risk variable are valid. The results of the CFA Indicator (Factor Loading) test on the questions in the Perceived Risk variable can be seen in (Figure 4.2 and Table 4.17).



Goodness of Fit
 Chi Square = 37,282
 Significance prob. = 0.000
 CMIN/DIF = 4.412
 RMSEA = 0.110
 TLI = 0.952
 CFI = 0.951

Figure 4.2 CFA Analysis of Perceived Risk Variable

Table 4.17 Factor Loading Variabel Perceived Risk

Indikator	Standarized Factor Loading	Comparator	Description
PR1	0,69	0,5	Valid
PR2	0,77	0,5	Valid
PR3	0,74	0,5	Valid
PR4	0,71	0,5	Valid
PR5	0,66	0,5	Valid
PR6	0,63	0,5	Valid

c. Variable Consumer Knowledge

CFA Indicator (Factor Loading) test on questions in the Consumer Knowledge variable has a value greater than 0.5. This shows that the indicator able to measure variables well. It also can be said that all indicators on the Consumer Knowledge variable are valid. The results of the CFA Indicator (Factor Loading) test on questions in the Consumer Knowledge variable can be seen in (Figure 4.3 and Table 4.18).

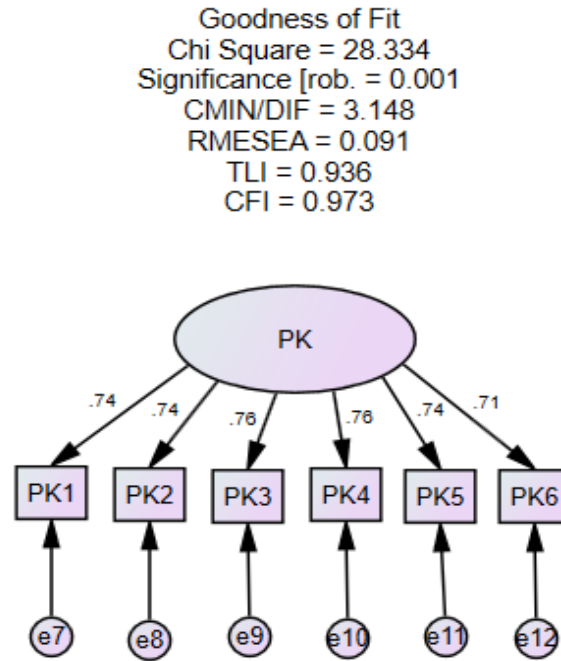


Figure 4.3 CFA Analysis of Consumer Knowledge Variable

Table 4.18 Factor Loading Variable Consumer Knowledge

Indikator	Standarized Factor Loading	Comparator	Description
PK1	0,74	0,5	Valid
PK2	0,74	0,5	Valid
PK3	0,76	0,5	Valid
PK4	0,76	0,5	Valid
PK5	0,74	0,5	Valid
PK6	0.71	0,5	Valid

d. Variable Consumer Trust

Testing CFA Indicators (Factor Loading) on questions in the Consumer Trust variable has a value greater than 0.5. This shows that the indicator is able to measure variables well. It can also be said that all indicators on the Consumer Trust variable are valid. The results of the CFA Indicator (Factor Loading) test on questions in the Consumer Trust variable can be seen in (Figure 4.4 and Table 4.19).

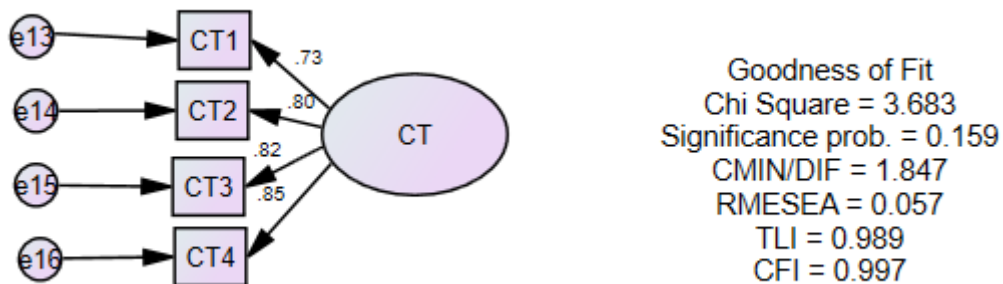


Figure 4.4 CFA Analysis of Consumer Trust Variable

Table 4.19 Factor Loading Variabel Consumer Trust

Indicators	Standarized Factor Loading	Comparator	Description
CT1	0,73	0,5	Valid
CT2	0,80	0,5	Valid
CT3	0,82	0,5	Valid
CT4	0,85	0,5	Valid

C. Hypothesis Test

Hypothesis test uses the results of direct influence test for hypothesis 1 to hypothesis 5. The magnitude of the influence is directly obtained from regression weight. As for hypothesis 6 and hypothesis 7, it uses the results of indirect influence tests. Because there is a direct and also indirect influence for variable Consumer Knowledge and Perceived Risk, the calculation of the influence of total variables is also carried out.

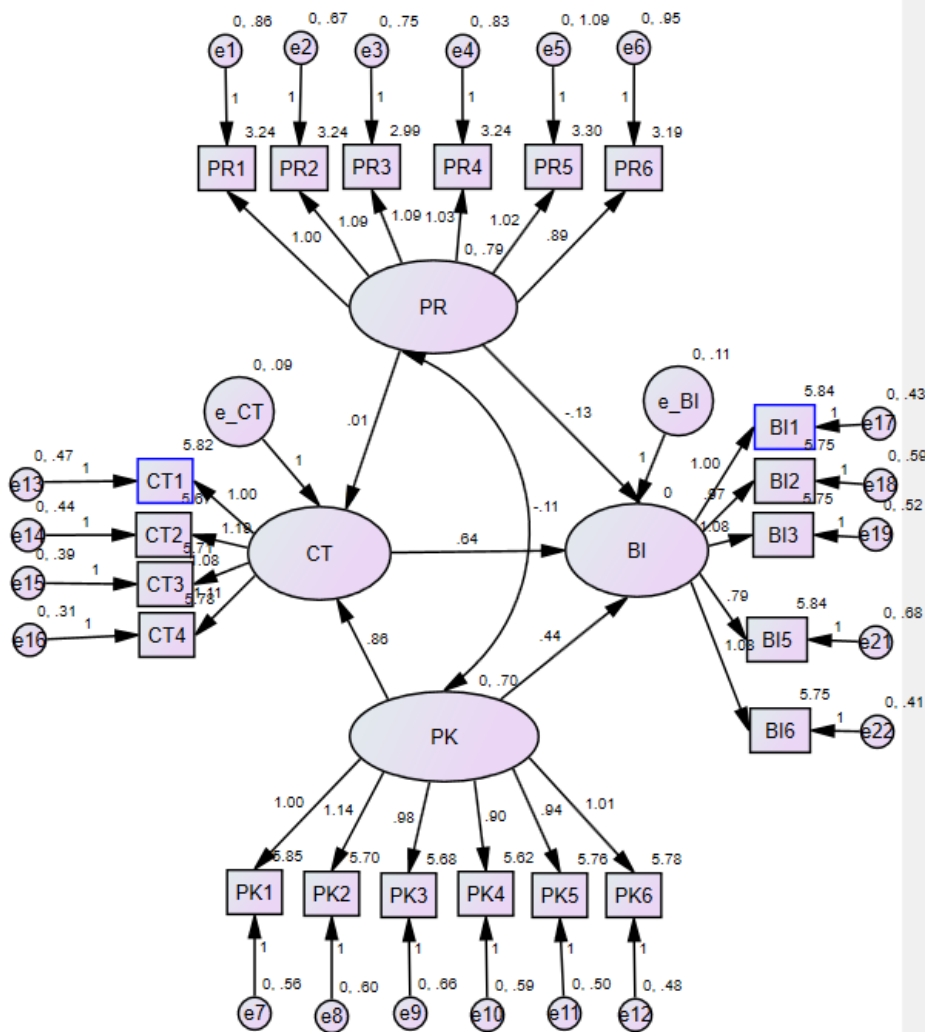


Figure 4.5. SEM Analysis Results

a. Direct Influence

The results of direct influence testing or regression weight can be seen in the table 4.20.

Table 4.20 Variable Direct Influence

	Unstandardized Estimate	S.E.	C.R.	P	Standardized Estimate	Description
CT <--- PR	.010	.038	.282	.778	.012	Not Significant
CT <--- PK	.857	.076	11.301	***	.924	Significant
BI <--- CT	.695	.180	3.858	***	.532	Significant
BI <--- PR	-.128	.040	-3.222	.001	-.122	Significant
BI <--- PK	.391	.163	2.392	.017	.397	Significant

Based on table 4.20, information is obtained that:

- Perceived Risk has an estimate value of 0.012 on Consumer Trust. This shows that the influence of perceived risk on consumer trust is positive.
- Consumer Knowledge has an estimate value of 0.924 on the Consumer Trust. This shows that the influence of consumer knowledge on consumer trust is positive.
- The consumer trust has an estimate value of 0.532 on the Behavior Intention. This shows that consumer trust has a positive influence on consumer behavior interests.
- Perceived risk has an estimate value of -0.122 against Behavior Intention. This shows that risk negatively influences the interest in consumer behavior.
- Consumer Knowledge has an estimate value of 0.397 against Behavior intention. This shows that consumer knowledge positively affects the interest in consumer behavior.

b. Indirect Influences

The results of indirect influence testing can be seen in the table 4.21.

Table 4.21 Variable Indirect Influence

	PR	PK	CT	BI
CT	.000	.000	.000	.000
BI	.006	.491	.000	.000

Based on table 4.21, information is obtained that:

- Perceived risk has an estimate value of 0.006 on Behavior Intention. This shows that risk positively affects the interest in consumer behavior through consumer trust as a mediating variable.
- Consumer Knowledge has an estimate value of 0.491 on Behavior Intention. This shows that consumer knowledge positively affects the interest in consumer behavior through consumer trust as a mediating variable.

c. Total Influence

The results of the total influence test can be seen in the table 4.22.

Table 4.22 Variable Total Influence

	PR	PK	CT	BI
CT	.012	.924	.000	.000
BI	-.116	.889	.532	.000

Based on table 4.22, information was obtained that the total influence of:

- Perceived risk on Behavior intention was -0.116.
- Consumer Knowledge of intention of 0.889 towards Behavior intention.
- The perceived risk to consumer trust is 0.012.
- Consumer Knowledge of consumer trust of 0.924 against Behavior intention.

d. Good Fit Model

Test results for fit model can be seen in the table 4.23.

Table 4.23 Fit models Test Result

Fit Model	Result	Description
(X2) Chi-Square	385.309	Poor
Significance Prob	0,000	Poor
CMIN/DF	1,898	Fit
RMSEA	0,059	Fit
TLI	0,930	Fit
CFI	0,944	Fit

Based on table 4.23, information was obtained that:

- Chi-Square indicator fit model (X2) has a value of 385.309. Relatively this shows that the model formed is poor.
- Significance Prob has a value of 0.000. This value is less than 0.000. This shows that the model formed is poor.
- CMIN/DF has a value of 1,898. This value is less than 2,000. This shows that the model formed is fit.
- RMSEA has a value of 0.059. This value is less than 0.08. This shows that the model formed is fit.
- TLI has a value of 0.930. This value is greater than 0.90. This shows that the model formed is fit.
- The CFI has a value of 0.930. This value is greater than 0.90. This shows that the model formed is fit.

D. Discussion

a. Hypothesis 1 : There is an influence of Perceived Risk on Behavior Intention

Based on table 4.20, information was obtained that Perceived risk has an estimate value of -0.122 toward Behavior intention. This shows that perceived risk negatively affects the consumer behavior intention. This means that if the risk to be faced by consumers is low, then consumers will tend to have an intention in buying or participating in insurance programs. On the other hand, if consumers think that the risk to be obtained is high, then respondents will tend to decrease their intention to use insurance or a tendency to abandon insurance that has been used.

The magnitude of the p value is 0.001. This value shows that the influence of perceived risk on Behavior Intention is significant. So that the conclusion is reached that the influence of Perceived Risk on Behavior Intention is negative.

Perceived risk is the uncertainty a consumer has when buying items, mostly those that are particularly expensive (Sandy and Firdausy, 2021).

This is in line with research conducted by Putra et al., (2016), that the perceived risk has a negative and significant effect on buying intentions. In online transactions consumers will be willing to make transactions if they have a low risk. The higher the perceived risk, the lower the consumer's intention to make online transactions.

This result is in line with the results of Nugroho's research (2009). The study shown that the four variables namely Perceived Ease in Use, Perceived Usefulness, Perceived in Risk, and Trust have significant effect on consumer interest in transacting over the internet. Also Perceive in Risk is a variable that has the most dominant influence on consumer intentions to transact over the Internet.

These results are also in line with the results of the study from Rewah & Mangantar, (2022). Based on hypothesis test 3, the results of t-count are greater than t-table. It is concluded that hypothesis 3 is accepted, which means that the Perceived Risk variable has an effect on Behavior Intention.

b. Hypothesis 2 : There is an influence of Perceived Risk on Consumer Trust

Based on table 4.20, information is obtained that Perceived Risk has an estimate value of 0.012 on Consumer Trust. This shows that the influence of Perceived Risk on consumer trust is positive. This means that when the perception of consumers or respondents to the risks faced is low, consumer trust will also be low. Conversely when the perceived risk is high, consumer trust will increase.

The p value is 0.778. This value is greater than 0.05. So it can be concluded that the influence of perceived risk on consumer trust is not significant.

The results of the study contradict the results of previous studies. This could happen because respondents' responses to questions on variable perceived risk tend to be low. This can be seen from table 4.13 which shows that in all indicators on the variable perceived risk, the average respondent gave a fairly disapproving answer. This shows that respondents tend to have a low perceived risk.

In addition, by looking at the demographics of respondents, out of 259 respondents, only 10 respondents did not have insurance. This shows that most of the respondents already understand the benefits of insurance itself. So that respondents tend to give a good response to the perceived risk or it can be said that respondents already understand that the risk of using insurance is small and tends to be safe.

c. Hypothesis 3 : There is an influence of Consumer Knowledge on Consumer Trust

Based on table 4.20, information was obtained that Consumer Knowledge has an estimate value of 0.924 towards Consumer Trust. This shows that the effect of Consumer Knowledge on Consumer Trust is positive.

These results show that if consumers know extensive knowledge related to a product, consumers trust in the product will tend to increase. On the other hand, if the consumer's knowledge related to the product tends to be narrow, it will reduce consumer trust in the product.

The p value of *** indicates that the p value is below 0.001. This means that the influence of Consumer Knowledge on Consumer Trust is significant. So that it can be implied that Consumer Knowledge has a positive effect on Consumer Trust.

This result is in line with the opinion According to Sumarwan (2011), consumer trust is consumer knowledge regarding the trust of a product having various attributes, and the benefits of these various attributes.

This result is also supported by the opinion of Mowen and Minor (2012) who define consumer trust as all the knowledge possessed by the consumer and all the conclusions that the consumer makes about its objects, attributes and benefits. Objects can be products, people, companies and everything to which a person has beliefs and attitudes.

This result is also supported by the results of research from Fernanta, Anastasius Hendy (2020) which obtained the results of the influence of knowledge about e-commerce, perception of reputation, perceived risk, perceive ease of use on trust.

d. Hypothesis 4 : There is an influence of Consumer Trust on Behavior Intention

Based on table 4.20, information was obtained that the Consumer Trust has an estimate value of 0.532 towards Behavior Intention. This shows that consumer trust has a positive effect on consumer behavior intention. This means that if consumer trust in a product is high, consumers will tend to have an increased intention in buying the product. Conversely, if consumers trust in the product is low, the intention in buying the product will decrease.

The p value of *** indicates that the p value is below 0.001. This means that the influence of Consumer Trust on Behavior Intention is significant. So it can be implied that Consumer Trust has a positive effect on Behavior intention.

The results of this study are in line with the results of Fadilah's research, Muinah (2020), that Perceived benefit and Product, consumers trust positively influence purchase intention.

Mahliza (2020) in her research also shown that consumer trust has a significant positive effect on online purchase decision.

e. Hypothesis 5: There is an influence of Perceived Risk on Behavior Intention mediated by Consumer Trust

Based on table 4.21, information was obtained that the indirect influence of Perceived Risk has an estimate value of 0.006 towards Behavior intention, mediated by Consumer Trust. This shows that the perceived risk has a positive indirect influence on the consumer Behavior Intention through Consumer Trust as a mediating variable.

Based on table 4.20, information was obtained that Perceived Risk has an estimate value of -0.122 towards Behavioral Intention. On the direct influence of Perceived Risk on Behavior Intention is positive.

Meanwhile, when through Consumer Trust, it has an indirect influence of 0.006, or a positive influence. There is a change in sign or influence, which at the beginning is negative when passed the mediation variable becomes positive. This shows that there is a mediating effect of the variables passed. So it can be concluded that consumer trust is able to mediate the relationship between Perceived risk and Behavior Intention.

The results of this study are in line with the results of the research of Putri, C.I.D. & Ida Bagus Sudiksa (2018) who got the result that perceived risk has a significant negative effect on trust. Perceived risk also has a significant negative influence on online

buying intentions on the Lazada site. Trust has a significant positive effect on online purchase intent on the Lazada site and trust is significantly able to mediate the relationship between perceived risk and online purchase intention on the Lazada site.

Trust has a mediating effect between each of the risk dimensions and buying intentions of Yaping and Jin, (2010), Murwatiningsih and Apriliani (2013).

f. Hypothesis 6: There is an influence of Consumer Knowledge on Behavior Intention mediated by Consumer Trust

Based on table 4.21, information was obtained that: Consumer Knowledge has an estimate value of 0.491 on Behavior Intention. This shows that Consumer Knowledge positively affects the consumer Behavior Intention through Consumer Trust as a mediating variable.

Based on table 4.20 Consumer Knowledge has an estimate value of 0.397 on Behavior Intention. This shows that consumer knowledge positively affects the consumer Behavior Intention.

The direct influence of Consumer Knowledge towards Behavior Intention is 0.397. Meanwhile, indirect influence through Consumer Trust is 0.491. It appears that there is an increase in influence, from direct influence to indirect influence. This shows that there is a mediating effect of the variables passed. So it can be concluded that Consumer Trust is able to mediate the relationship between Consumer Knowledge and Behavior Intention.

The results of this study are in line with the results of Fadilah's research, Muinah (2020). The results shown that perceived benefit and product consumers trust positively influence purchase intention.

Mahliza, Febrina (2020) in her research also shown that Consumer Trust has a significant positive effect on online purchase decision. In the study, there was a direct influence and an indirect influence because of the existence of variable mediation. So there is also a total influence. The total influence is the summation between direct and indirect influences.

Based on table 4.22, information was obtained that the total effect of: Perceived Risk on Behavior Intention was -0.116. The result is the summation of the direct influence of Perceived Risk on Behavior Intention and the influence of Perceived Risk on Behavior Intention through consumer trust as a mediation variable.

Consumer Knowledge has an influence of 0.889 on Behavior Intention. This result is a summation of the direct influence of Consumer Knowledge on Behavior Intention and the influence of Consumer Knowledge on Behavior Intention through consumer trust as a mediating variable.

4. Conclusion

Based on the results and discussion of the research, several conclusions can be drawn. Firstly, perceived risk has a negative and significant effect on consumer behavior intention. Secondly, the influence of perceived risk on consumer trust is positive but not significant. Thirdly, consumer knowledge has a positive and significant effect on consumer trust. Fourthly, consumer trust has a positive and significant effect on consumer behavior intention. Fifthly, consumer trust is able to mediate the relationship between perceived risk and behavior intention. Finally, consumer trust is also able to mediate the relationship between consumer knowledge and behavior intention. Overall, the study concludes that consumer behavior intention is not only driven by the level of consumer knowledge directly but also depends on consumer trust.

The limitations of the study include a biased sample, respondents having similar perceived variables, and limited generalizations due to the data being collected in only two cities in Indonesia. As a result, the findings may not be representative of the whole population. Suggestions for insurance companies and policymakers include creating accurate and easy-to-understand educational content and regulations to increase consumer trust and minimize perceived risk. Further research is recommended with a larger sample size, exploring factors such as geography, culture, religion, and education. Additionally, research should analyze intrinsic motivation to understand factors that drive consumer behavior intention.

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