E-ISSN: 2963-3699
P-ISSN: 2964-0121
Homepage: https://return.publikasikupublisher.com

The Influence of Perceived Benefits, Financial Literacy, and Demographics on Health Insurance Purchase Intention by Gen Z Which is Mediated by Attitude

Darwin, Kurnadi Gularso
Universitas Bunda Mulia, Indonesia
darwinfirman123@gmail.com, kurnadi.gularso@gmail.com

ABSTRACT

The insurance penetration rate in Indonesia remains low and has even been declining, despite the significant role the insurance industry plays in supporting national development. Meanwhile, Generation Z is beginning to dominate Indonesia's demographic structure, particularly as the demographic bonus period approaches. Low financial literacy is often cited as a cause of the low attitude and purchase intention towards life insurance. Additionally, low perceived benefit of insurance is also known to influence Generation Z's attitude. Generation Z is also associated with behaviors that differ from previous generations. This study aims to identify the factors influencing Generation Z's attitude and purchase intention towards life insurance, focusing on financial literacy, perceived benefit, and demographics. The research method is quantitative, with samples taken from Generation Z residents in Jabodetabek who have income but do not yet have life insurance. The research instrument used is a questionnaire, with a total of 297 valid questionnaires collected and analyzed using variance-based structural equation modeling (SEM). The results show that financial literacy, perceived benefit, and demographics have a significant and positive influence on Generation Z's attitude and purchase intention. Among these factors, perceived benefit emerges as the strongest predictor of attitudes towards life insurance. The financial literacy level of Generation Z in Jabodetabek is found to be adequate. This indicates that financial literacy does not directly translate into insurance literacy, suggesting that financial literacy is not the main cause of the low attitude and purchase intention towards life insurance among Generation Z in Indonesia.

Keywords : attitude and purchase intention, financial literacy, perceived benefit, demographics, life insurance, generation z

INTRODUCTION

Ratio The insurance industry has faced significant challenges in recent years, especially in attracting younger consumers such as Generation Z (Gen Z) Research shows that Gen Z has different priorities and preferences compared to previous generations in terms of employee benefits and purchasing decisions (Mondol, Salman, Rahid, & Karim, 2021). While traditional benefits such as health and dental insurance remain important, Gen Z is increasingly focusing on educational assistance, mental health support, and other non-traditional offerings. Understanding the factors that influence Gen Z health insurance Purchase Intention is essential for insurers to effectively target and serve this growing consumer group.

Existing research has identified several key determinants of *Purchase Intention*, including perceived benefits, *Financial Literacy*, and *Demographics* factors (9 Things You Need to Know About the Gen Z Consumer, 2022).

Table 1 Benefit Preferences Among Gen Z

Benefit	Gen Z	Millennial	Gen X	Baby Boomer
Health Insurance	Tall	Tall	Tall	Tall
Dental Insurance	Keep	Keep	Keep	Keep
Educational Assistance	Tall	Keep	Low	Low
Mental Health	Tall	Keep	Low	Low
Pension	Low	Keep	Tall	Tall

Source: 9 Things You Need to Know About the Gen Z Consumer (2022)

The purpose of the table is to show how important certain benefits are perceived by each generation. The values of "High", "Medium", and "Low" represent the level of importance or priority given by each generation to each of these benefits. Here's the explanation:

- Health Insurance: Considered very important by all generations (Gen Z, Millennials, Gen X, and Baby Boomers) with a "High" value.
- Dental Insurance: Considered quite important by all generations with a "Moderate" value.
- Educational Assistance: Very important for Gen Z ("High"), moderately important for Millennials ("Medium"), and less important for Gen X and Baby Boomers ("Low").
- Mental Health: Very important for Gen Z ("High"), moderately important for Millennials ("Medium"), and less important for Gen X and Baby Boomers ("Low").
- Retirement: Less important for Gen Z ("Low" value), moderately important for Millennials ("Medium" value), and very important for Gen X and Baby Boomers ("High" value).

These values demonstrate each generation's preferences and priorities towards the different types of benefits offered by the company, helping insurers to tailor their products and marketing strategies to be more effective in attracting the attention of each generation group.

Perceived benefit, defined as the extent to which an individual believes that using a particular product or service will be beneficial, has been shown to positively influence *Purchase Intention* across various consumer segments (Mondol et al., 2021). This shows that highlighting the value and benefits of health insurance offers can be an effective strategy to attract Gen Z (Firmansyah & Cesara, 2020).

Financial literacy, or an individual's understanding of financial concepts and the ability to make informed decisions, also emerges as a key factor in *Purchase Intention*. Consumers with higher levels *of Financial Literacy* may be more likely to be aware of the importance of health insurance and see it as a worthwhile investment (Kahawandala, Peter, & Niwunhella, 2020). By understanding how these *demographics* factors affect Gen Z *Purchase Intention*, insurers can tailor their offerings and marketing strategies to better meet the unique needs of this generation.

Although these individual factors have been explored in previous studies, an important consideration is the role of *Attitude* as a mediating variable. *Attitude*, defined as an individual's favorable or unfavorable evaluation of a particular behavior, can play an important role in shaping the relationship between independent variables (perceived benefits, *Financial Literacy*, and *Demographics*) and dependent variables *of Purchase Intention* For example, if Gen Z sees health insurance as highly beneficial and has *Financial Literacy* strongly, their positive attitude towards purchasing health insurance can lead to a higher likelihood of actually making a purchase (Mondol et al., 2021) (Garg & Bakshi, 2024). Conversely, *demographic* factors such as age or income that negatively

impact *Purchase Intention* can do so by first shaping *a disadvantageous attitude toward health insurance By including* Attitude as a mediation mechanism, insurers can gain a deeper understanding of how various determinants ultimately drive behavior Based on the *gap* phenomenon and *research gap* above, the researcher is interested in conducting a study with the title: "The Effect *of Perceived Benefit, Financial Literacy & Demographics* on Health Insurance *Purchase Intention* by Gen Z Mediated *Purchase Intention*.

This study aims to identify the factors influencing Generation Z's attitude and purchase intention towards life insurance, focusing on financial literacy, perceived benefit, and demographics.

The novelty of this study lies in its comprehensive exploration of the mediating role of Attitude in the relationship between Perceived Benefit, Financial Literacy, and Demographics on Health Insurance Purchase Intention among Generation Z (Gen Z). While previous research has separately examined these individual factors, this study uniquely integrates them to analyze how Attitude influences the decision-making process of Gen Z, a demographic with distinct preferences and priorities. By focusing on Gen Z's specific needs and behaviors in the context of health insurance, this research provides valuable insights for insurers seeking to tailor their products and marketing strategies to effectively engage and attract this emerging consumer group. This study also addresses a critical research gap by examining the nuanced interplay between these factors, contributing to a deeper understanding of the determinants driving Gen Z's health insurance purchasing decisions.

RESEARCH METHOD

This study uses a quantitative research method assisted by the perception of previous research, so that the data can be processed and analyzed to finally form a conclusion. The method used by the researcher is a quantitative method. According to (Sugiyono, 2020). The quantitative method is data in the form of numbers that are generally collected from questions that are compiled. In this study, the respondents are individuals who are prospective insurance customers in Greater Jakarta City. Due to the limited research time, the researcher used a crosssectional time horizon. According to (Hair Jr et al., 2021) Cross Sectional is a study that can be carried out where data is collected only once, possibly for several months, weeks, or days, to provide answers to research questions. To obtain research that is suitable for the actual conditions, researchers choose minimal and not contrived interventions to describe the authenticity of the situation and conditions. This study uses primary data collected using questionnaires containing questions that are in accordance with the grid for the preparation of research instruments in Table 3.1 and distributed either directly or through Google Forms. In addition, the use of secondary data is also carried out where according to (Sugiyono, 2020), secondary data is an indirect source that can provide data to researchers. For this reason, all information related to this research is sought through various journals, books, articles and all information that can be obtained through other media.

Once the data is received, the researcher edits the data by checking for missing data or unfilled sections of the questionnaire and only correctly filled sections are used. After cleaning and editing the data, the coding was done using Microsoft Excel tools and Smart PLS 4.0 statistical software.The data were analyzed and tested for effect using regression analysis. The data is then presented through tables and figures (Puspasari, Hakim, &

Kemalasari, 2020). The main consideration in using Smart PLS 4.0 rather than SPSS is due to the difference in measurement scale in the independent variables. Partial least square (PLS) is a powerful analysis method and is often referred to as soft modeling and is often referred to as a variant or component based structural equation modeling (SEM) developed by Will. PLS is a multivariate statistical technique capable of handling many response variables and explanatory variables at once (Nurdyansyah & Fahyuni, 2016). According to Will, the inventor of PLS, PLS is a powerful analytical method because in addition to being able to handle many independent variables, it also does not need to be based on many assumptions or conditions, such as normality and multicollinearity tests. Then, for indicators with data scales of categories, ordinals, intervals to ratios can be used.

RESULT AND DISCUSSION

Descriptive Statistics

The descriptive statistical results of this study can be seen from Table 4.2, where the average assessment of the approval scale of the respondents for a number of indicators of this study can be seen (Kaur, Stoltzfus, & Yellapu, 2018). The results of the data processing show that the Purchase Intention variable has an average value of 4.19, exceeding the average value of the Attitude variable of 4.52. The Financial Literacy variable has an average score of 3.91, the smallest among all variables. Meanwhile, the Perceived Benefit variable has the largest average value, which is 4.11.

Table 2 Descriptive Statistics

Variable	N	*Minimum*	*Max*	*Mean*	*Standard Deviation*
PB1	260	2.00	5.00	4.1385	.84975
PB2	260	1.00	5.00	4.1538	.82398
PB3	260	1.00	5.00	3.9885	.98044
PB4	260	1.00	5.00	4.1654	.84261
PB5	260	1.00	5.00	4.1346	.85263
Perceived Benefit	260	1.40	5.00	4.1162	.76721
FL1	260	1.00	5.00	4.1846	.86800
FL2	260	1.00	5.00	4.2423	.89988
FL3	260	1.00	5.00	4.0538	.88148
FL4	260	1.00	5.00	4.2115	.87294
FL5	260	3.00	5.00	3.8962	.85694
FL6	260	3.00	5.00	4.2346	.68263
FL7	260	3.00	5.00	4.2846	.67194
FL8	260	3.00	5.00	4.3077	.67322
FL9	260	1.00	5.00	4.0885	1.06718
FL10	260	2.00	5.00	4.3269	.81778
FL11	260	1.00	5.00	4.2577	.89988
FL12	260	2.00	5.00	4.2885	.98906
FL13	260	1.00	5.00	2.7115	1.73691
FL14	260	1.00	5.00	2.2462	1.50962
FL15	260	3.00	5.00	4.2885	.66159
FL16	260	1.00	5.00	4.4385	.93416
FL17	260	1.00	5.00	4.4000	.96342

Variable	N	*Minimum*	*Max*	*Mean*	*Standard Deviation*
FL18	260	1.00	5.00	1.9192	1.39124
Financial Literacy	260	2.39	5.00	3.9100	.55542
A1	260	3.00	5.00	4.6269	.59862
A2	260	3.00	5.00	4.6769	.59230
A3	260	3.00	5.00	4.6346	.68714
A4	260	3.00	5.00	4.6077	.65755
A5	260	3.00	5.00	4.4692	.74241
A6	260	2.00	5.00	4.4038	.81633
A7	260	2.00	5.00	4.5077	.74819
A8	260	2.00	5.00	4.4154	.85456
A9	260	3.00	5.00	4.4462	.68137
A10	260	3.00	5.00	4.4192	.76432
Attitude	260	2.90	5.00	4.5208	.62782
PI1	260	1.00	5.00	4.2500	.96812
PI2	260	1.00	5.00	4.1962	.91533
PI3	260	1.00	5.00	4.1346	.97118
Purchase Intention	260	1.33	5.00	4.1936	.90028

Source: Processed by Researcher (2024)

The descriptive statistical results of the study based on demographics can be seen in Table 3, where the average assessment of the approval scale of the respondents for a number of indicators of this study can be seen. The results of data processing show that Gen Z with the age of 22-25 years has the highest average financial literacy, which is 4.11 while the age of 15-18 has the lowest average financial literacy score, which is 3.69. For Perceived Benefit, 25-28 years old showed the highest level, which was 4.34. For attitude and purchase intention, 22-25 years old showed the highest levels, namely 4.78 and 4.61. Then for spending, the level of financial literacy, perceived benefits, attitude, and purchase intention is seen increasing along with the high education of Gen Z. Likewise with marital status, Gen Z who are single have the lowest levels for financial literacy, perceived benefits, attitude, and purchase intention. As for gender, Gen Z men show higher values of financial literacy, perceived benefits, attitude, and purchase intention compared to women (Kelana, Riskinanto, & Nasyiah, 2023). For education, Gen Z with the last post-secondary education showed financial literacy, perceived benefits, attitude, and purchase intention compared to Gen Z with high school/vocational education.

Table 3 Descriptive Statistics Based on Demographics

Demographics		Perceived Benefit	Financial Literacy	Attitude	Purchase Intention
Age	15-18 years old	3.93	3.68	4.25	3.75
	19-22 years old	4.13	3.98	4.56	4.27
	22-25 years	4.24	4.11	4.78	4.61
	25-28 years old	4.34	4.07	4.77	4.59
Gender	Man	4.16	3.92	4.55	4.25

Demographics		Perceived Benefit	Financial Literacy	Attitude	Purchase Intention
	Woman	4.06	3.89	4.48	4.13
Education	Graduate	4.03	4.02	4.49	4.37
	S1	4.02	3.92	4.45	4.17
	High School/Vocational School	4.15	3.88	4.54	4.16
Expense	10 Million – 30 Million	4.13	3.95	4.60	4.37
	Above 30 Million	4.28	4.06	4.77	4.58
	Less than 10 Million	4.05	3.85	4.42	4.02
Marital Status	Unmarried	4.06	3.85	4.43	4.06
	Marry	4.25	4.06	4.78	4.55
	Marriage (with children)	4.25	4.05	4.70	4.50

Source: Processed by Researcher (2024)

Regarding the number of respondents based on the weight of the value of the selected approval gradation, the descriptive statistical results of this study can be seen in Table 4, where in the table it can be seen how many respondents voted Strongly Disagree, Disagree, Quite Agree, Agree, and Strongly Agree, as well as the total average assessment of the approval scale of the respondents for a number of indicators of this study.

The results of the data processing showed that there was a significant variation in the weight of the values given to the main indicators of the study variables. This analysis will explain the difference in the weighted average values for the indicators in each of the key variables (Capricho, Paradero, & Casinillo, 2021): Perceived Benefit, Financial Literacy, Attitude, and Purchase Intention, In the Perceived Benefit category, the indicator related to the perception of the practical benefit of insurance, i.e. PB3, shows the lowest average value weight compared to other indicators. The average weight value for PB3 is 3.98, which is lower than the average total weight for this variable, which is 4.1. The decrease in the PB3 score weight shows that respondents tend to give less positive assessments of the practical benefits of insurance compared to other benefits that are rated higher. For Financial Literacy, an indicator related to basic financial knowledge, namely FL14 (Gen Z's confidence in insurance), shows the lowest average weight value, which is 2.24. This is much lower compared to the average total weight for financial literacy, which is 3.91. This decrease indicates that respondents feel less confident about their understanding of insurance compared to other aspects of financial literacy. In the Attitude modifier, the A4 indicator (financial support from insurance) shows the most significant decrease in value weighting. The average weight score for SK8 is 4.60, which is the lowest value in the Attitude category, below the average total weight for the attitude variable of 4.5. This indicates that respondents' attitudes towards insurance financial contributions are considered less significant than attitudes towards other benefits of insurance. For the Purchase Intention variable, the PL3 indicator (interest in referring insurance to others) shows the largest decrease in value weight with an average value of 4.13. This is the lowest value among indicators of buying interest, compared to the

average total weight for this variable, which is 4.19. This decrease suggests that respondents have a lower interest in recommending insurance to others compared to their interest in other aspects of insurance.

Table 4 Descriptive Statistics Based on Value Weights

Indicators	1	2	3	4	5	Mean	Median	Std. Deviation
PB1	0	6	60	86	108	4.138	4	0.850
PB2	1	8	41	110	100	4.154	4	0.824
PB3	1	19	63	76	101	3.988	4	0.980
PB4	1	10	38	107	104	4.165	4	0.843
PB5	1	4	61	87	107	4.135	4	0.853
						4.116		
FL1	1	16	24	112	107	4.185	4	0.868
FL2	6	7	24	104	119	4.242	4	0.900
FL3	1	11	55	99	94	4.054	4	0.881
FL4	1	14	29	101	115	4.212	4	0.873
FL5	0	0	110	67	83	3.896	4	0.857
FL6	0	0	37	125	98	4.235	4	0.683
FL7	0	0	32	122	106	4.285	4	0.672
FL8	0	0	31	118	111	4.308	4	0.673
FL9	10	15	32	88	115	4.088	4	1.067
FL10	0	13	19	98	130	4.327	4.5	0.818
FL11	9	0	26	105	120	4.258	4	0.900
FL12	0	29	13	72	146	4.288	5	0.989
FL13	124	2	24	45	65	2.712	3	1.737
FL14	137	17	50	17	39	2.246	1	1.510
FL15	0	0	30	125	105	4.288	4	0.662
FL16	2	12	33	36	177	4.438	5	0.934
FL17	9	3	26	59	163	4.400	5	0.963
FL18	165	21	31	16	27	1.919	1	1.391
						3.910		
A1	0	0	16	65	179	4.627	5	0.599
A2	0	0	17	50	193	4.677	5	0.592
A3	0	0	31	33	196	4.635	5	0.687
A4	0	0	25	52	183	4.608	5	0.658
A5	0	0	39	60	161	4.469	5	0.742
A6	0	8	31	69	152	4.404	5	0.816
A7	0	7	19	69	165	4.508	5	0.748
A8	0	8	39	50	163	4.415	5	0.855
A9	0	0	28	88	144	4.446	5	0.681
A10	0	0	44	63	153	4.419	5	0.764
						4.521	4.8	
PI1	5	17	16	92	130	4.250	4.5	0.968
PI2	3	19	13	114	111	4.196	4	0.915
PI3	6	13	32	98	111	4.135	4	0.971
						4.194		

Source: Processed by Researcher (2024)

Test Measurement Model or *Outer Model*

During model testing, the first thing that is done is *the outer model* or measurement model which is intended to improve the model to make it feasible through the

measurement stage (Cai & Leung, 2020). There are three criteria in the data analysis technique used in *the outer model* , namely *convergent validity*, *discriminant validity* and *construct reliability and validity*. The image of the research model before the removal of the indicator can be seen in Figure 1 below.

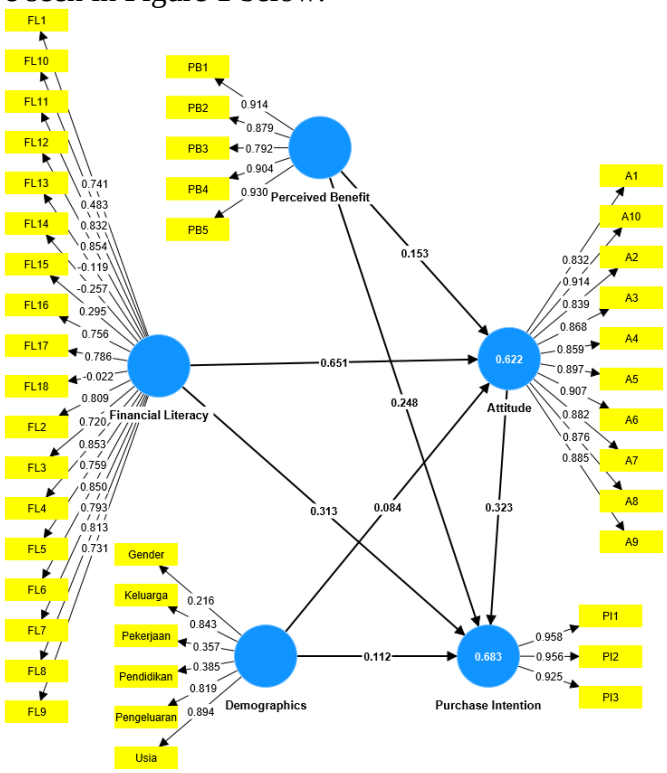

Figure 1 Algorithm Result Measurement Model Before Indicator Deletion

Source: Processed by Researcher (2024)

As for data processing for validity and reliability tests, there are several indicators that do not meet the requirements for *loading factor values.* The indicators that did not pass were then abolished until the *loading factor* requirements were met. Therefore, from the following model image, it can be seen that the image of the research model has gone through the elimination of inappropriate indicators, namely invalid variable indicators (Baharuddin, Musa, Rosle, & Sara, 2021). An image of a research model that has gone through the removal of unsuitable indicators can be seen in Figure 2 below.

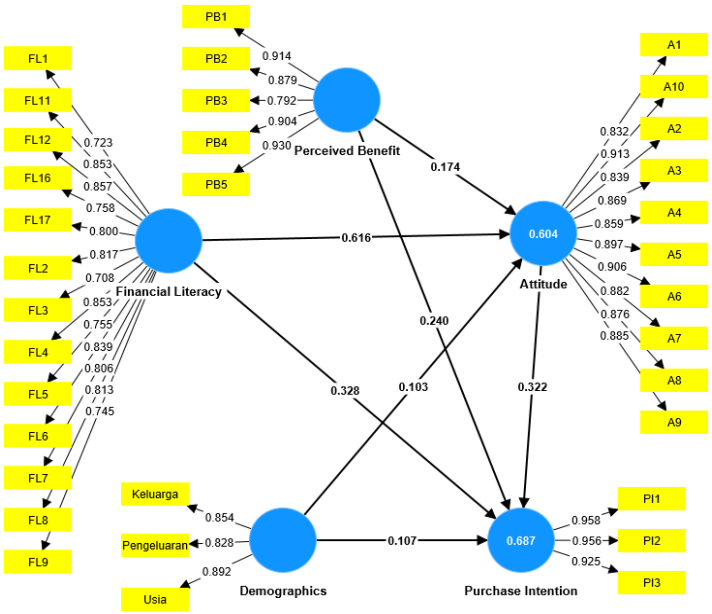

Figure 2 Algorithm Result Measurement Model After Indicator Deletion

Source: Processed by Researcher (2024)

Convergent Validity Results

The convergent validity of the indicator reflexive measurement model is assessed based on the correlation between *item score* or *component score*/*loading factor*/*outer loading*. The value of *the loading factor* is considered valid if it has a correlation value above 0.70 (Latan & Ghozali, 2017). In Table 5, it can be seen that *the loading factor* of the variable indicators of Financial Literacy and Demographics is not yet eligible, which is above 0.70.

Table 5 Outer Loading Before Indicator Removal

	Attitude	Demographics	Financial Literacy	Perceived Benefit	Purchase Intention
A1	0.832				
A10	0.914				
A2	0.839				
A3	0.868				
A4	0.859				
A5	0.897				
A6	0.907				
A7	0.882				
A8	0.876				
A9	0.885				
FL1			0.741		
FL10			0.483		
FL11			0.832		
FL12			0.854		
FL13			-0.119		
FL14			-0.257		
FL15			0.295		
FL16			0.756		
FL17			0.786		
FL18			-0.022		
FL2			0.809		

	Attitude	Demographics	Financial Literacy	Perceived Benefit	Purchase Intention
FL3			0.720		
FL4			0.853		
FL5			0.759		
FL6			0.850		
FL7			0.793		
FL8			0.813		
FL9			0.731		
Gender		0.216			
Family		0.843			
PB1				0.914	
PB2				0.879	
PB3				0.792	
PB4				0.904	
PB5				0.930	
PI1					0.958
PI2					0.956
PI3					0.925
Work		0.357			
Education		0.385			
Expense		0.819			
Age		0.894			

Source: Processed by Researcher (2024)

As for when data processing takes place, there are several indicators that do not meet the requirements for *loading factor values.* After the indicators that do not meet the requirements of the loading *factor* value limit > 0.70 are removed, the results can be seen in Table 6 below.

Table 6 Outer Loading After Indicator Removal

	Attitude	Demographics	Financial Literacy	Perceived Benefit	Purchase Intention
A1	0.832				
A10	0.913				
A2	0.839				
A3	0.869				
A4	0.859				
A5	0.897				
A6	0.906				
A7	0.882				
A8	0.876				
A9	0.885				
FL1			0.723		
FL11			0.853		
FL12			0.857		
FL16			0.758		
FL17			0.800		
FL2			0.817		

	Attitude	Demographics	Financial Literacy	Perceived Benefit	Purchase Intention
FL3			0.708		
FL4			0.853		
FL5			0.755		
FL6			0.839		
FL7			0.806		
FL8			0.813		
FL9			0.745		
Family		0.854			
PB1				0.914	
PB2				0.879	
PB3				0.792	
PB4				0.904	
PB5				0.930	
PI1					0.958
PI2					0.956
PI3					0.925
Expense		0.828			
Age		0.892			

Source: Processed by Researcher (2024)

In addition, another method to assess validity is to look at the validity and reliability criteria values can also be seen from the reliability value of a construct and the *Average Variance Extracted* (AVE) value of each construct. The construct is said to have high reliability if the value is 0.70 and the AVE is above 0.50. In the following table, the *Composite Reliability* and AVE values for all variables greater than 0.50 (Ghozali & Latan, 2015). In Table 7, it can be seen that the AVE value of each variable is above 0.50 so that it can be declared valid.

Table 7 Average Variance Extracted (AVE)

	Cronbach's alpha	**Composite reliability (rho_a)**	**Composite reliability (rho_c)**	**Average variance extracted (AVE)**
Attitude	0.966	0.966	0.971	0.768
Demographics	0.830	0.910	0.893	0.737
Financial Literacy	0.952	0.956	0.957	0.633
Perceived Benefit	0.930	0.934	0.948	0.784
Purchase Intention	0.942	0.942	0.963	0.896

Source: Processed by Researcher (2024)

Discriminant Validity Results

The *discriminant validity* test is carried out to prove whether the indicator in a construct will have the largest *loading factor* in the construct it forms than the *loading factor* with other constructs (Karim, Hussin, & Sahid, 2023). The model has good

discriminant validity if each *loading* value of each indicator of a variable has the largest loading compared to the *loading value* of other variables.

In Table 8 it can be seen that the *cross loading* value of each indicator of each variable has a > value of 0.70. In addition, the value of each indicator of each variable is the largest value when compared to the *loading* value of other variables in one line so that it can be said that each indicator has good *discriminant validity*.

Table 8 *Cross Loading*

Indicators	Attitude	Demographics	Financial Literacy	Perceived Benefit	Purchase Intention
A1	0.832	0.320	0.681	0.451	0.720
A10	0.913	0.303	0.681	0.444	0.640
A2	0.839	0.315	0.729	0.444	0.672
A3	0.869	0.253	0.653	0.551	0.682
A4	0.859	0.207	0.610	0.575	0.699
A5	0.897	0.276	0.623	0.476	0.657
A6	0.906	0.329	0.671	0.548	0.646
A7	0.882	0.305	0.679	0.581	0.609
A8	0.876	0.264	0.655	0.567	0.583
A9	0.885	0.276	0.667	0.543	0.628
FL1	0.548	0.194	0.723	0.531	0.407
FL11	0.633	0.263	0.853	0.416	0.679
FL12	0.569	0.244	0.857	0.538	0.563
FL16	0.701	0.292	0.758	0.357	0.606
FL17	0.676	0.259	0.800	0.461	0.569
FL2	0.612	0.310	0.817	0.455	0.737
FL3	0.578	0.173	0.708	0.464	0.415
FL4	0.703	0.338	0.853	0.557	0.698
FL5	0.410	0.188	0.755	0.562	0.499
FL6	0.643	0.272	0.839	0.654	0.731
FL7	0.672	0.223	0.806	0.612	0.685
FL8	0.539	0.182	0.813	0.600	0.656
FL9	0.475	0.200	0.745	0.507	0.465
Family	0.213	0.854	0.201	0.105	0.223
PB1	0.512	0.193	0.600	0.914	0.599
PB2	0.501	0.141	0.544	0.879	0.598
PB3	0.530	0.073	0.539	0.792	0.458
PB4	0.535	0.190	0.557	0.904	0.647
PB5	0.541	0.214	0.619	0.930	0.612
PI1	0.708	0.337	0.721	0.671	0.958
PI2	0.708	0.334	0.730	0.621	0.956
PI3	0.706	0.344	0.708	0.586	0.925
Expense	0.219	0.828	0.215	0.114	0.252
Age	0.359	0.892	0.338	0.222	0.394

Source: Processed by Researcher (2024)

Composite Reliability and Cronbach's Alpha

Reliability or reliability test can be seen from the *composite reliability* and *Cronbach's Alpha* values of each variable. The variable is said to have high reliability if

it has a *composite reliability value* of > 0.70 and also has a Cronbach's *Alpha* value of > 0.70. In Table 9, it can be seen that *the composite reliability* and *Cronbach's Alpha* values of each variable are above 0.70 so it can be concluded that the variables in this study have met the reliability criteria.

Table 9 *Composite Reliability and Cronbach's Alpha*

Variable	Cronbach's Alpha	Composite Reliability
Attitude	0.966	0.966
Demographics	0.830	0.910
Financial Literacy	0.952	0.956
Perceived Benefit	0.930	0.934
Purchase Intention	0.942	0.942

Source: Processed by Researcher (2024)

Test Structural Model or *Inner Model*

Testing of the structural model or *inner model* is carried out to see the relationship between variables or latent variables. This can be done by evaluating *the R-square value* on endogenous variables (Attitude and Buying Interest modifiers). In addition, the relationship between variables can also be seen from the significance value through *the statistical t and p values*, as well as the path coefficient values produced by exogenous variables (variables of Financial Literacy, Perception of Trust, Demographics, and Attitudes).

R-Square *Results*

The coefficient of determination or *R-square* shows the ability of exogenous variables to explain variations in endogenous variables. This means that *the R-Square* value in the results of this study can be used to explain how much exogenous variables affect endogenous variables.

Table 10 *R-Square*

Variable	R-square	R-square adjusted
Attitude	0.604	0.600
Purchase Intention	0.687	0.683

Source: Processed by Researcher (2024)

The table above shows that the R-square value for the Attitude variable is obtained at 0.604. These results show that 60.4% of the Attitude variables can be influenced by the variables Perceived Benefit, Financial Literacy and Demographics.

The R-square value for the Purchase Intention variable was obtained as 0.687. These results show that 68.7% of the Purchase Intention variables can be influenced by the variables Perceived Benefit, Financial Literacy, Demographics and Attitude

T Statistic and P Value Test

The *statistical t test* is used to see the effect of an independent variable on the gayut variable. The t-calculated result of each variable must exceed the value of 1.96 to be stated that the free variable has a significant influence on the variable of the invert. In addition, *the p value* of each variable must be below 0.05 to be stated that the free variable has a significant influence on the gayut variable. In Table 4.11, it can be seen that the influence of each free variable on the gayut variable has a t value > 1.96 and a p value < 0.05 so that it can be declared significant.

Table 11 T-Values and P-Values

Variable	*T Statistics (|O/STDEV|)*	*P Values*
Attitude -> Purchase Intention	6.496	0.000
Demographics -> Attitude	2.885	0.004
Demographics -> Purchase Intention	3.355	0.001
Financial Literacy -> Attitude	10.076	0.000
Financial Literacy -> Purchase Intention	5.687	0.000
Perceived Benefit -> Attitude	2.840	0.005
Perceived Benefit -> Purchase Intention	4.468	0.000

Source: Processed by Researcher (2020)

Hypothesis Test Results

The results of the hypothesis test were carried out to see the influence of one variable on other variables by looking at *t statistics* and *p values*. The basis used in testing hypotheses is the value contained in the *output path coefficient* to test the structural model. The results of the hypothesis proposed can be seen from the magnitude of *the statistical t* value. *The required t-value* is greater than 1.96 with *a p value* of less than 0.05. In addition, for the path coefficient, the path weight varies from -1 to +1. The weight closest to absolute 1 reflects the strongest path. In the following Table 12, it can be seen that the results *of path coefficient* in the structural model test or *inner model* through the *bootstrapping method* which attaches the relationship of values to the path coefficient, *t-value statistic*, and p-value.

Table 12 *Path Coefficient*

Variable	*Original Sample (O)*	*Sample Mean (M)*	*Standard Deviation (STDEV)*	*T Statistics (|O/STDEV|)*	*P Values*
Demographics -> Attitude -> Purchase Intention	0.033	0.033	0.013	2.572	0.010
Financial Literacy -> Attitude -> Purchase Intention	0.198	0.198	0.037	5.295	0.000
Perceived Benefit -> Attitude -> Purchase Intention	0.056	0.055	0.021	2.611	0.009

Source: Processed by Researcher (2024)

Based on Table 12 which is the result of *path coefficient* through the *bootstrapping method*, it can be seen that the *statistical t* value and *p-value* of each variable relationship are qualified (*statistical t* value > 1.96; *p-value* < 0.05) so it can be concluded that the three hypotheses of this study are accepted.

H1: *Perceived benefit* has a significant influence on *Attitude*.

The first hypothesis states that attitude has a significant influence on interest in buying life insurance in Jakarta millennials. From the results of the data processing shown in Table 12, it can be seen that the result of *the p-value* value for the variable Attitude Purchase Interest is 0.000 < 0.05 with a *t-statistic* value of 27.135 > 1.96. The result of the line coefficiency value is 0.784. This means that if the Attitude increases by 1%, the Purchase Interest will increase in value by 0.784 assuming the value of the other free

variables is fixed. Looking at the *t-statistic* value that is above 1.96 and the *p value* that is below 0.05, it can be concluded that Attitude has a positive and significant influence on Purchase Interest. In other words, the first hypothesis is acceptable.

H2: *Financial Literacy* has a significant influence on *Attitude*.

The second hypothesis states that financial literacy has a significant influence on Jakarta's millennial attitude towards life insurance. From the results of the data processing shown in Table 12, it can be seen that the results of *the p-value* for the Financial Literacy Attitude variable are 0.000 < 0.05 with *a t-statistic* value of 5.478 > 1.96. The result of the path coefficiency value is 0.215, which means that if Financial Literacy increases by 1%, then Attitude will experience an increase in value of 0.215 assuming that the value of other free variables is fixed. Looking at the *t-statistic* value that is above 1.96 and the *p value* that is below 0.05, it can be concluded that Financial Literacy has a positive and significant influence on attitudes. In other words, the second hypothesis is acceptable.

H3: *Demographics* have a significant influence on *Attitude*.

The third hypothesis states that the perception of trust has a significant influence on the attitude of Jakarta millennials towards life insurance. From the results of the data processing shown in Table 10, it can be seen that the results *of the p-value* for the variable of Perception of Trust Attitude are 0.000 < 0.05 with a *t-statistic* value of 26.669 > 1.96. The result of the path coefficiency value is 0.713, which means that if the Perception of Trust increases by 1%, then the Attitude will experience an increase in value of 0.713 assuming that the value of other free variables is fixed. Looking at *the t-statistic* value that is above 1.96 and the p value that is below 0.05, it can be concluded that Trust Perception has a positive and significant influence on Attitude. In other words, the third hypothesis is acceptable.

H4: *Perceived benefit* has a significant influence on *Purchase Intention*.

The fourth hypothesis states that demographics have an influence on Jakarta's millennial attitude towards life insurance. From the results of the data processing shown in Table 10, it can be seen that the *p-value* for the Demographic Attitude variable is 0.005 < 0.05 with a *t-statistic* value of 2.801 > 1.96

H5: Financial Literacy has a significant influence on Purchase Intention.

The first hypothesis states that attitude has a significant influence on interest in buying life insurance in Jakarta millennials. From the results of the data processing shown in Table 12, it can be seen that the result of *the p-value* value for the variable Attitude Purchase Interest is 0.000 < 0.05 with a *t-statistic* value of 27.135 > 1.96. The result of the line coefficiency value is 0.784. This means that if the Attitude increases by 1%, the Purchase Interest will increase in value by 0.784 assuming the value of the other free variables is fixed. Looking at the *t-statistic* value that is above 1.96 and the *p value* that is below 0.05, it can be concluded that Attitude has a positive and significant influence on Purchase Interest. In other words, the first hypothesis is acceptable.

H6: Demographics have a significant influence on Purchase Intention.

The second hypothesis states that financial literacy has a significant influence on Jakarta's millennial attitude towards life insurance. From the results of the data processing shown in Table 12, it can be seen that the results of *the p-value* for the Financial Literacy Attitude variable are 0.000 < 0.05 with *a t-statistic* value of 5.478 > 1.96. The result of the path coefficiency value is 0.215, which means that if Financial Literacy increases by 1%, then Attitude will experience an increase in value of 0.215 assuming that the value of other free variables is fixed. Looking at the *t-statistic* value that is above 1.96 and the *p value* that is below 0.05, it can be concluded that Financial Literacy has a positive and

significant influence on attitudes. In other words, the second hypothesis is acceptable.

H7: *Attitude* has a significant influence on *Purchase Intention*

The third hypothesis states that the perception of trust has a significant influence on the attitude of Jakarta millennials towards life insurance. From the results of the data processing shown in Table 10, it can be seen that the results *of the p-value* for the variable of Perception of Trust Attitude are 0.000 < 0.05 with a *t-statistic* value of 26.669 > 1.96. The result of the path coefficiency value is 0.713, which means that if the Perception of Trust increases by 1%, then the Attitude will experience an increase in value of 0.713 assuming that the value of other free variables is fixed. Looking at *the t-statistic* value that is above 1.96 and the p value that is below 0.05, it can be concluded that Trust Perception has a positive and significant influence on Attitude. In other words, the third hypothesis is acceptable

CONCLUSION

The results of this study conclude that the interest in buying health insurance in Generation Z in Greater Jakarta is influenced by attitudes. A positive attitude provides a strong prediction to spark buying interest. In addition, this study also shows that the attitude of Generation Z Jakarta towards health insurance is influenced by financial literacy, benefit perception, and also demographics. This means that with the increase in financial literacy and the perception of the benefits they have, their attitude and interest in buying also increases. In addition, attitudes are also influenced by the demographic characteristics possessed by Generation Z.

Hypothesis testing was carried out through a questionnaire filled out by 305 respondents. The questionnaire data obtained was then processed using the Smart PLS 4.0 analysis tool. After going through the outer model and the inner model measurement test, each relationship between variables is known to have t-statistical and p-value values that are qualified to be stated that the resulting influence is positive and significant. In addition, endogenous variables have a moderate amount of influence, namely the attitude variable of 69.9% and the purchase interest variable of 61.5%. Based on the results of this data processing, it can be stated that all four hypotheses in this study are acceptable.

Based on the explanation of these four hypotheses, it can be concluded that the interest in buying health insurance in Generation Z in Jakarta is greatly influenced by the attitude towards health insurance itself, through financial literacy, benefit perception, and demographics. The perception of benefits is the strongest predictor in predicting attitudes towards health insurance. Perception of benefits is defined as the belief in the honesty of the health insurance provider not to act opportunistically, that the health insurance provider will meet expectations without exploiting the vulnerability of the trustee. An attitude towards health insurance means a positive agreement or belief that health insurance is important in protecting loved ones, as it can provide a companion fund to deal with financial problems when things go wrong. Attitude towards health insurance also means agreeing that health insurance is a wise choice that must be owned as a safety net for oneself, family, or heirs, especially in the event of unwanted things, such as illness, prolonged illness, and death. This safety net means that there is a desire on the part of the insured to secure his family or important people in the future from unwanted things.

REFERENCES

Baharuddin, Farrah Nadia, Musa, Aini Hayati, Rosle, Alia Nadira, & Sara, Siti. (2021). Factors Influencing the Behavioural Intention on Mobile Shopping Use among Hijab Fashion Consumers in Malaysia: A Conceptual Paper. *International Journal of Academic Research in Business and Social Sciences*, *11*(8).

Cai, Ruiying, & Leung, Xi Y. (2020). Mindset matters in purchasing online food deliveries during the pandemic: The application of construal level and regulatory focus theories. *International Journal of Hospitality Management*, *91*, 102677.

Capricho, Raul A., Paradero, Angelita L., & Casinillo, Leomarich F. (2021). Knowledge, attitude, and purchase of life insurance among the faculty members of a state university. *Indonesian Journal of Social Research (IJSR)*, *3*(3), 171–182.

Firmansyah, Amrie, & Cesara, Elisabeth Octa. (2020). Evaluasi Penerapan Akuntansi Untuk Kontrak Asuransi Pada PT Asuransi AXA Indonesia. *Profita: Komunikasi Ilmiah Dan Perpajakan*, *13*(1), 19–29.

Garg, Mukta, & Bakshi, Apurva. (2024). Exploring the effects of audience and strategies used by beauty vloggers on behavioural intention towards endorsed brands. *Humanities and Social Sciences Communications*, *11*(1), 1–14.

Ghozali, Imam, & Latan, Hengky. (2015). Partial least squares konsep, teknik dan aplikasi menggunakan program smartpls 3.0 untuk penelitian empiris. *Semarang: Badan Penerbit UNDIP*.

Hair Jr, Joseph F., Hult, G. Tomas M., Ringle, Christian M., Sarstedt, Marko, Danks, Nicholas P., Ray, Soumya, Hair, Joseph F., Hult, G. Tomas M., Ringle, Christian M., & Sarstedt, Marko. (2021). An introduction to structural equation modeling. *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R: A Workbook*, 1–29.

Kahawandala, Nadeesha, Peter, Suren, & Niwunhella, Hiruni. (2020). Profiling purchasing behavior of Generation Z. *2020 International Research Conference on Smart Computing and Systems Engineering (SCSE)*, 155–160. IEEE.

Karim, Rabeah Abdul, Hussin, Muhammad, & Sahid, Sheerad. (2023). The Influence of Socioeconomics, Financial Literacy, and Psychological Factors on Teachers' Retirement Financial Preparation. *International Journal of Academic Reserach in Economics and Management Sciences*, *12*(2).

Kaur, Parampreet, Stoltzfus, Jill, & Yellapu, Vikas. (2018). Descriptive statistics. *International Journal of Academic Medicine*, *4*(1), 60–63.

Kelana, Bayu, Riskinanto, Anggar, & Nasyiah, Mudrikah. (2023). Kepercayaan Generasi Z Dalam Menerima Sistem Informasi Kesehatan Mental di Indonesia. *Jurnal SISKOM-KB (Sistem Komputer Dan Kecerdasan Buatan)*, *6*(2), 154–159.

Latan, Hengky, & Ghozali, Imam. (2017). Partial Least Squares: Konsep, Metode dan Aplikasi menggunakan Program WarpPLS 5.0 (Third Edit). *Semarang: Badan Penerbit Universitas Diponegoro*.

Mondol, Edward Probir, Salman, Narjes Ahmed, Rahid, Abu Obida, & Karim, Asif Mahbub. (2021). Determinants of Consumer's Willingness to Purchase Online in Malaysia: The Role of GEN Z's Attitude. *International Journal of Academic Research in Business and Social Sciences*, *11*(7), 368–385.

Nurdyansyah, & Fahyuni, Eni Fariyatul. (2016). Inovasi Model Pembelajaran. In *Nizmania Learning Center*.

Puspasari, Surya Dwi, Hakim, Lukmanul, & Kemalasari, Putri Reno. (2020). Pengaruh

Literasi Keuangan Dan Inklusi Keuangan Terhadap Keputusan Pengambilan Kredit Petani Jagung Desa Jotang Pada Bri. *Jurnal Ekonomi Dan Bisnis Indonesia*, *5*(1), 1–4.

Sugiyono, P. D. (2020). *Metode Penelitian Kuantitatif, Kualitatif dan Kombinasi (Mix Methods)(DI Sutopo (ed.)*. ALFABETA, CV.