JETIR.ORG ISSN: 2349-5162 | ESTD Year : 2014 | Monthly Issue
JOURNAL OF EMERGING TECHNOLOGIES AND INNOVATIVE RESEARCH (JETIR)
An International Scholarly Open Access, Peer-reviewed, Refereed Journal

Investigate how cultural beliefs and attitudes toward insurance affect the willingness to adopt passenger liability coverage in Zimbabwe's Midlands Province.

[1]Arnold Maviya
[1]Lecturer,
[1]Center for Entrepreneurship and Innovation
[1]Midland State University, Gweru, Zimbabwe

Abstract: This study examines the influence of cultural beliefs and attitudes towards insurance on the propensity to accept passenger liability coverage in Zimbabwe's Midlands Province. The research employed a mixed-methods approach and had a total of 113 participants, with 30 engaged in the qualitative phase and 83 in the quantitative phase. Due to the informal characteristics of the transportation sector, a snowball sampling method was employed to recruit participants, constituting a crucial tactic. Alongside the collection of qualitative data through semi-structured interviews that explored personal experiences and cultural viewpoints on insurance, quantitative data was obtained through a structured survey assessing demographics, insurance awareness, attitudes, and readiness to embrace coverage. The findings indicate substantial obstacles to insurance uptake, characterized by a pervasive distrust in its advantages. Participants perceived insurance as a financial encumbrance that offered no substantial advantages in the event of an accident. A culture of corruption and apprehensions over police intimidation intensify this distrust, causing numerous operators to perceive compliance with insurance regulations as pointless and onerous. The stigma surrounding irregular employment intensifies the disparity between the operators' circumstances and the legal protections designed for them. The study underscores the need for targeted interventions that tackle the broader systemic and cultural challenges faced by informal taxi operators, alongside educating them on the benefits of insurance. Policymakers and insurance firms can foster an environment conducive to legal compliance and enhance the adoption of passenger liability insurance by recognizing and engaging with the actual experiences of these operators. This will ultimately enhance safety and security in the disorganized transportation sector.

Index Terms **- Cultural beliefs, attitude, insurance, passenger liability, informal taxes**

INTRODUCTION

Cultural perspectives and beliefs significantly influence individuals' behaviors and decisions, particularly with insurance adoption and financial choices (Trinh, Ha, Ho & Alang, 2023). Cultural roots impact household financial decisions, with collectivist cultures often reaching consensus on insurance selections (Goso, 2022). Conventional values and communal ties in Zimbabwe's Midlands Province shape perspectives on financial matters such as passenger liability insurance. Attitudes denote predispositions towards certain ideas, but cultural beliefs encompass communal perspectives that shape collective identity. A considerable number of Zimbabweans may depend on communal and familial assistance during crises instead of institutional remedies such as insurance, which they would perceive as unnecessary or atypical. In Zimbabwean culture, namely among the Shona, the concept of preparing for challenging times is referred to as "*kushurikidzira,"* which translates to "wishing for something to happen." Consequently, planning for terrible occurrences such as death or accidents is infrequent. Cultural attitudes may oppose the legal mandate for passenger liability coverage, leading to a contradiction between personal beliefs and legal obligations. Cultural attitudes and ideas significantly impact the acceptance of insurance across many contexts. Numerous individuals acquire insurance coverage primarily to adhere to legal requirements, rather than for their own advantages. Religious beliefs influence non-life insurance penetration, with Christian and Buddhist nations exhibiting greater rates (Sihem, 2024). Cultural norms and religious values in Ghana influence farmers' acceptance of enhanced rice cultivars and related insurance (Tanko, 2022). In Kenya, cultural factors account for 30.1% of

the variance in the adoption of life assurance products (Kodia, Kibisu, & Ngacho, 2024). Insurance businesses and governments must customize their strategies to particular cultural situations to enhance insurance adoption and penetration (Zhang, Yang, & Sheng, 2024). These results underscore the complex interconnections among cultural values, economic factors, and insurance use across different regions. Informal public transport is crucial for daily commuting in Zimbabwe, particularly in the Midlands Province. Although versatile and readily accessible, this industry predominantly functions outside official regulations, resulting in significant safety hazards and little protection for passengers. In this context, acquiring passenger liability insurance is essential since it provides critical protection for both passengers and drivers in the event of an accident. The adoption rate of this insurance kind remains exceedingly low. This hesitation is mostly caused by prevailing society attitudes and beliefs regarding insurance. Numerous individuals favor conventional risk management strategies that depend on informal community support systems, as they see insurance to be an unwarranted expenditure. This concept of communal sharing often leads to diminished trust in formal insurance systems. Societal narratives around mortality, injury, and financial stability shape adverse perceptions of insurance, frequently reading discussions about it as pessimistic or indicative of a deficiency in one's capacity to manage risks. Consequently, potential policyholders may hesitate to obtain insurance, perceiving it as an indication of anticipated misfortune. Inadequate financial literacy and a lack of awareness on the benefits of insurance exacerbate this issue. In financially constrained circumstances, immediate needs may overshadow long-term security, rendering the acquisition of insurance less appealing. Recent evidence underscores the urgency of addressing this issue. During the first quarter of 2023, there were 12,588 accidents, leading to 474 fatalities and 2,386 injuries, as reported by the Zimbabwe National Statistics Agency (Magada, 2024). In 2023, the Traffic Safety Council of Zimbabwe (TSCZ) documented 51,924 crashes and 2,099 fatalities, a significant proportion of which were unlicensed taxi drivers lacking passenger liability insurance. The absence of this coverage not only jeopardizes passenger safety but also raises substantial concerns regarding regulatory compliance within the disorganized transportation sector. Concerns over road safety and the impact on the official transportation system have highlighted the issue of unlicensed commuter taxis. Regulators have sought to enforce regulations prohibiting passenger pickups in unauthorized locations; nevertheless, they encounter obstacles such as insufficient signage and the widespread presence of unregistered vehicles. The adoption of passenger liability insurance remains a low priority due to frequent violations of various regulations by these operators. This study aims to examine the interplay between cultural attitudes and perceptions regarding insurance and the adoption of passenger liability coverage within the informal transportation sector in Zimbabwe's Midlands Province. The study seeks to analyze these aspects to develop strategies that enhance insurance adoption and, consequently, bolster the safety and security of passengers and operators. Policymakers, insurance firms, and other stakeholders must enhance their understanding of these cultural nuances to develop tailored policies that resonate with the local population and ultimately foster a more robust insurance culture in the region.

METHODS AND MATERIALS

This study employed a mixed-methods research design, incorporating both quantitative and qualitative approaches, to investigate the influence of cultural attitudes and beliefs about insurance on the willingness of passengers and informal taxi operators in Zimbabwe's Midlands Province to adopt passenger liability coverage. Thirty participants engaged in the qualitative phase, while eighty-three participated in the quantitative phase, resulting in a total of 113 participants. In the quantitative phase, we identified 83 unofficial taxi drivers and passengers by a snowball sampling method (Dragan & Isaic-Maniu, 2022). The researcher selected this methodology because of the informal characteristics of the transportation sector, which complicate participant engagement through conventional sample methods. To recruit a broader cohort of respondents with comparable experiences, the researcher initially contacted the original participants via local networks and subsequently requested their recommendations for more individuals. The researcher employed the identical snowball sampling method to pick thirty participants for the qualitative phase, with the objective of obtaining deeper insights into the cultural attitudes and beliefs that affect insurance acceptance. To provide a diversity of perspectives, participants comprised both passengers and informal taxi operators. A systematic survey was employed to collect data on demographics, insurance awareness, attitudes, and preparedness for coverage in the quantitative phase. The questionnaires were distributed both electronically and physically. During the qualitative phase, semi-structured interviews lasting twenty to thirty minutes were conducted to explore participants' personal experiences with accidents and their cultural attitudes on insurance.

Participants were recorded with consent and subsequently transcribed for analysis. Statistical techniques, including SPSS, were employed to analyze quantitative data, utilizing inferential statistics to examine the relationships between cultural beliefs and the desire to adopt insurance, while descriptive statistics detailed demographic information. Thematic analysis, involving coding to identify recurring themes related to cultural attitudes and beliefs for the examination of qualitative data, was employed (Saunder et al., 2023). Participants were informed of the study's objective, obtained their consent before participation, and got ethical approval from the relevant institutional review board. This mixed-methods approach combines qualitative insights with quantitative research to provide a comprehensive knowledge of the factors influencing the acceptance of passenger liability insurance in the informal taxi sector of Zimbabwe's Midlands Province.

RESEARCH RESULTS

The following results are quantitative results for the research which present the response of 83 participants. The research was guided by three research questions which were; - determining the level of Awareness of Passenger Liability Insurance, How Cultural Beliefs and Perceived Benefits sharp the taxi driver's desire to purchase insurance, how does the negative attitudes toward Insurance and Willingness to Adopt affect the decision-making process for purchasing passenger liability coverage among taxi operators?

TOTAL NUMBER OF PARTICIPANTS 83		
Awareness of Passenger Liability Insurance		
	TRUE	**FALSE**
Are informal taxi operators aware of passenger liability insurance?	34 (41%)	49 (59%)
Do informal taxi operators understand passenger liability insurance?	36 (43%)	47 (57%)
Cultural Beliefs and Perceived Benefits		
	YES	**NO**
Do cultural beliefs influence taxi drivers' perceptions of insurance?	48(58%)	35 (42%)
Do cultural beliefs nullify the perceived benefits of passenger liability insurance?	44(53%)	39(47%)
Attitudes Toward Insurance and Willingness to Adopt		
	TRUE	**FALSE**
Does a negative attitude influence the decision not to purchase insurance	49 (59%)	34 (41%)
Does attitude affect willingness to comply with insurance requirements?	50 (60%)	33 (40%)

Summary of findings

A substantial majority of informal taxi operators shown a deficiency in awareness and comprehension of passenger liability insurance, highlighting the necessity for educational initiatives. Cultural notions significantly shape perceptions of insurance, as most individuals recognize its impact on attitudes and the perceived advantages of coverage. Attitudinal Impact: Prevailing negative attitudes of insurance are closely associated with reluctance to obtain passenger liability insurance, indicating that addressing these beliefs may enhance compliance and adoption.

Qualitative Outcomes

The qualitative results derived from the study emphasize the experiences and viewpoints of the 30 participants engaged in the qualitative phase.



Figure 1:1 Word cloud qualitative results
***Source**: Researcher 2024*

Awareness of Passenger Liability Insurance

Participants demonstrated a widespread ignorance of passenger liability insurance. Numerous participants recognized the presence of passenger liability insurance although lacked a comprehensive understanding of its advantages or functionality. One participant stated, "I acknowledge its existence, yet I do not comprehend how it assists me in the event of a problem." Numerous operators reported inadequate knowledge or training about diverse insurance options, highlighting the necessity for enhanced outreach and education from insurance providers.

Cultural Beliefs and Perceived Advantages

Cultural views profoundly impacted participants' opinions of insurance. A prevalent emotion was a profound distrust towards insurance companies, with operators voicing apprehensions that insurers would not fulfill claims. A participant stated, "In our culture, we view insurance as simply a means for companies to siphon our resources." A significant number of participants perceived insurance payments as an unwarranted financial encumbrance. An operator stated, "I opt to designate those funds for emergencies;

insurance seems to be an unwise expenditure." Cultural viewpoints on risk and communal support frameworks also influenced the situation. Participants frequently indicated dependence on familial and communal support during incidents rather than seeking insurance aid.

Perspectives on Insurance and Readiness to Embrace.

The qualitative findings indicated differing viewpoints on insurance that influenced the likelihood of acquiring passenger liability coverage. A multitude of individuals had unfavorable opinions regarding insurance, frequently perceiving it as an extra cause of worry. A participant remarked, "Insurance appears to be merely an additional regulation to adhere to that fails to provide genuine protection." The conviction that compliance with insurance laws was ineffectual, stemming from apprehensions regarding police harassment and corruption, was widespread. An operator stated, "Why invest in insurance when law enforcement consistently seeks to profit from us?" Participants highlighted that fostering trust via education on the advantages and dependability of insurance could alter their perceptions. A member proposed, "If they could furnish specific instances of how insurance has benefited others, we might contemplate it." The qualitative findings indicate that informal taxi operators in Zimbabwe's Midlands Province have considerable obstacles to adopting passenger liability insurance, including from cultural beliefs and adverse attitudes. It is imperative to tackle these problems by focused educational and trust-building programs to enhance understanding and readiness for embracing insurance coverage within this group.

Discussion:

The interplay of cultural concepts, perceptions of insurance, and the willingness to adopt passenger liability coverage among informal taxi operators in Zimbabwe's Midlands Province reveals significant challenges and insights. The results of both quantitative and qualitative investigations highlight essential factors influencing this dynamic.

Understanding of Passenger Liability Insurance.

A significant barrier to the execution of passenger liability insurance is the inadequate awareness and understanding among informal taxi operators. This research indicates that only 41% of participants acknowledged passenger liability insurance, with an even lesser proportion (43%) understanding its benefits. This gap underscores the need for targeted educational programs to enhance awareness and empower operators to make informed decisions regarding their insurance options. The findings align with Roca and Simabuko's (2020) article, “Understanding informality in the intercity passenger ground transport market: A stylized model and policy implications,” which states that informal operators often engage in strategic decision-making to evade regulations, balancing costs and benefits against reduced output.

Cultural Convictions and Assumed Advantages.

Cultural concepts significantly shape perceptions of insurance. A multitude of taxi drivers exhibit distrust towards insurance providers, fearing potential denial of their claims. This distrust is intensified by cultural norms that prioritize communal support over formal insurance systems. Participants often prefer reliance on familial or social support during crises, viewing insurance as an unnecessary financial burden. This perspective illustrates a broader cultural tendency that prioritizes immediate financial flexibility above long-term security, hence impeding the willingness to adopt passenger liability insurance. Moreover, ingrained cultural narratives cultivate the belief that insurance offers no concrete benefits in the event of an accident. Many participants indicated that insurance is perceived as an unwise allocation of time and resources, reflecting a preference for traditional risk management strategies over formal financial protections. This cynicism aligns with the findings of Mustikasari and Relawati (2021), who noted similar views among Indonesian fishermen, characterized by a waning interest in insurance due to inadequate comprehension and negative experiences with claims processes. Negative impressions of insurance are closely linked to the reluctance to obtain passenger liability coverage. Approximately 59% of participants indicated that adverse attitudes influenced their decision to abstain from getting insurance. Numerous individuals characterized insurance as an additional source of worry, viewing it merely as a legal obligation rather than a safeguard. This view is exacerbated by concerns about police corruption and intimidation, leading to the belief that compliance with insurance mandates is futile. Participants indicated that they may navigate the informal system by providing bribes to circumvent legal issues, hence diminishing the perceived necessity for insurance. The results reveal a notable gap between existing legal frameworks governing insurance and the actual experiences of operators. Informal taxi drivers often view the legal system as criminalizing their actions, which discourages compliance with insurance requirements. This perception is reinforced by the social stigma associated with informal employment, perpetuating a cycle of marginalization and defiance. Phung et al. (2020) investigates how stigma can lead to a self-fulfilling prophecy of noncompliance among informal workers.

Socioeconomic Conditions and Cultural Discourses

Cultural and psychological factors significantly influence the understanding of insurance and the intention to obtain it. Research by Assuming and Gaisie (2022) indicates that cultural attitudes and beliefs markedly affect informal taxi drivers' willingness to adopt passenger liability insurance. The normalization of bribery and the stigma associated with irregular work considerably hinder compliance with insurance requirements. They stated that due to their informal job, they may function within a system where bribery of authorities has become prevalent. Someone inquired, "Why should I expend funds on insurance when I can simply pay the police USD $5 daily to evade complications?" This perspective suggests that informal taxi drivers consider compliance with insurance regulations unnecessary, especially when they believe that possessing insurance would not shield them from potential bribery demands by law enforcement. Participants frequently perceived that acquiring insurance would elevate their financial obligations without offering substantial benefits, instead of mitigating their legal risks. In their article "Corruption, Gender, and Small-Scale Cross-Border Trade in East Africa," Klopp and Trimble (2021) articulated a comparable perspective, contending that numerous informal workers hesitate to formalize their status due to apprehensions regarding harassment and corruption from authorities, and that remaining informal facilitates their navigation of systems characterized by prevalent bribery.

CONCLUSION

The inquiry of the cultural ideas and attitudes toward insurance among informal taxi operators in Zimbabwe's Midlands Province uncovers substantial obstacles to the acceptance of passenger liability insurance. The findings reveal a widespread deficiency in awareness and comprehension of insurance, entrenched cultural views that favor communal assistance over formal protection, and adverse attitudes that hinder adherence. These factors combined diminish the inclination of taxi operators to acquire insurance, highlighting the necessity for specific actions. To promote a more conducive climate for insurance acceptance, it is imperative to tackle these cultural and attitudinal obstacles. By increasing awareness and fostering trust, insurance providers can more effectively connect with this group, thereby cultivating a culture of protection and accountability. Formulate trust-building strategies that incorporate transparent communication between insurance providers and taxi operators. This may encompass testimonials or case studies illustrating successful claims and benefits obtained by other operators, which might mitigate concerns over claim fulfilment. Implement cultural sensitivity training for insurance agents to enhance their comprehension of the beliefs and values of the local community.

ACKNOWLEDGEMENT

The communities in the Midlands Province of Zimbabwe are highly valued for their significant support and involvement in this project. Their readiness to disclose personal experiences and insights has significantly enhanced our comprehension of cultural attitudes and beliefs around insurance in the informal transportation industry. Furthermore, gratitude is extended to the informal taxi drivers and patrons who provided valuable insights that shaped the study. Their sincerity and candor in confronting the issues encountered have been essential in emphasizing the necessity for enhanced insurance adoption. Additionally, appreciation is extended to the local groups and stakeholders that facilitated participant recruitment and supported the research. Their partnership has been essential to the success of this investigation. The role of local police is recognized due to their influence on the dynamics of the informal transportation industry. Their participation and contributions have facilitated a deeper understanding of the challenges and circumstances encountered by unlicensed taxi drivers. This study could not have been accomplished without the collaborative efforts of all these individuals and organizations.

REFERENCES

Assuming, P.O., & Gaisie, D.A. (2023). Risk attitudes and demand for insurance: micro evidence from Ghana. Review of Behavioral Finance,15(6) pp. 781-794. https://doi.org/10.1108/RBF-01-2022-0017

Dragan, I., & Isaic-Maniu, A. (2022). An Original Solution for Completing Research through Snowball Sampling—Handicapping Method. Advances in Applied Sociology.12(11) DOI: 10.4236/aasoci.2022.1211052

Goso, G. (2022). The relevance of financial literacy and cultural inheritance in household finance decision-making. Scientific journal of reflection: Economic, Accounting, Management and Business.5(4)pp1214-1223.

Klopp, J.M., & Trimble, M. (2021). Corruption, gender and small-scale cross-border trade in East Africa: A review. Development Policy Review 40(5), https://doi.org/10.1111/dpr.12610

Kodia, K.J., Kibisu, M.C., & Ngacho, C. (2024). Influence of Cultural Factors and Regulatory Policies on Uptake of Life Assurance Products in Kenya. The International Journal of Business & Management.11(12), https://doi.org/10.24940/theijbm/2023/v11/i12/BM2312-001

Magada, E.Y. (2024). O-357 Occupational accidents and diseases in Zimbabwe: The economic burden- 2009 to 2018. Occupational Medicine.74(1)

Mustikasari, I., & Relawati, R. (2021). Perceptions on fisherman's insurance: A case study in PPN Prigi, Jawa Timur. Amca Journal of Science & Technology 1(1) pp5-7

Phung, K., Buchanan, S., Toubiana, M., Ruebottom, T., & Turchick-Hakak, L. (2020). When Stigma Doesn't Transfer: Stigma Deflection and Occupational Stratification in the Sharing Economy. Journal of Management Studies.58(4) pp 1107-1139

Saunders, C.H., Sierpe, A., von Plessen, C., Kennedy, A.M., Leviton, L.C., Bernstein, S.L., Goldwag, J.L., King, J.R., Marx, C.M., Pogue, J.A., Saunders, R.K., Van Citters, A.D., Yen, R.W., Elwyn, G., & Leyenaar, J.K. (2023). Practical thematic analysis: a guide for multidisciplinary health services research teams engaging in qualitative analysis. BMJ, 381. doi: https://doi.org/10.1136/bmj-2022-074256

Roca, S., & Simabuko, L. (2020). Understanding informality in the intercity passenger ground transport market: A stylized model and policy implications. *Transport Policy*, *99*, 375-384.

Sihem, E. (2024). The Impact of Culture on the Demand for Non-life Insurance Penetration in Developing Countries: Panel Data Analysis. International Journal of Finance and Accounting. 9(2):26-41

Tanko, M. (2022). Nexus of risk preference, culture and religion in the adoption of improved rice varieties: Evidence from Northern Ghana. Land Use Policy. 115, p 106040

Trinh, C.T., Ha, M.T., Ho, N.Q., & Alang, T. (2023). National culture, public health spending and life insurance consumption: an international comparison. Humanities and Social Sciences Communications.10 (470) https://doi.org/10.1057/s41599-023-01990-7

Zhang, X., Cho, K.P., Yang, S.M., & Sheng, Y. (2024). Insuring Cultures: Unveiling Diverse Paths of National influences on insurance in Developed and Developing Realms. Global business finance review. 29 (2) pp 17-34