
The Impact of Mass Media News, Social Media Content, Consumer Complaints, Risk-Based Capital, and Claim Expense Ratio on Premium Revenue of Unit-Linked Products in Indonesian Life Insurance Companies

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Abstract:

This research aims to analyze the impact of mass media coverage, social media content, consumer complaints, Risk Based Capital (RBC), and the ratio of claim expenses to life insurance premium income in Indonesia. The findings show that mass media coverage has no significant effect, while social media content with negative sentiment has a significant negative impact on premium income. Consumer complaints have no effect, but RBC has a positive effect and the claims expense ratio has a negative effect on revenue. In conclusion, even though mass media coverage is not significant, social media content has a big impact. High RBC levels and efficient claims management are important to maintain the stability of an insurance company's financial performance. Practical implications, insurance companies must strengthen communication strategies, especially on social media, as well as improve risk and claims management to maintain stable financial performance.

Keywords: Mass Media, Social Media, Consumer Complaints, Risk Based Capital, Claims Expense Ratio.

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1. Introduction

The insurance industry plays an important role in improving people's welfare and driving the national economy. One of the main benchmarks in assessing the economic health of a country is Gross Domestic Product (GDP). GDP reflects the value of all goods and services produced in a country in a certain time period (Mankiw, NG, 2020). GDP growth is the main focus in many economies, because it means the prosperity of the country and the well-being of its citizens. One sector that supports economic success is the insurance industry. This industry plays an important role in protecting against financial risks that can shake the economy. When individuals and companies purchase insurance policies, they transfer financial risk to the insurance company, which acts as a risk holder (Outreville, JF, 2020).

In Indonesia in 2021 there will be 149 insurance companies operating. Of this number, around 51.68 percent are insurance companies that are experiencing losses and focus on protection against physical or financial losses due to various risks. Furthermore, there are 60 companies operating in the life insurance sector which contributes around 40.27 percent of the total insurance companies. They offer products that provide

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financial benefits when the policy holder dies or retires. There are also 7 reinsurance companies, 3 mandatory insurance providers, and 2 social security administration bodies that provide a variety of insurance products and services.

This industry is supported by 223 insurance support companies in 2021. Of them, 155 companies are insurance brokers who act as intermediaries between policy holders and insurance companies. There are 41 reinsurance brokerage companies that focus on reinsurance intermediation, as well as 27 loss assessment companies involved in assessing claims and losses submitted by policyholders. This overall structure reflects the diversity of insurance products and services available in Indonesia, which accommodate the various financial protection needs of society and businesses.

The government, in Law No. 40/2014 concerning Insurance, is committed to encouraging insurance to grow into a healthy industry, gaining public trust because it is reliable and can compete to protect consumer interests and support national development. Article 1 of the law states that the life insurance sector is a business sector providing risk management services that pays to policy holders, insureds or other parties who have the right to be insured when they die or remain alive, or other payments to policy holders, insureds or other parties. Others who are entitled at a certain time as regulated in the agreement, the amount of which has been determined and/or is based on the results of fund management.

Indonesian Insurance Statistics 2021 states that the number of life insurance companies that have business permits to operate in Indonesia as of December 31 2021 is 60 life insurance companies. Furthermore, data in 2023 on insurance premium ownership shows that the majority of insurance ownership in Indonesia is health and life insurance. The data reveals that health insurance dominates with an ownership rate of around 80 percent followed by life insurance with 55 percent, reflecting an understanding of financial protection for the families left behind. Pension insurance and education insurance with ownership levels of 35 percent and 33 percent respectively show awareness of long-term financial planning and investment in education. Meanwhile, vehicle insurance (31 percent) reflects an understanding of the risks associated with motor vehicle ownership. In the more complex insurance category, unit link life insurance had an ownership contribution of 12 percent, indicating interest in combining life protection with investment elements.

Of the 60 life insurance companies, there are 41 companies that sell unit link products. Historically, this insurance product entered Indonesia around 1988 (Joice, 2015). This product is quite popular with the public because the product sold consists of insurance or protection combined with investment. This insurance product promises profits if the contract is completed and the policy holder is still alive, then the policy holder will receive the proceeds from their investment.

Unit link or Paydi according to POJK 05/2023 concerning the Financial Health of Insurance Companies and Reinsurance Companies is an insurance product that provides the least protection against the risk of death because it refers more to the

benefits of investment returns from special funds for insurance products which are expressed in units or not.

Unit link insurance products are increasingly popular among consumers because they offer a combination of insurance protection and investment. Recent trends show that consumers are increasingly aware of the importance of long-term financial planning, which drives their interest in these products. In addition, the younger generation who are more open to investment and technology tend to prefer flexible and transparent products.

Consumer behavior is also influenced by the ease of access to information through digital media. Social media and online platforms play an important role in shaping opinions and purchasing decisions. Consumers often look for reviews and recommendations from other users before deciding to purchase an insurance product. The Indonesian Life Insurance Association (AAJI) noted that since unit link products began to be marketed, this product has always provided the largest contribution to life insurance companies' premium income. In the third quarter of 2022, unit-link product revenue reached 57.7 percent, while the remaining 43.3 percent came from traditional insurance products. In other words, unit links are insurance companies' mainstay product in gaining profits compared to ordinary insurance products.

The following is news and social media content regarding the topic of insurance company unit links which has been collected based on media monitoring by the OJK Public Relations Directorate for the period March 2021 – December 2022.

Table 1. Consumer Protests about Unit Link

No	Unit link protest	Media Channel	Explanation
1	Decrease in Investment Funds	Facebook, Twitter and Mass Media Channels	This protest action began because of policy holders' disappointment with unit link investment results which did not match the promises made by insurance sales when offering the product and dissatisfaction with the decline in the value of unit link investment.
2	Unfulfilled Sales Promises	Facebook, Mass Media	"Victims of AIA Insurance Fraud" gathered support on Facebook initially containing around 3,800 members voicing dissatisfaction with the decline in the value of unit link investments and protests against PT AIA for unfulfilled sales promises.
3	Disappointment of unit link insurance buyers	Facebook, Twitter and Mass Media	News about protests against unit-linked insurance products with the emergence of social media accounts on Facebook and groups on Twitter using around 1,220 accounts that continue to actively voice protests over the fate of their money bought for unit-linked products.
4	Unitlink Investment Runs Out or Losses	Facebook, Twitter and Mass Media	Unit link policy holders from Prudential, AXA Mandiri, and AIA met with Commission XI DPR RI to express their disappointment because the funds in the unit link were reduced or exhausted.

The virality of this content on social media triggered a flurry of reporting in various national and regional mass media which sparked the attention of the public and the government

Source: OJK Public Relations Monitoring Media

The high level of coverage in the mass media and viral social media content regarding unit-link product insurance victims is in line with the increasing number of consumer complaints at the OJK regarding this unit-link product issue. In line with the protests submitted regarding consumer complaints regarding unit-link insurance since 2020, there has been an increase in consumer complaints regarding unit-link insurance products, which are presented in the following table:

Table 2. Number of Complaints About Link Units

Year	Number of Complaints	Complaint
2019	230	1. Insurance products and services that are considered inappropriate for the offer 2. Difficult to claim. 3. Decrease in investment returns from PAYDI products.
2020	593	
2021 (tw I)	273	
Total	1,096	

Source: OJK Consumer Complaints Data reported by CNBC

OJK data, as reported by CNBC September 2021, states that the number of complaints from insurance policy holders in the first quarter of 2021 was 273 related to unit link products. Meanwhile, in 2020, as many as 593 complaints were submitted to the OJK.

This number increased compared to the previous year of 230.

The high level of consumer complaints is in line with the decline in premium income for insurance companies from sales of unit-linked products from 2020 to 2022. In December 2020, Paydi products contributed up to 64 percent of total industry premiums. However, in the third quarter of 2022, unit-linked product revenue only reached 57.7 percent of total insurance industry premiums. The following are unit link sales and insurance premium income.

Table 3. Link Unit Sales Data and Premium Income

No	Year	Unit Link Sales	Link Unit Premium Income	Information
1	2020	120.6 trillion	127.77 trillion	Positive
2	2021	127.7 trillion	135.9 trillion	Positive
3	2022	115.2 trillion	127.7 trillion	Negative

Source: Indonesian Life Insurance Association/AAJI (2022)

Sales of unit-linked insurance products will decrease by 12.6 percent in 2022. Premium income from unit-linked insurance products will also decrease by 4.7 percent in 2022. News and social media content have significant potential to influence premium income for insurance companies such as Prudential, AXA and AIA in the context of unit link product sales.

Based on the data above, it shows that there is a gap phenomenon that, (a) High coverage in mass media and social media content about victims of unit-linked

products, (b) Increase in the number of consumer complaints at OJK regarding unit-linked products, (c) Sales of unit-linked insurance products links will decrease by 12.6% in 2022. (d) Premium income from unit link products will also decrease by 4.7% in 2022.

Several studies conducted previously on the influence of mass media coverage, social media content, consumer complaints, risk-based capital and the ratio of claim expenses to company income shows several mixed results which give rise to gaps in research results or research gaps. The following table shows the differences in research results (research gaps) from previous studies.

Table 4. Research Gap

Writer	Title	Theme	Research result
Wan, X., Lou, X., & Guo, X. (2018)	The impact of media exposure on corporate reputation: An empirical study of the financial crisis	Mass Media Reporting on Company Reputation	Negative mass media coverage significantly affects a company's reputation.
Kim, Y., & Kim, H. (2018)	Trust, perceived risk, and purchase intention: The moderating role of corporate reputation in online settings	Company Reputation on Purchase Intentions	Company reputation has a positive influence on purchase intentions.
Kwon, E.Y. & Sung, Y. (2022)	The impact of social media on brand trust and loyalty: The mediating role of brand reputation	The Influence of Social Media on Company Reputation	Social media can increase brand trust and loyalty, with brand reputation as a mediator.
Amine, L.S. & Babb, E.M. (2021)	Social media and the public relations practitioner: Measuring the impact on corporate reputation		Social media can influence a company's reputation, both positively and negatively.
Xiuliang Dong et al. (2022)	Does media sentiment affect stock prices? Evidence from China's STAR market	The Influence of Media Sentiment on Company Performance	Media sentiment has a positive influence on stock prices on the first day of the IPO. Media sentiment has a greater impact on stock prices on the first day of the IPO during the COVID-19 pandemic.
David Lindermüller et al. (2023)	Negative media reporting and its effects on performance information use in public spending	The Influence of Media Sentiment on Reputation	Negative media coverage increases spending more money on public services, especially on relatively low-performing public services.

Based on **the research gap above**, it shows that news from the mass media and sentiment on social media can influence a company's reputation both positively and negatively. Positive mass media coverage and social media sentiment will create a positive reputation for the company, while negative social media coverage and content

will have a negative effect on the company. The results of previous research also show that mass media coverage and social media sentiment also influence the level of consumer complaints.

The novelty of this research is by referring to existing literature, shows that mass media and social media can influence a company's reputation. However, in previous research there has been no research that specifically tested the influence of mass media and social media on company sales and revenues directly. Furthermore, previous studies have shown that consumer complaint efforts can reduce customer satisfaction and customer loyalty. However, there has been no research that specifically examines the effect of consumer complaint efforts on consumer sales and income. Furthermore, previous studies used research methods and objects on stocks, companies, start-ups and online market places. So the purpose of this study is to analyze the impact of mass media coverage, social media content, consumer complaints, Risk Based Capital (RBC), and the ratio of claim burden to life insurance premium income in Indonesia.

Based on the background and problem formulation above, the questions that need to be answered from this research are:

1. Does mass media coverage affect premium income from unit-linked products of life insurance companies in Indonesia?
2. Does social media content influence premium income from unit-linked products of life insurance companies in Indonesia?
3. Does the number of consumer complaints to the OJK affect premium income from unit-linked products of life insurance companies in Indonesia?
4. Does risk based capital affect premium income from unit linked products of life insurance companies in Indonesia?
5. Does the claim expense ratio affect premium income from unit-linked products of life insurance companies in Indonesia?

2. Theoretical Background

Mass Media Reporting

Media or medium according to Cangara (2011, pp. 123-126), is an important tool or means of conveying messages and information from the communicator to the communicant. To convey messages or information to large numbers of communicants, communicators use modern communication tools called mass media. Several types of mass media are newspapers, television, radio, or even films which combine auditory and visual elements.

Mass media is used by large numbers of communicants who have quite long distances to communicate. Examples of mass media that are widely used are newspapers, radio and television. Mass media is a pluralistic communication medium that is effective in providing information to the majority of communicants (audience) (Effendy, 2003, p. 289).

OJK Consumer Complaints

In accordance with POJK 18/POJK.07/2018 concerning Consumer Complaint Services in the Financial Services Sector, it is stated that the OJK has established a service to accommodate consumer complaints including possible material losses regarding the products and/or services of financial services business actors. The OJK consumer complaint service is one of the mandates of Law No. 21/2011 concerning the establishment of the OJK which aims to realize all activities in the financial services sector that are able to protect the interests of consumers and the public. Article 29 of the law states that the OJK is obliged to handle consumer complaint services, including preparing adequate equipment to serve complaints, developing a consumer complaint mechanism and facilitating complaint resolution.

Unit Link Products

This insurance product with investment began to appear in Indonesia in 1988 (Joice, 2015) and was well received by the Indonesian people who were interested considering that this insurance product was combined with investment. Meanwhile, the OJK stated that the unit link product or Paydi in accordance with POJK 05/2023 concerning the Financial Health of Insurance Companies and Reinsurance Companies is an insurance product that provides the least risk of death protection and provides benefits according to investment returns from a pool of funds formed specifically for insurance products in the form of units. or not.

The OJK Consumer Protection Study Book Unit Link Insurance Series (2017) states that unit link insurance products are insurance products combined with investment products. Apart from protection purposes, part of the premiums paid by consumers are allocated for investment. In terms of investment, there are four types of investment fund placement:

1. Money Market Unit Link Fund (Cash Fund Unit Link). This investment product will place all investment funds in money market instruments, such as time deposits, SBIs and short-term debt securities.
2. Fixed Income Funds or Fixed Income. This product investment includes at least 80 percent of the investment portion in securities such as debt securities or bonds and the remainder in the money market.
3. Mixed Investment Fund or Managed Unit link. Investment in this product will place investment funds in stock, bond and money market instruments with a composition.
4. Stock or Equity Investment Funds. This product places at least 80 percent in stock instruments.

The Influence of Mass Media Reporting on Company Reputation

Research by Wan et al. (2018) show that media exposure can influence a company's reputation during a financial crisis. In addition, research conducted by Chen and Xie (2021) concluded that negative reporting in the mass media has a significant influence on company reputation and company share prices in the financial market. Their study was conducted on companies in China, covering the industrial, manufacturing, financial, and utility sectors. The research results show that negative reporting in the mass media can influence public perceptions of a company's reputation. Furthermore,

Cheng and Kuo (2015) revealed that negative news about insurance companies can influence consumers' decisions in purchasing insurance products.

H1: Negative mass media coverage has a negative effect on premium income

The Influence of Social Media Content on Company Reputation

A study by Yu and Chang (2019) found that social media content with negative sentiment can have a negative impact on a company's reputation. Negative news on social media can influence consumers' views and perceptions of the quality of products and services offered by companies (Wang et al., 2019). This premise is further strengthened through the results of research conducted on technology companies and beauty brands in South Korea by Yang and Lee (2022). They found that negative news on social media had a negative influence on brand reputation and consumer purchase intentions. The results of this study show that negative news on social media has a significant impact on consumer perceptions of brand reputation and consumer purchase intentions.

H2: Social media content with negative sentiment has a negative effect on premium income

The Effect of the Number of Consumer Complaints on Premium Income

Public trust is very important in the insurance industry. Consumer trust has a significant positive influence on company reputation in the online context (Kim and Kim., 2018). In this study, consumer trust is measured through risk perception and purchase intention, and the results show that corporate reputation has a mediating effect on the relationship between consumer trust and purchase intention. Similar results were also obtained in other research conducted by Akbar (2018), which showed that company reputation has a significant positive influence on the financial performance of companies in emerging markets.

H3: The number of consumer complaints has a negative effect on premium income

The Effect of Risk Based Capital on Premium Income

Risk Based Capital (RBC) is an important indicator in assessing the financial health of insurance companies. Theoretically, a high RBC indicates a company's ability to bear the risk of possible losses. The results of previous research tests show that the higher the RBC level, the greater the possibility of an increase in premium income in insurance companies. This is supported by several studies, such as those conducted by Agustini (2018), Triputra (2017), and Marlina and Kasmir (2021) which show that there is a positive and significant influence between RBC and an increase in premium income. Melviana et al. (2023) also added the important aspect that Risk Based Capital has a positive and significant effect and has a direct impact on premium income. So the hypothesis proposed by this research is:

H4: Risk Based Capital has a positive effect on premium income

The Effect of Claim Expenses on Premium Income

The claims ratio, which is the cost incurred by the insurer to cover claims from the insured, plays a crucial role in the insurance industry. The claim ratio level is often used as a benchmark for insurance company profit growth. If the claim ratio is high,

it indicates that the company has spent a significant amount of funds to pay claims and provide benefits to the insured.

Research by Kurniawan (2006) shows that a high level of claims burden can threaten the financial condition of insurance companies because certain claims are relatively large. The impact of high claims expenses can increase risks for the company. Research conducted by Sapari (2017), Alamsyah & Wiratno (2017), Akotey & Sackey (2013), Pramita & Kiswara (2014), and Bodla, Tandon, Deepak, & Bodla, BS (2017) concluded that the burden of claims ratio) affects the financial performance of insurance companies. So the hypothesis proposed by this research is:

H5: Claims expenses have a negative and significant effect on premium income

Research Framework

The theoretical framework describes the relationship between variables in this research as follows:

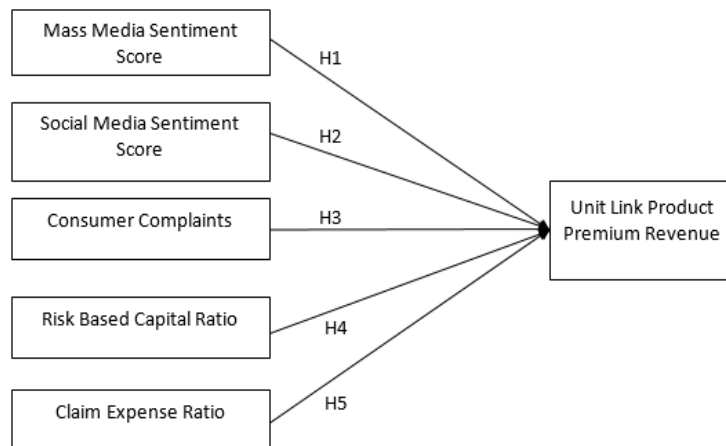


Figure 1. Theoretical Thinking Framework

Source: Triputra (2017); Melviana (2023); Chen and Xie (2021); Xiuliang Dong et al. (2022); Yang, A., & Lee, Y.H. (2022); Ifeanyi and Francis (2022); Lijuan Baia et al. (2023); Pradana et al. (2023);

3. Methodology

Research design

The design of this research is quantitative and aims to analyze the influence of mass media coverage, social media content, consumer complaints, risk based capital and the ratio of claim expenses to premium income from unit link products at life insurance companies in Indonesia.

Types and Sources of Research Data

This research will use secondary data sources in the form of a compilation of mass media reports, social media content, rating results of life insurance companies, financial reports, as well as OJK data regarding the number of policy holders and premium income of life insurance companies in Indonesia, which is the object of

research for the 2019 period. -2022. Mass media data was obtained from various sources such as newspapers, magazines and online media which includes various types of reporting such as news, articles and opinions related to insurance for the 2019-2022 period.

Meanwhile, social media sentiment data was obtained through collecting data from various social media platforms such as Facebook, Twitter and Instagram related to insurance for the 2019-2022 period. Consumer complaint data was obtained from OJK consumer complaint information which opened consumer services through various channels such as Contact 157, the OJK consumer protection portal application and the level of consumer complaints on social media which was projected with the logarithmic value of complaints based on the total number of consumer complaints.

Population and Sample

The number of insurance companies licensed by the OJK and having unit-linked products in the 2019-2022 period is 41 companies. Meanwhile, the research population focused on seven life insurance companies in Indonesia in the 2019 - 2022 period that have unit link products and have premium income above IDR 4.3 trillion. The seven companies are ASJ, AF, ALI, AMF, AJM, PLA, and AL.

The sampling technique used is purposive sampling with the research sample parameters being:

- 1) Life insurance company licensed by OJK.
- 2) Life insurance company which has a complete report for the 2019-2022 period and has submitted it to the regulator (OJK).
- 3) A life insurance company that has unit-linked products with a minimum premium income of IDR 4.3 trillion in the 2019 - 2022 period in line with the availability of mass media news data, social media content and consumer complaints, RBC and claims expense ratio. From this sample there are seven companies that will be the objects, namely ASJ, AF, ALI, AMF, AJM, PLA, and AL.

Method of collecting data

This research uses two data collection methods, namely documentation and literature study. Through the documentation method, data is collected from files relevant to the research topic. The library study method involves using books and other reading sources to understand literature related to the research topic.

Data analysis techniques

Data analysis techniques using smart PLS 4.0 with secondary data where the data does not have to meet the assumption of normality, as well as when the sample size is small. The analysis process with Smart PLS begins with modeling, formulating a conceptual model that describes the relationship between independent, dependent, and construct variables.

4. Empirical Findings/Result

Research Description Statistics

Table 5. Research Descriptive Statistics

Variable	Mean	Median	Std. dev	Min	Max
Media Sentiment	0.208	0.207	0.019	0.185	0.24
Social Media Sentiment	0.165	0.166	0.006	0.154	0.174
Consumer Complaint Ratio	0.202	0.045	0.305	0	1
Claim Expense Ratio	0.293	0.259	0.265	0.01	1
Risk Based Capital	0.24	0.238	0.209	0.029	0.736

The average media sentiment (0.208) shows that overall insurance news coverage has sentiment in their media coverage during the observed period. The low standard deviation (0.019) indicates that the majority of companies have a high level of consistency in media sentiment, meaning there are no significant differences between companies in media sentiment. The average social media sentiment (0.165) shows that the majority of media sentiment is neutral or slightly positive on social media during the observed period. The low standard deviation (0.006) indicates that there is high consistency among companies in social media sentiment indicating that companies have a uniform approach in their interactions and perceptions on social media platforms. The average consumer complaint (0.202) shows that overall there is a fairly significant level of complaints against these companies. A high standard deviation (0.305) indicates that there is significant variation in the number of complaints between companies indicating differences in the quality of service or policies implemented by each company.

Measurement Model Testing (Outer Loading)

Validity test

Test validity using the Fornell-Larcker criterion and Heterotrait-Monotrait Ratio (HTMT). The Fornell-Larcker test compares the square root of the AVE value and the latent variable correlation which can be seen in the table below

Table 6. Fornell-Larcker Validity Test

	BK	PEND	PK	RBC	ISA	IMA
Claim Expenses	1,000					
Income	-0.041	1,000				
Consumer Complaints	-0.208	0.049	1,000			
RBC	0.631	0.252	-0.228	1,000		
Media Sentiment	-0.338	0.054	0.727	-0.302	1,000	
Social Media Sentiment	-0.217	-0.026	0.748	-0.190	0.934	1,000

In the table above, it is known that all variables have a square root AVE value that is greater than the correlation with other variables. These results show that the construct in question has a greater relationship with the indicators used than other constructs. The Fornell-Larcker Criterion test in the research complies with the required rule of thumb, which shows that it meets validity.

Reliability Test

Reliability testing is carried out by determining the reliability of each construct involving Composite Reliability and Cronbach's Alpha values. The higher the value obtained, the higher the reliability with rule of thumb > 0.70 (Hair et al., 2017:122). The following are the results of the Composite Reliability and Cronbach's Alpha tests shown in the table below:

Table 7 Reliability Test

	Cronbach's Alpha	Composite Reliability
Claim Expenses	1,000	1,000
Income	1,000	1,000
Consumer Complaints	1,000	1,000
RBC	1,000	1,000
Media Sentiment	1,000	1,000
Social Media Sentiment	1,000	1,000

The table above shows that the composite reliability (CR) value has a range of 0.8 to 0.9 which exceeds the minimum limit value requirement of 0.70. Based on the results of the reliability test in this study, it shows that the measuring instrument in this study meets the reliability value.

Structural Model Testing (Inner Models)

Determinant Coefficient R²

R² value. In order to determine the magnitude of the influence between the independent variable and the dependent variable, it is observed through the R² value. Based on the research results, it shows the following values:

Table 8. Determination Coefficient Test

	R Square	R Square Adjusted
Income	0.523	0.246

Based on the results of the coefficient of determination test, it shows that the adjusted R² value for the independent variables (media sentiment, social media, consumer complaints, claims expense ratio and risk based capital has a value of 0.246, which means that the independent influence has a value of 24.6 percent. The remaining 75.4 percent is influenced by other factors outside the research model.

Hypothesis test

The results of research hypothesis testing are shown in the following table

Table 9. PLS Bootstrapping Hypothesis Testing

	Path Coefficient (O)	Std. Dev	t-stat	P Values	Hypothesis
IMA -> Pend_	0.831	0.747	1,112	0.267	H1: Rejected
ISA -> Pend_	-0.890	0.399	2,114	0.035	H2: Accepted
PK -> Pend_	0.180	0.397	0.453	0.651	H3: Rejected
RBC -> Pend_	0.536	0.270	1,987	0.047	H4: Accepted
RBK -> Pend	-0.256	0.187	2,592	0.013	H5: Accepted

5. Discussion

The Influence of Media Sentiment on Premium Income

The research results show that although negative sentiment in the media can influence public perception, its impact is not significant on life insurance company revenues. This is because insurance consumers are more influenced by long-term factors such as financial stability, reputation and personal relationships. Companies that are strong in maintaining their reputation and have effective communication strategies can overcome the negative effects of media, so that revenues remain stable. This finding is in line with previous research which shows factors such as reputation and crisis management play an important role in determining a company's financial performance.

Thus, although negative news in the media can influence public perception of the company, the impact on the income of life insurance companies in this study is not significant which occurs because companies that are strong in maintaining their reputation and effective communication strategies can overcome the negative effects of the media, keeping their income stable. This finding is consistent with previous research showing that other factors, such as established reputation and crisis management strategies, play an important role in determining a company's financial performance (Wan et al., 2018), (Chen and Xie, 2021), (Cheng and Kuo, 2015), Coombs (2007).

The Influence of Social Media Sentiment on Premium Income

The research results show that there is a significant negative influence between negative social media sentiment (ISA) and income. These findings indicate that an increase in negative sentiment on social media is correlated with a decrease in insurance company income, which means that negative social media sentiment has a significant negative influence on income. These findings are in line with research conducted by Yu and Chang (2019) who found that social media content with negative sentiment can have a negative impact on a company's reputation and affect consumers' perceptions of credibility and trust in the company.

Negative sentiment on social media can spread quickly and have a broad impact on public perception (Yu & Chang, 2019; Wang et al., 2019) which can lead to decreased customer trust, decreased loyalty, and ultimately decreased revenue (Yang & Lee, 2022). Companies that are unable to properly manage their online reputation experience a greater negative impact on revenue. These findings emphasize that negative sentiment on social media will be correlated with an increase in consumer complaints, an increase in media perception and a significant decrease in income during the crisis period. This cannot be separated from the company's reputation on social media, especially in dealing with negative news or sentiment that affects customer trust and loyalty. Negative social media sentiment will hinder insurance companies' new sales and income, which will then affect the credibility of existing consumers.

The Effect of Consumer Complaints on Premium Income

The research results show that consumer complaints do not have a significant influence on life insurance company revenues. This is because the number of consumer complaints has a low ratio compared to overall information and inquiries to regulators, so the impact on revenue is still low. Additionally, insurance companies have effective complaint resolution mechanisms, such as responsive customer service, transparent claims processes, and trained crisis management teams, that can help resolve complaints before they escalate into major problems that impact revenue. This finding is in line with previous research which shows the importance of reputation and trust in mitigating the negative effects of customer dissatisfaction on company financial performance (Akbar., 2018; Zhang and Jin, (2020).

Effect of Claim Expense Ratio on Premium Income

The research results support this hypothesis showing that there is a negative and significant influence between the ratio of claims expenses to income, and a significant negative influence between the ratio of claims expenses to income. The results of this research are in line with research conducted by Sapari (2017), Alamsyah & Wiratno (2017), Akotey & Sackey (2013), Pramita & Kiswara (2014), and Bodla, Tandon, Deepak, & Bodla, BS (2017), which concludes that the claims expense ratio significantly influences the financial performance of insurance companies. This study is in line with that conducted by Kurniawan (2006) that a high level of claims burden can threaten the financial condition of insurance companies because of the potential for large claims to be paid.

A high claims expense ratio can be caused by an increase in the number of claims or the value of claims submitted by customers (Sapari, 2017; Alamsyah & Wiratno, 2017). In particular, during the crisis period, negative perceptions of unit-linked insurance increased in 2019 - 2022. This condition indicates higher insurance risk and lower claim management efficiency. This finding is in line with previous research that claims expense ratios and risk management for insurance companies have a significant impact on revenue, profitability and financial performance when insurance companies experience an increase in their claim expense ratios (Akotey & Sackey, 2013; Pramita & Kiswara, 2014; Bodla et al. al., 2017).

The Influence of Risk Based Capital on Premium Income

The research test results show that there is a significant positive correlation between Risk Based Capital (RBC) and income, which means that risk based capital has a significant positive influence on income. A high RBC level reflects the company's ability to manage risk and have sufficient capital reserves to face existing risks. The results of this research are in line with previous research conducted by Agustini (2018), Triputra (2017), and Marlina and Kasmir (2021) showing that there is a positive and significant influence between RBC and premium income. In particular, research by Melviana et al. (2023) which states that Risk Based Capital has a positive and significant effect and has a direct impact on insurance company premium income

Risk Based Capital is a measure of a company's financial health based on the risks it faces. A high RBC indicates that the company has sufficient capital reserves to cover

existing risks, which increases customer and investor confidence, as well as the company's financial stability (Melviana et al., 2023). Risk Based Capital of Insurance companies in Indonesia which is higher than the existing claims burden allows Insurance companies to take on more business and increase revenue (Agustini, 2018; Triputra, 2017; Marlina & Kasmir, 2021). The findings show that the role of regulators in maintaining the health level and adequate minimum risk-based capital regulations for insurance companies in Indonesia for insurance companies can have a positive and significant effect on the income and financial performance of insurance companies during the crisis period.

6. Conclusions

The conclusion of this research shows that negative news in the mass media does not have a significant influence on premium income due to effective communication strategies in managing reputation and responding to negative news. However, negative sentiment on social media is proven to have a significant negative influence on premium income due to the speed of information dissemination and its broad impact. The number of consumer complaints to the OJK does not have a significant influence due to the low complaint ratio, effective resolution mechanisms, and strong company reputation. Risk Based Capital (RBC) has a significant positive effect because it reflects the ability to manage risk and having sufficient capital reserves, while a high claims expense ratio has a significant negative effect, indicating the importance of efficient claims management.

The limitations of this research are as follows.

1. This research uses data limited to a certain period and number of companies, thereby affecting the generalization of the results to the entire industry. Other variables such as customer satisfaction and product innovation may not be covered.
2. Statistical quantitative methodology may not fully describe the complexity of relationships between variables. A more in-depth qualitative approach was not used, limiting understanding of consumer motivations and perceptions.
3. Research focuses more on social and mass media without exploring other communication and marketing channels that may be significant.
4. Research has focused on short-term impacts, while the long-term influence of factors such as reputation, loyalty, and innovation has not been explored.
5. A significant relationship between variables and premium income cannot be confirmed as a direct causal relationship because other unmeasured external factors may play a role.
6. Measuring complaints is only based on regulator data without considering direct complaints to the company, so underestimation may occur.

For life insurance companies include the importance of developing more transparent and consumer-oriented products, as well as improving financial education so that customers understand the benefits of insurance. For policymakers, expanding regulations that support innovation in insurance products and consumer protection are key to creating a healthier and more sustainable market. In addition, collaboration

between insurance companies and government agencies in improving public financial literacy can strengthen trust and participation in the life insurance industry.

Based on the limitations of this research, future research can be carried out as follows:

1. Future research could conduct longitudinal analysis to assess the long-term impact of mass media coverage and social media content on premium income. Panel data with a longer time period will help identify trends and changes in media impact over time, considering that the results of this research show that the influence of mass media is not significant in the short term.
2. Comparative studies between countries will provide a new perspective by comparing the influence of mass media, social media, consumer complaints, Risk Based Capital (RBC), and the ratio of claims burden to premium income in various countries. Uniform methodologies and multi-country data can identify differences and similarities, enriching understanding of how cultural, economic, and regulatory contexts influence the insurance industry in different regions.

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