Investigating the Effective Factors on Acceptance of Insurance by Apple Producers

Case Study: City of Urmia

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Abstract

The main objective of this study is to determine effective factors on Accepting Apple Insurance by
City of Urmia farmers in 2011. For this purpose Logit Model was used.
Population for this study was all 32850 apple producers in the Urmia city who are involved in this
Business. Out of the group, 400 were selected on the basis of categorized random sampling method. The sample size was selected by using Cochrane formula. The data collected through completed questionnaires. The cronbach alpha coefficient was used to determined reliability of the questionnaire which was set at 0.83 and thus was considered as being favorable.

The result of this study showed, that land under cultivation, income levels, literacy level, main job of farmers, awareness of condition and advantage of insurance, failure to timely payment of compensation, less compensation payment than the real amount of damage, and damage background, have positive and significant effects on adoption insurance. Also, farmer's age and getting loan have no significant impact on the acceptance of insurance among farmers. Some recommendations have been suggested at the end of the research.

Keywords:

Agricultural Insurance, Accepting Insurance, Logit Model, Apple, Urmia City.

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