

Analysing the Influence of Service Quality on Customer Experience in the Life Insurance Industry: A Quantitative Study

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Abstract

This research paper investigates the intricate relationship between service quality and customer experience within the context of the life insurance industry. The life insurance industry has been specifically chosen for the study owing to its contribution to the economy and the growing significance of creating and sustaining better customer experiences through better service quality. Recognizing the critical role of customer satisfaction in the success of insurance providers, the study employs a quantitative approach, utilizing Exploratory Factor Analysis (EFA) and Multiple Regression Analysis (MRA) to unravel the underlying factors and quantify the impact of service quality on the overall customer experience. The exploratory phase involves identifying key dimensions of service quality by analyzing a diverse set of variables. Through a systematic examination of these dimensions, the study aims to develop a comprehensive understanding of the multifaceted nature of service quality in the life insurance sector. Subsequently, Multiple Regression Analysis is employed to assess the strength and direction of the relationship between the identified service quality dimensions and customer experience. By quantifying the impact of each dimension on customer experience, the research aims to provide insurance companies with actionable insights to enhance their service delivery and, consequently, improve overall customer satisfaction. The findings of this research put forth five significant factors obtained through factor analysis, Compliance with Standards, Brand Image, Superior Response, Customer Convenience and Grievance redressal system. These hold significant implications for practitioners, policymakers, and scholars in the life insurance industry. As the study unfolds, it not only contributes to the existing literature on service quality and customer experience but also serves as a practical guide for insurers seeking to optimize their services and foster lasting relationships with their clientele.

Keywords: Compliance with Standards, Brand Image, Superior Response, Customer Convenience, Grievance redressal system

1. Introduction

There has been a significant growth in the Indian Insurance industry in last three decades. Insurance has always been of great importance in India because of its deep rooted history. It is emphasized in the writings of Manusmriti, Dharmasastra and Arthasastra. These writings speak in terms of pooling of resources that can be re-used in times of calamities such as fire, floods, epidemics and famine. Insurance has come into picture because of the risks and uncertainties we come across

in life. It serves as a tool to mitigate most of the financial losses that we may face in future. Insurance often acts as a lifeguard for protecting us from these losses. It has become very essential for every one of us to understand the life cycle value which is often known as economic value of a person. This economic value refers to amount of importance the person holds, in terms of economic value i.e., what is the amount he will be earning, if he is alive till 60 years of age which is the normal working period of any individual. This life cycle costing tells us why is he important and approximately how much amount will be lost, if he dies. This is where insurance gains importance by covering the life cycle value of the person, in his absence. Although, insurance acts as a savior, as a product it has to undergo several challenges for satisfying the customers. Companies need to look after the quality of their offerings for satisfying customers.

Due to the introduction of service industries and their increasing demand, it has become very essential for these industries to manage their quality of service. The significant difference between predicted service, which is customer expectation and the perceived service is known as customer perception, defines service quality. Service quality is determined by how effectively and efficiently the service was rendered and it also depends on the ease and convenience with which it was delivered. The service quality continues to be in picture even after the transaction has been done, which is referred to as the post-sale service. Quality of a product or service refers to the various features and attributes which are sufficient enough to satisfy a customer's implied needs and wants. The service is characterized to be of a standard quality when it is able to meet all the requirements of the customer. Achieving success in service organization largely depends on two key factors that are both the technical and functional aspects of the service process (Gaurav and Khan, 2013). The total experience that the customers have, with the brand determines the customer's experience. This experience depends on everything with which the customer interacts within the organization. Customer experience is a big picture that relies on user experience. If we look at the bigger picture customer experience can be named as one of the most important driving factors for customer satisfaction and customer loyalty (Pandey and Mookerjee, 2018). To improve the customer experience, one must be aware of all the service process. So, the organization must carefully design the customer's entire journey while doing a transaction with the organization.

Service quality and customer experience came into picture and have gained their specific importance due to decrease in customer loyalty which the organization is facing. Being one of the most important financial sectors that supports the economy, insurance sector must meet the customer expectation of having convenient facility and smooth transaction (Bagdare and Jain, 2013). So for meeting the customer expectation and sustaining in the competitive environment, the biggest challenge is to provide better customer experience than your competitors. To sustain in this competitive environment, insurance companies must reconfigure their strategic plans and implement them accordingly to create a sense of satisfaction among the customers. In order to have a steady growth in the long run, this sector should create a strong base of satisfied customers. One of the most important antecedents towards favourable customer experience for an organization is the service quality. Hence, it is imperative for the insurance companies to improve customer service quality because their business totally depends on the client service and the experience which they provide. This study was especially undertaken in the context of life insurance industry as the Indian market has seen a host of regulations introduced in 2023 which could potentially shape the sector in the forthcoming years. The regulations ranged from taxing high value policies, initiating surrender values to capping expenses of management. These new regulatory policies call for a revisit and re-evaluation of the service quality and its implications especially from the Indian market perspective.

At this backdrop, the present study is to understand the impact of service quality on customer experience towards life insurance products. The aim of this research paper is to analyse the various dimensions of service quality using the SERVPERF model. Further the study also unravels the importance of various service quality dimensions and its effect on the life insurance customers. The study has the following research objectives:

- To study the importance of various constructs of service quality that affects the experience of life insurance customers.
- To understand the factors effecting service quality in life insurance industry.
- To study the impact of service quality on customer experience with special focus on life insurance customers.

2. Literature Review

Chawla and Singh (2008) conducted the study to find the importance of maintaining service quality as it grew to become one of the major concerns for the insurance sector in order to sustain in the competitive market in long run. The study stated that accessibility factor has a greater mean score than the mean score of the reliability factor. A comparison done on overall mean satisfaction on service quality revealed that the old customers have a greater mean score when compared to new customers. Ahmad and Sungip (2008) stated that customer's perception is majorly influenced by the quality of services provided to them from the organization. Customer expectation and perception about the service provider is affected because of the kind of service offered to them by the insurer at the insurance service counter. The four dimensions tangibility, responsiveness, assurance and empathy are highly dominated by reliability. Ahmad and Sungip (2008) suggested that there

is urgent need for the firm to gear up in terms of customer service quality improvement and put efforts to fill the gap of reliability. Bishnoi and Bishnoi (2009) stated that customer is highly satisfied with the employee-customer relations. Some of the major issues regarding the responsiveness of the LIC employee's customers are of the view that the firm does not give proper attention to the customers in terms of claim settlement, grievance handling, services on providing transparent information about the product, services regarding lapsed policy, and proper information about product and policy serving. Siddiqui et. al. 2010, suggested for developing an instrument which is more appropriate in terms of reliability and validity to measure customer perceived service quality in life insurance industry. Further the researchers also said that service quality should be measured under six dimensions – assurance, tangible, competence, personalized financial planning, corporate image, technology dimensions. Strategies are the building blocks for the success of any industry, therefore Ifejiyonu and Toyosi (2011) suggested on the same lines that in today's business environment, the firms need to strategize very carefully. The findings revealed the influence of quality of service on the customer in Lagos so that they can further strategize and come up with effective tools. The results of this study conclude prompt settlement of claims, to be one of the most important drivers for motivating the customers to invest in the insurance industry. The quality of product and its uniqueness result in attracting customers to buy and also convince them to make the repurchase decision. In the same line of thought (Sharma and Bansal, 2011) undertook research and found that due to the rapid change in the global economic system, not only the manufacturing sector but also the service sector was compelled to reconfigure their strategies. Customer perceived service quality differs from one country to another. This variance is mainly due to the difference in cultural environment, economic condition of the country and the society to which the respondent belong to. Sandhu and Bala (2011) stated that for highly competitive marketing, service quality has evolved to be one of the extremely important co-efficient. The study revealed empirical evidence to evaluate the critical five factors. The researchers have refined the five-factor model to seven-factor model. Here, Proficiency; Media and presentations: Physical and ethical excellence; Service delivery process and purpose; Security and Dynamic operation; Credibility and Functionality. Among all the above-mentioned factors three factors, namely Proficiency; Physical and ethical excellence and Functionality turned out to be the factors that have significant impact on the service quality in a life insurance industry (Siddiqui and Sharma, 2010). Now a day's customer retention has gained immense importance in any economic firm. An existing customer is like a profitable asset to the organization. Bishnoi and Bishnoi (2013) suggested that in this era of cutthroat competition it is extremely important for the organizations to retain their customers. The study was undertaken to identify the factors effecting service quality and the demographic variables that have an impact on service quality. It was found that, the demographic factors and the eight service quality factors are closely associated with each other. Moisescu and Gica (2013) stated that service quality is gaining its importance in the Indian market, it has become very essential for the firms to determine the impact of service quality on customer experience. Chauhan and Manhas (2014) examined the nature and extent of customer experience in the aviation sector. Positive Customer experience acts as a catalyst for having a competitive edge over the others in the market and is very important in the new horizon of the experience economy. Customer experience is a multidimensional construct. Gaurav and Ray (2020) stated that by delivering superior customer experience companies can also attain the loyalty of customers. Customer experience is significantly affected by experiential dimension, as the study suggests. George and Kumar (2014) examine the effects of service quality dimensions and investigates the effects of these dimension on customer experience and hence on customer satisfaction. The service quality dimensions identified were Website attributes, Reliability, Responsiveness, Fulfilment, Efficiency, and Privacy and Security. After the study it was seen that customer satisfaction was influenced by all dimensions except efficiency and website attributes. It was found that satisfaction of customer is dependent on various service quality dimensions such as privacy, responsiveness, security, fulfilment, and reliability. Hence to enhance the customer experience it's essential for the organization to improve service quality. According to Thenmozhi (2014) customers have become extremely price sensitive and demand for value of money. This study is undertaken for the purpose of determining the impact of service quality on customer satisfaction and customer loyalty. The study reveals that the organization need to train their staff in terms of product knowledge, interpersonal skills and customer relationship management. This study concluded that by measuring service quality firm can design policies to best fit the expectations of the customers. Rajkumar and Kannan (2014) unravel the fact that the need of the hour for the insurance industry is to retain their existing customers by enhancing their service quality. So, to gain the competitive edge over competitors, firms are trying their best to deliver superior quality to their customers. This study is undertaken to determine the service of LIC (Bonaccorsi and Fiorentinon, 1996). The study has highlighted eight different service quality factors such as employee's competence, credibility, timeliness and promptness, convenience, accessibility, credibility, consumer orientation and responsiveness. Further the results reveal that the employee competence, communication and responsiveness are negatively correlated with customer's education. Singh et. al. (2014) added up to the study that the economic performance and growth of the firm largely depends on the customer experience. The current research focuses on the customer perception, about the service quality as provided by the insurance company. The study reveals the fact that there are four key influencers of the customer's perception towards service quality namely, assurance, convenience, tangible and empathy (Nwankwo, 2013). The correlation analysis has revealed the fact that among the demographic factors, age has significant impact on the customer's perception towards service quality. So, the insurance companies can further strategize their service delivery process, which will yield them maximum positive results in terms of customer experience. Choudhuri (2018) stated that, the development of information technology has led

to a huge transformation in the service industry. Researchers have also concluded information technology as one of the key players supporting in the betterment of service quality. So as a result, the researchers have developed an Information Technology Enabled Convenient Service Quality Model (ITECSQM). Lakshmi (2020) undertook research to determine the policy holder's perception of service quality variables of LIC. Some of the major contributors towards positive perception for LIC were accuracy, accessibility, corporate image, honesty and competence, trust and confidence. Among these factors, further accuracy and accessibility proved to be the strongest supporters of service quality. It was observed that intangible promises give utmost satisfaction to the policyholders and factors like empathy and assurance were some of the major influencers for perception of service quality. Aslam et. al. (2015) undertook this research in Oman to examine and evaluate customer's expectation and their perception about the quality of service they got from the insurance companies. The study aims to evaluate customer's expectation and perception of quality of service provided by Insurance companies in Oman. It also examines how the demographic factors influence on the expectation and perception of insurance services. Demographic factors influence on Service quality were also identified and reported by using descriptive statistics. Results indicated that there is a huge gap between customer's expectation and perception in price, reliability and it is also revealed that there is a relationship between demographic factors and customers' expectation and perception of service quality dimensions. Shahid Iqbal et. al. (2018) carried out this research to test the mediating role of both affective and cognitive satisfaction on the effect of service quality in attaining customer loyalty. Here cognitive satisfaction is represented by overall satisfaction and affective satisfaction is represented by Kansei Engineering based measures. This study shows that the two-mediator model is the best fit for this type of research rather than the one mediator model or no mediator model. Gustafsson et. al. (2005) examines the effects of customer experience on customer satisfaction and customer retention. This study also captures the effects of service quality on customer satisfaction and tells that the effect of customer satisfaction on customer retention is independent and originates from service quality. To assess the relationship between service quality on customer experience and in customer satisfaction is the main motive behind this research. So, this study involves relational analysis. At the end this study reveals that service quality has positive effects on customer experience through customer retention but 80% of the time this effect is weak when there is no customer satisfaction. Goyit and Nmadu (2016) undertook this research to determine how the service quality of an organization, fetch them increased amount profitability. The study stated that there is no significant relationship between the amount of deposits in the bank and the quality of service provided by the bank. There is no relationship between investment in service quality and turnover of the firm and even there is no significant difference between investment in service quality and profitability of the bank (Bitner et. al., 1990). The study concludes that in order to be able to get customers for repurchase the firm must enhance its service quality by investing on it. A superior service would result in positive experience and in turn would get customers for repurchase. The researchers also delved deeper into the existing literature to check on the significance, relevance and implications brought about by such research studies. It was found that life insurance industry especially in India, with its constant growth and consolidation dynamics, studies are exploring on the purchasing intentions, agent conduct and financial independence (Sethi et. al. 2024). Latest studies in the field of insurance have also explored on the enterprise agility barriers (Singh et. al. 2024), linkage between pollution and life insurance decisions (Adetutu et. al. 2024), ESG implementation and sustainability transition in insurance industry (Marti et. al. 2024), insurance and mortality evidences (Aiyar and Sunder 2024) and insurance premium pricing decisions using machine learning (Ridzuan et. al. 2024).

3. Research Methodology

This research is quantitative in nature. The study has been carried to see the impact of various dimensions of service quality on the insurance sector. The research also tries to uncover the impact of service on the customer experience. The main aim of the study is to measure the impact of service quality on customer experience, with special focus on life insurance customers. This study is done with special focus on the customer experience in the life insurance sector. The research has been carried out in Hyderabad. Sample sizes of 150 respondents have been taken into considerations, who are policy holders of various life insurance companies. The selection of respondents was done through convenient sampling method. The respondents mainly include students and working professional, those who have life insurance policy.

In order to collect the data a well-structured questionnaire was prepared and administered by experts. The SERPERF model was followed in order to understand the service quality of the firm. The questionnaire has been carefully designed and positively worded to measure service quality on a five-point Likert-scale. Here respondents were asked to express their views from 1-5, where 1 stood for strongly disagree and 5 stood for strongly agree. The respondents gave their views based on the statements in the questionnaire. The questionnaire has been divided into three sections. The first section dealt with the demographic profile of the respondents. The next section is based on the SERVPERF model where the respondents were given their view on service quality of the insurance company. The last section tries to understand the experience of the customer through their ratings given on the five-point Likert-scale ranging from 1 to 5. The data collected is purely quantitative in nature and is purely based on the views of the respondents. As the views are given on five -point Likert-scale the data can be easily measured in a quantitative manner.

The SERFPERF model and methodology was specifically chosen for the analysis in this paper because of its comprehensiveness wherein it offers holisticness when it comes to analysing the study’s variables in the research context of the insurance industry. SERFPERF is also flexible and can be easily adapted under various contexts of research as it focuses on capturing user experiences, their perceptions and satisfaction. Since we live in a world of consumerism, capturing the users’ sentiments and satisfaction is significant to any industry or sectoral performance. By leveraging the insights generated from the SERFPERF analysis, companies can make informed decisions to better meet the needs and expectations of their customers or users, catering to the market with better products and services. SERFPERF, is widely acknowledged to allow for the integration of qualitative as well as quantitative data in the analysis and thus combines the benefits of both the approaches.

The statistical package, SPSS version 24.0 has been used to analyse the data. Further the tool exploratory factor analysis has been done which is a multi-variant analysis (Gaurav et. al. 2023). Moreover, in order to test the reliability of the various scales of the questionnaire and to check the adequacy of the sample size Kaiser-Meyer-Olkin and Cronbach’s alpha test has been done. Further factor analysis was done in order to extract the factors which were significantly important for determining the service quality. Factor analysis was done with Varimax rotation and five factors were requested to be extracted with the eigenvalue more than 1. Subsequently, multiple regression analysis has been employed in order to analyze the influence of service quality on customer experience in the life insurance industry. In multiple regression analysis, customer experience was considered as the dependent variable whereas various factors determining service quality viz. Compliance to standards, Brand Image, Superior Response, Customer Convenience and Grievance Redressal System were considered as independent variables.

4. Results

4.1. Exploratory Factor Analysis

Here the first five factors are extracted from the factor analysis. The scree plot depicts the five factors that are extracted and said to account for most of the variability in data. The rest of the 16 factors are not having an impact on the variation in the data and unimportant so they are ignored. The value of KMO between 0.5 - 1 is said to depict adequate sample size. As the value over here of KMO is .909 which is near to 1, so the sample size is adequate and is highly accepted. In an identity matrix all the diagonal values are 1.000 and all the elements except it are 0. The significance level in this case is .000 which says that the significance level is small enough to reject the null hypothesis.

Table 1: Showing KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.909
Bartlett's Test of Sphericity	Approx. Chi-Square	1772.298
	Df	210
	Sig.	.000

Source: Developed by the authors

This table gets the factors extracted, as a result of factor analysis done. This analysis gives us five factors by clubbing all the 21 variables. The variables whose eigenvalue is more than 1 are extracted to be one of factors. As during the analysis, we requested to get five factors so the factor extracted 5 five factors for us. These five factors alone explain 68.544 % of the variance in the dependent variable.

Table 2: Showing Rotated Component Matrix									
components	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	total	% of variance	Cumulative %	Total	% of variance	Cumulative %	total	% of variance	% of cumulative
1	9.757	46.460	46.460	9.757	46.460	46.460	3.502	16.676	16.676

2	1.45 1	6.911	53.371	1.451	6.911	53.371	3.500	16.668	33.343
3	1.30 8	6.229	59.600	1.308	6.229	59.600	3.351	15.958	49.301
4	1.00 5	4.787	64.386	1.005	4.787	64.386	2.651	12.622	61.923
5	.873	4.158	68.544	.873	4.158	68.544	1.390	6.620	68.544

Source: Developed by the authors

The first factor alone explains 16.676% of the variance. The variables loading on this factor can be seen to be related with adherence to pre-decided standard services. So we can say that firms should comply with the time frames and should maintain professionalism while delivering service. The scale is highly reliable as the Cronbach’s alpha yielded a result of 0.886 which is obviously more than 0.5.

Table 3: Showing the Structure of Factor 1

Factor	Variable	Loading	% of Variance Explained	Reliability
Factor 1 Compliance to standards	Firm provides customer service according to pre-decided standards and on the first time only.	.525	16.676	.886
	Firm’s staffs reveal the exact time frame of service to the customers.	.801		
	Firm’s staffs have successfully instilled trust and confidence among customers.	.552		
	Firm provides service in strict compliance with standards as promised.	.807		
	Firm’s staffs maintain high degree of professionalism.	.532		
	Firm’s staffs customize themselves as they individually approach their customers	.680		

Source: Developed by the authors

The second factor alone explains 15.958% of the variance in these factors. The variables with highest loadings indicated that this factor is closely related to Brand image of the firm. So the firms should carefully promote their brand in order to attract customers. This scale is extremely reliable with the Cronbach’s value of 0.879.

Table 4: Showing the Structure of Factor 2

Factor	Variable	Loading	% of variance explained	Reliability
Factor 2 Brand Image	Outward appearance of the firm – clean, neat, good condition	.668	15.958	.879
	Inward image of the firm- aesthetic look (works on pre-defined principle)	.553		
	Inward look of the firm- clean, neat, good condition	.755		
	Physical appearance of the firm’s staff is up to expectations.	.598		

	Firm’s documents and promotional materials are as expected.	.771	
	Firm has up to date technology for transaction process.	.630	

Source: Developed by the authors

The factor 3 alone explains 15.958% of variance. The reliability of the factor sufficiently high as the Cronbach’s value here is .822 which is near to 1.

Table 5: Showing the Structure of Factor 3				
Factor	Variable	Loading	% of variance explained	Reliability
Factor 3 Superior Response	Firm’s staffs take genuine interest in taking care of the needs of the customers.	.629	15.958	.822
	Firm gives on time and proper customer care service.	.752		
	Firm’s staffs are caring and polite.	.693		
	Firm provides superior quality services	.638		
	Firm’s staffs have sufficient understanding about the needs and wants of the customers	.648		

Source: Developed by the authors

The factor 4 has three loadings which are closely related to convenience of the customers. This factor explains 12.622% of the variance. This scale can also be stated as reliable, with the Cronbach’s value of .789.

Table 6: Showing the Structure of Factor 4				
Factor	Variable	Loading	% of Variance explained	Reliability
Factor 4 Convenience of customers	Firm’s employees deliver prompt service to customers.	.787	12.622	.789
	Firm’s working hours is as per customer’s convenience.	.645		
	Outward image of the firm- aesthetic look (work on definite principles)	.555		

Source: Developed by the authors

This scale is slightly insignificant as it explains only 6.620 % of variance which is comparatively less than the other factors. So this factor suggests that company should improve the grievance cell of the firm in order to solve the problems promptly.

Table 7: Showing the Structure of Factor 5			
Factor	Variable	Loading	%of variance explained

Factor 5	Firm’s employees promptly react to the dissatisfaction or problems faced by the customers	.861	6.620
Grievance redressalsystem			

Source: Developed by the authors

4.2 Multiple Regression Analysis

The ANOVA table is used to see whether there is any statistical significant difference between the mean of the groups. The value of “p” should be 0.05 in order to conclude that there is a statistically significant difference between the group means. Here the p = 0.05 so we can say that there is significant difference between the group means. This table shows that the regression model predicts the dependent variable significantly well. As we see the regression row and significance column it is very evident that the regression model run is statistically significant. Here the p value is 0.000 which is less than 0.05 so this indicated that the regression model run is a good fit for this model and successfully predict the outcome variable.

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	38.719	5	7.744	37.703	.000 ^b
Residual	28.549	139	.205		
Total	67.268	144			

Source: Developed by the authors

The result of R reveals that there is 75.9% correlation between the observed and predicted values of customer experience. Here the value of R-square shows that 57.6% of the variance of the customer experience is explained by service quality. It is just an overall measure of the strength of association of the dependent and independent variable. Adjusted R square depends on the sample size (145) and the number of regressors (p). Here the Adjusted R-square is 56%, which means that the number of predictors, which significantly improve the model, is 56%. The standard error of the estimate comes from the ANOVA table. Here the residual value is 28.549 and the degree of freedom is 139, which yields the result .205 and it is square rooted to get .453. The value .453 signifies the standard deviation of the error term.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.759 ^a	.576	.560	.453	1.760

Source: Developed by the authors

The Durbin Watson statistics is used to find out whether the successive observations made over a period of time are correlated or not. If there is autocorrelation between the observation the Durbin Watson statistics result should be between 1.5 and 2.5. In the present study the result is 1.760 which shows that there is positive autocorrelation between the data.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics
	B	Std. Error	Beta			Lower bound	Upper Bound	Tolerance
(Constant)	3.724	.038	.000	3.650	.000	3.650	3.799	

Compliance with standards	.236	.038	.000	.161	.000	.161	.311	1.000
Brand Image	.247	.038	.000	.173	.000	.173	.322	1.000
Superior Response	.307	.038	.000	.232	.000	.232	.381	1.000
Customer Convenience	.225	.038	.000	.150	.000	.150	.299	1.000
Grievance redressal system	.086	.038	.024	.012	.024	.012	.161	1.000

Source: Developed by the authors

The beta coefficient under the head unstandardized coefficient depicts the increase in customer experience due to the increase in each predictor or factor, by single unit. So an increase in the factor 1 by 1 unit changes the customer experience by .236 units. Likewise the factor which has the strongest impact on customer experience is the 3rd factor with the highest value of 0.307. The standard error for the beta coefficient is expected to be at 0.038. The standardized beta coefficient allows us to predict the relative strength of our factors. It is evident from the standardized beta coefficient that four factors are significant have an impact on customer experience and their relative strength if strong. Four beta coefficients are statistically significant as the significance value in all the case is .000 which is less than .05. In a regression model the Variable inflation factor measures the impact of collinearity among the variables in the model. The value of VIF is generally greater that equal to 1. Value of VIF greater than 10 is often regarded to indicate multi collinearity. As the value of VIF over here is 1 it can be stated that there is no multi collinearity among the variables.

The research analysis incorporating Compliance to standards, Brand Image, Superior Response, Customer Convenience, and Grievance Redressal System as independent variables and Customer Experience as the dependent variable offers vital economic sense to businesses by comprehending the significant influencing factors associated with customer perceptions and behaviours. By drawing a relationship between the independent variables on customer experience, businesses can make informed decisions to allocate resources effectively, prioritize initiatives, and enhance strategic planning. Such informed decisions will also add value on the product/service quality and mitigate risks and liabilities if any. Businesses that rely on cultivating a strong brand image are likely to foster customer trust and loyalty and drive long-term profitability. Additionally, investing in superior response mechanisms, customer convenience initiatives, and effective grievance redressal systems not only enhances customer satisfaction but also reduces churn rates, boosts customer retention, and minimizes the need for costly customer acquisition efforts. Consequently, by optimizing these key drivers of customer experience, businesses can realize tangible economic benefits such as higher revenue, profitability, and market competitiveness, thus ensuring sustainable growth and success in the long run.

5. Discussion

The dimension of service quality is studied with the help of 21 variables taken from the literature review. First the Kaiser-Meyer-Olkin was carried out in order to determine adequacy of the sample size. The result, 0.909 suggests the sample is adequate for carrying the research. The Bartlett’s test of sphericity tests for the checked the relationship among the variables and suggested that there is no relationship as the significance level was .000.

Communalities done unravelled the fact that all the variables are sufficiently explained by the common factors. The extraction level was kept above 0.4 so that all the factors were sufficiently explained by the common factors. Further factor analysis was done and as requested 5 factors were extracted which were the most important factors for determining the service quality of the firm. The most important feature in the factor- “Compliance of standards” were providing the service within the exact time frame (.807) and as per the pre-decided standards (.801). In the factor “Brand Image” the most important features were the inward look of the firm (.755) and the promotional strategies of the firm (.771). The factor “Superior Response” have the important feature which the firm should keep in mind are providing on time customer care service (.753) and to be polite and sensitive while dealing with customers (.693). The factor “Customer convenience” indicates that delivering prompt service to the customers is the most important feature (.787). The “Grievance redressal system” is one of the most important factors for improving the service quality of the firm.

The Regression model run shows the result that CE is sufficiently explained by 4 the factors extracted by the factor analysis. As the result yield for all the factor is above 0.3 so it is evident that 4 the factors are sufficient to explain the dependent variable which is customer experience. The last factor taken does not explain customer experience sufficiently as the value of person's correlation came as 0.127 which is obviously less than 0.3.

The ANOVA table shows the statistical significance of the mean value of the groups. The $p = .000$ which is less than $.05$, determines that the regression model run is a good fit for the model and successfully predicts the outcome of the variables.

The value of R (75.9%) suggests that there is a correlation between the observed and predicted values of customer experience. R square tells us the 57.6% of the variance in customer experience is explained by the service quality. Customer experience and service quality are strongly associated with each other. Adjusted R-square is 56%, which means that the number of predictors, which significantly improves the model, is 56%.

In the present study the result of the Durbin Watson Statistics is 1.760 which shows that there is positive autocorrelation between the data. The factor which has the strongest impact on customer experience is the Superior Response with the highest value of 0.307. The value of VIF over here is 1 it can be stated that there is no multicollinearity among the variables.

The service quality dimensions of Compliance with Standards, Brand Image, Superior Response, Customer Convenience, and Grievance Redressal System are intricately linked to existing theoretical and practical frameworks in the field of customer experiences and service management. Compliance with Standards aligns closely with the principles of quality management frameworks such as ISO standards, emphasizing the importance of meeting regulatory requirements and industry best practices to ensure consistent and reliable service delivery. Brand Image corresponds to concepts within branding theories, focusing on the creation and maintenance of a favourable brand perception through strategic communication, reputation management, and brand differentiation strategies. Superior Response resonates with the service recovery paradox, highlighting the opportunity for businesses to turn service failures into positive customer experiences by promptly addressing issues and exceeding customer expectations. Customer Convenience is grounded in convenience theory, which emphasizes the significance of reducing customer effort and streamlining service processes to enhance satisfaction and loyalty. Finally, the Grievance Redressal System corresponds with principles of customer relationship management, emphasizing the importance of effective communication, responsiveness, and conflict resolution in building and maintaining strong customer relationships. By integrating these service quality dimensions into existing theoretical and practical frameworks, businesses can develop comprehensive strategies to enhance customer experience and drive long-term success.

6. Conclusions

This research has successfully identified five reliable factors crucial for assessing various dimensions of service quality: Compliance with Standards, Brand Image, Superior Response, Customer Convenience, and Grievance Redressal System. These factors can serve as valuable guides for informing future strategic decisions within the life insurance firms or any service industry. Notably, the regression analysis underscores the significant impact of the third factor, Superior Response, on customer experience, highlighting the necessity for firms to prioritize sensitivity and responsiveness in their customer interactions to enhance service quality. However, it's essential to acknowledge the study's limitations, such as potential sample biases or contextual factors, which may impact the generalizability of the findings. Further investigations could delve into the nuanced relationships between these service quality dimensions and customer outcomes, exploring moderating variables such as demographic factors or industry-specific dynamics. Additionally, policy implications may suggest the need for regulatory bodies to establish and enforce standards to ensure compliance across industries, fostering a conducive environment for improved service quality. Furthermore, businesses could benefit from investing in continuous innovation to retain existing customers and attract new ones, ensuring sustained growth and competitiveness in the marketplace.

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