

SERVICE QUALITY DIMENSIONS: ANALYZING  
PERCEPTIONS & EXPECTATION IN INDIAN  
INSURANCE INDUSTRY WITH RESPECT TO KAVAL  
REGION OF UTTAR PRADESH

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**ABSTRACT**

This research paper underscore the need for Life Insurance providers to gear customer service and quality improvement efforts towards components of reliability. Service firms like other organizations are realizing the significance of customer-centred philosophies and are turning to quality management approaches to help managing their businesses. SERVQUAL as an effective approach has been studied and its role in the analysis of the difference between customer expectations and perceptions has been highlighted. Outcomes of the this research paper outline the fact that although SERVQUAL could close one of the important service quality gaps associated with external customer services. This research paper is based on 500 Life Insurance customers from five major cities of Uttar Pradesh KAVAL (Kanpur, Allahabad, Varanasi, Agra and Lucknow).

This research paper will emphasizes the role of improve service quality and hence customer satisfaction. The result shows recognizable gap for reliability, responsiveness and empathy, which reliability shows highest gap between customers' perception and expectation. This study illustrates reliability emerged as the most critical determinant of SERVQUAL measure for service quality in terms of means of customer perception and expectation. The other dimensions (tangible, responsiveness, assurance and empathy) appear important but reliability dominates.

**Keywords:** Service Quality, Insurance, Service Quality Dimensions, Customer Satisfaction, Perception, Expectation.

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## INTRODUCTION

The Insurance sector in India governed by Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and General Insurance Business (Nationalisation) Act, 1972, Insurance Regulatory and Development Authority (IRDA) Act, 1999 and other related Acts. With such a large population and the untapped market area of this population Insurance happens to be a very big opportunity in India. Today it stands as a business growing at the rate of 15-20 per cent annually. Together with banking services, it adds about 7 per cent to the country's GDP. In spite of all this growth the statistics of the penetration of the Insurance in the country is very poor. Nearly 80% of Indian populations are without Life Insurance cover and the Health Life Insurance. This is an indicator that growth potential for the Life Insurance sector is immense in India. It was due to this immense growth that the regulations were introduced in the Insurance sector and in continuation "Malhotra Committee" was constituted by the government in 1993 to examine the various aspects of the industry. Creating a more efficient and competitive financial system suitable for the requirements of the economy was the main idea behind this reform.

With the promulgation of Insurance regulatory and Development Act, 1999 India is now the cynosure of all the global Insurance players. Numerous players, both Indian and foreign, have commenced operations or have announced their intention to start their Insurance in India. Privatization has a twin-pronged impact since it presents greater business opportunity and strengthens to strong that privatization shares with deregulation. Liberalization of the Insurance sectors has allowed foreign insurers to enter the market. Most of the private Insurance companies have formed joint venture partnering well recognized foreign players across the globe. Private Life Insurance companies have formed joint venture partnering well recognized foreign players across the globe. The quality of the service is a pre-requisite for financial institution's market performance and subsequently, economic performance. The companies that offer the best technologies and great quality in every service and that have trained and motivated its employees in order to provide an efficient service are creating adequate framework for the success of a relationship marketing orientation.

With the emerging situations, Life Insurance companies should build strong services as it increases consumer trust and loyalty. Strong Insurance companies have high mind share with

customers, which ultimately results in higher market share. In marketing of financial services, it is the customer's experience that plays a very important role. Thus, service performers play the main differentiating role. Focus and strategy are essential for the development of product in this sector. If there was one industry which at least considered customer service as an essentiality it would be the financial service industry. Most of the Life Insurance companies which are new in the market bring with them distribution strengths in their own fields but "Life Insurance is about reaching to the last customer".

### Literature Review

According to Parasuraman et al, the five dimensions of service quality are reliability, responsiveness, assurance, empathy, and quality of tangibles referred to as SERVQUAL. The SERVQUAL instrument has been the predominant method used to measure consumers' perceptions of service quality. It has five generic dimensions or factors and are stated as follows

- 1) **Tangibles:** Physical facilities, equipment and appearance of personnel.
- 2) **Reliability:** Ability to perform the promised service dependably and accurately.
- 3) **Responsiveness:** Willingness to help customers and provide prompt service.
- 4) **Assurance:** (including competence, courtesy, credibility and security). Knowledge and courtesy of employees and their ability to inspire trust and confidence.
- 5) **Empathy:** (including access, communication, understanding the customer). Caring and individualized attention that the firm provides to its customers.

There are three types of customer expectations predicted service, desired service, and adequate service which presents a comparison between customer evaluation of service quality and customer satisfaction (Valerie A. Zeithaml, Lonard L. Berry, and A. Parasuraman, 1993). Parasuraman, Zeithaml, and Berry (1985) measurement of customer satisfaction with a service by using the gap between the customer's expectation of performance and their perceived experience of performance. One important aspect is that service quality and satisfaction can be seen as an outsider perspective, a cognitive service. As Theodore Levitt, one of the world's best known marketing experts has observed "there are no such things as service industries".

SERVQUAL is widely used within service industries to understand the perceptions of target customers regarding their service need; it may also be applied internally to understand employee's perception of service quality with the objective of achieving service improvement (Zeithmal, Parasuraman and Berry 1988).

## OBJECTIVES OF THE STUDY

The research is a field study because it will examine perception and expectation of customers in their natural transaction. The objectives are:

- ✓ To study the factors of perception and expectation of customer on service quality in Life Insurance Sector.
- ✓ To analyze the customer satisfactions drivers specifically to assess the relative impact of service quality in Life Insurance Sector.

## RESEARCH METHODOLOGY

### Reliability Test

The Cronbach's Alpha estimate indicates how highly the items in the questionnaire are interrelated in order to determine reliability of the instrument (Hayes, 1998). Nunnaly (1978) said that the Alpha which is more than 0.7 indicated a high liable. In this study, 20 items were tested on its reliability.

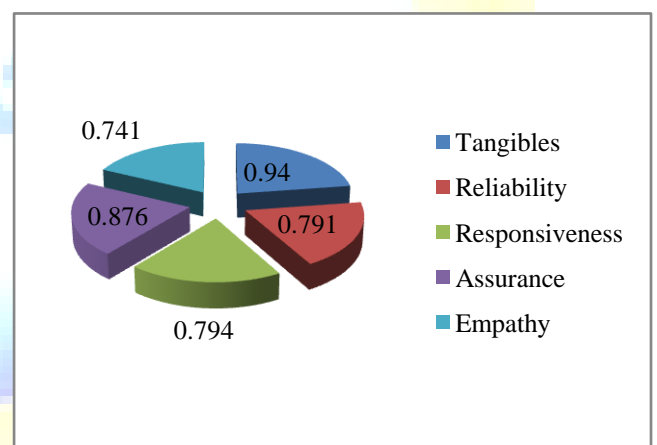
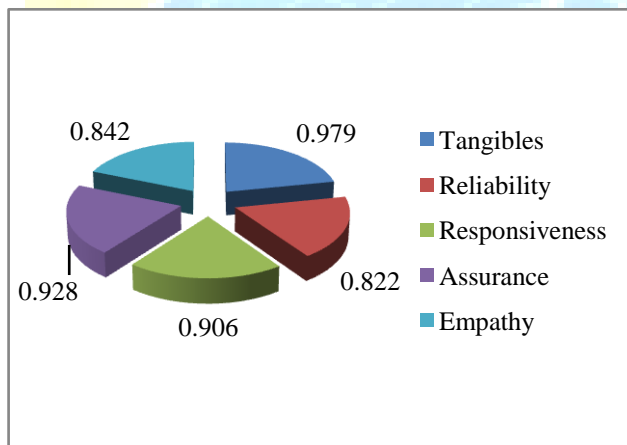
Table 1 shows the component and total reliabilities of SERVQUAL scores. The findings show that the reliability coefficients for all dimensions are above 0.70 The reliabilities are consistently high score all dimensions on expectation, which are 0.979 for tangibles, 0.822 for reliability, 0.906 for responsiveness, 0.928 for assurance and 0.842 for empathy.

### Table1

Dimensions	Number of Attributes	Expectation (Desired)	Perception (Actual)
Tangibles	2	0.979	0.940
Reliability	7	0.822	0.791
Responsiveness	3	0.906	0.794
Assurance	3	0.928	0.876
Empathy	5	0.842	0.741

*Graphical Representation of Dimensions in Customers Expectation*

*Graphical Representation of Dimensions in Customers Perception*



**Profile of Respondents**

The profiles focus on the demographic and economic factors of respondents. It shows that out of 500 respondents, 84.8% of the respondents are male and 15.2% are female.

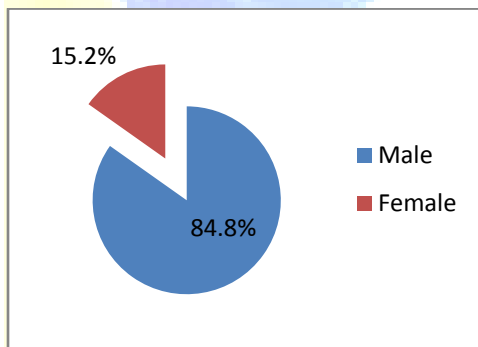
The highest education level attained by most of the respondents was Degree (graduate) level (49.6%), followed by masters (34.4%) and Intermediate (10.4%). It shows that majority of respondents were educated with high qualifications.

The occupations of respondents were varied. The majority of the respondents were in businessman/self employed (32.8%) group, followed by pvt. job (26.2%), other lawyer (8.2%), teacher (6.8%), housewife (7.6%) and govt. employee (11.2%). In term of household income, the majority of respondents were in the income group 1 – 3 lacs (42%), while the second highest group was 3 - 6 lacs (34%).

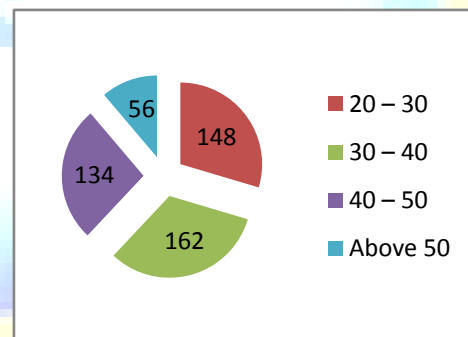
The result showed that the majority of the respondents choose LIC (67.6%), followed by ICICI Prudential (12%), Bajaj Allianz (6%) and Max Newyork (4.4%), Birla Sunlife & Others (2.8%), Tata AIG (2%), Aviva (1.6%), Kotak Mahindra (0.8%).

**Graphical Representation of profile of Respondents**

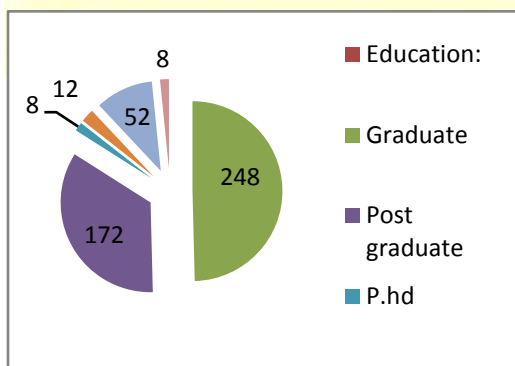
**Gender**



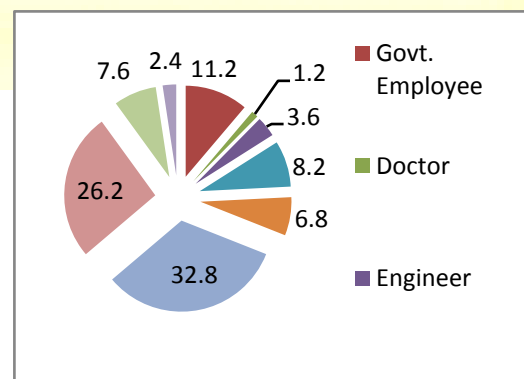
**Age**



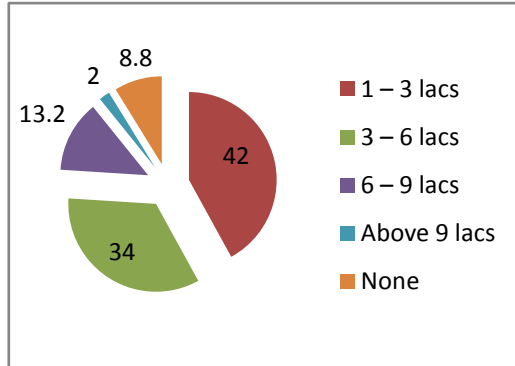
**Highest Level of Education**



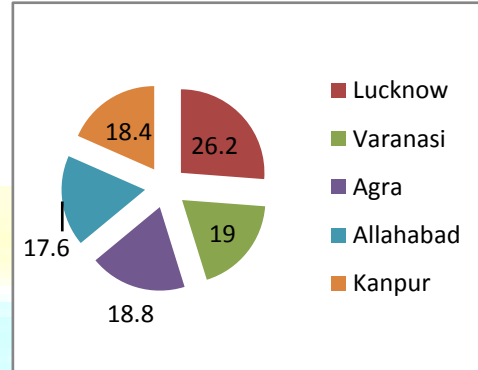
**Occupation**



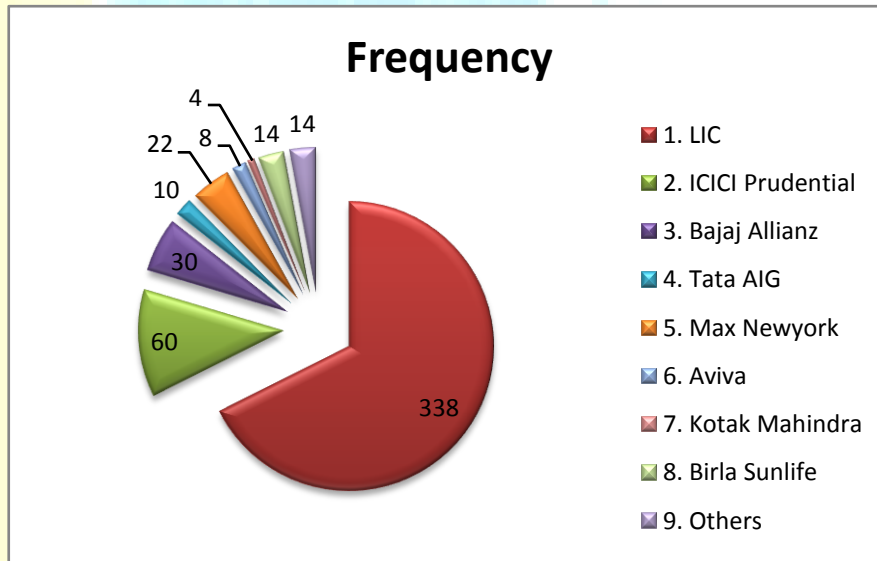
**Annual Income**



**City**



**Company chosen**



**Service Quality GAPS As According to Data Analysis**

**The Actual and Desire Service Quality**

This section presents the finding of the actual (Perception) and desire (expectation) on service quality of five dimensions based on SERVQUAL model.

*The Perception and Expectation on Tangibles***Table 1: Means of Perception and Expectation on Tangibles.**

Attributes	Customers' Perception	Customers' Expectation	Gap
1. Moderns of office surroundings	3.57	4.59	1.02
2. Moderns of Physical facilities	3.64	4.59	0.95

Table 1, shows the mean score of attributes in tangible dimension in term of perception and expectation. In terms of expectation, both the attributes scores highest. The attribute 2 also scores highest on perception i.e. on 'Moderns of office surroundings. Even perception and expectation score highest on same attribute but a huge gap exists on attribute 1 or "Moderns of office surroundings" between perception and expectation.

*The Perception and Expectation on Reliability***Table 2: Means of Perception and Expectation on Reliability.**

Attributes	Customers' Perception	Customers' Expectation	Gap
1. Eagerness of employees is same before & after getting insured	3.50	4.53	1.03
2. Employees show a sincere interest in solving the problem.	3.48	4.40	0.92
3. Feel safe in premiums with the insurance	4.13	4.33	0.20



company			
4. Claim settlement process is transparent & there are no hassles.	3.13	4.40	1.27
5. Get a complete peace of mind after getting insured.	4.43	4.47	0.04
6. Satisfied with the service received from the insurance provider.	4.01	4.46	0.45
7. Delighted with the service received from the insurance provider.	3.54	4.40	0.86

As shown in table 2, the highest score on expectation is attribute 1 or 'Eagerness of employees is same before & after getting insured' and the lowest is attribute 3 which refer to 'Feel safe in premiums with the insurance company'. In terms of perception, the attributes 5 or 'Get a complete peace of mind after getting insured' score highest and attribute 4 which refer to 'Claim settlement process is transparent & there are no hassles' scores lowest. It shows that customer perceived that they get a complete peace of mind after getting insured.

A recognizable gap exists between perception and expectation and the highest gap is on attribute 4 or 'Claim settlement process is transparent & there are no hassles' It Means that customers are not satisfied with the claim settlement process and face a lot of hassles in the process; this may happen due to many reasons.

The result indicates that those issues most highly correlated with overall satisfaction involved problem or compliant management. Attribute 5 or 'Get a complete peace of mind after getting insured' indicates small gap between customers' perception and expectation. It implies that the customers' feel relaxed after getting insured.

### *The Perception and Expectation on Responsiveness*

**Table 3: Means of Perception and Expectation on Responsiveness.**

Attributes	Customers' Perception	Customers' Expectation	Gap
1. Information about the new plans/initiatives by the employees	4.14	4.33	0.19
2. Employees are never too busy to respond to the customers' request	3.70	4.47	0.67
3. Employees give their customer short waiting time or fast service turnaround	3.90	4.53	0.63

As illustrated in Table 3, attribute 3 or 'Employees give their customer short waiting time or fast service turnaround' score highest on expectation. There is a recognizable gap on attribute 3 between perception and expectation summarizes that many insurance companies are not performing as fast service during transaction. The huge gap also can be found on attribute 2 which refer to 'Employees are never too busy to respond to the customers' request' shows that Customers' issues are not resolved easily by the employees.

#### *The Perception and Expectation on Assurance*

Table 4, illustrates the mean scores of three attributes selected in assurance dimension in term of perception and expectation. The huge gap exists between perception and expectation and the highest gap is on attribute 2 which is 'Behavior of employees helps in taking decision'. Trustworthy and honest considered important because the transaction are deals with money. The customers need employees who are honest and skilled to handle their transactions and who do not hide the facts.

**Table 4: Means of Perception and Expectation on Assurance.**

Attributes	Customers' Perception	Customers' Expectation	Gap
1. Employees are courteous & offer the personal attention	3.49	4.40	0.91
2. Behavior of employees helps in taking decision	3.47	4.50	1.03
3. Employees are true to their words & never conceal the facts	3.60	4.50	0.90

A recognizable gap can also be found in attribute 1 or 'Employees are courteous & offer the personal attention', which shows that customers believe that employees are less experienced & skilled in helping. Factor that is considered important is employees have the knowledge and experience to help in taking decision. In terms of expectation, customers expect high on employee trustworthiness & loyalty because it is important in transaction efficiency.

### *The Perception and Expectation on Empathy*

As shown in Table 5, a distinguished gap exists between perception and expectation and the highest gap is on attribute 4 or 'Customers get the same service as shown in the advertisements in TV & newspapers'. It proves that employees do not get the same service as shown through different promotional activities; this may be due to the lack of communication on the part of employees / agents. The highest score on perception is attribute 3 or 'Company has wide range of plans' and the lowest is attribute 4 or 'Customers get the same service as shown in the advertisements in TV & newspapers'. It shows that customers perceived that the company has a wide range of plans but they do not get the same service as shown in TV & advertisements. Regarding the empathy dimension, the important issues are customers need 24X7 customer support service from employees, and insurance service counter personnel should handle and offer services that indicate good quality of service.

**Table 5: Means of Perception and Expectation on Empathy**

Attributes	Customers' Perception	Customers' Expectation	Gap
1. Company has convenient branch locations	4.38	4.40	0.02
2. Company has 24X7 customer support service	3.90	4.50	0.60
3. Company has wide range of plans	4.51	4.40	0.11
4. Customers get the same service as shown in the advertisements in TV & newspapers	3.64	4.50	0.86
5. Premium paying options are flexible & convenient	4.37	4.70	0.33

Attribute 3 which describes that company has wide range of plans indicates small gap between perception and expectation, it implies that the companies usually have wide range of plans according to customers' need. Also a small gap exists on attribute 1 i.e. "Company has convenient branch locations" which shows that most of the insurance providers have opened their branches within the reach of each and every customer.

### *Study of Demographic Factors on Service Quality*

Independent samples test have been used to determine the effect of social-demographic factors on service quality in insurance counter service.

The hypothesis:

H<sub>0</sub>: Social demographic factors have no influence on the SERVQUAL mean score of insurance service counter.

H<sub>1</sub>: Social demographic factors have influence on the SERVQUAL mean score of insurance service counter.

Independent samples test is the T-test which has been used in determining the SERVQUAL dimensions (tangibility, reliability, responsiveness, assurance, empathy) perceived by the gender in assessing the service quality.

**Table 6: Independent Sample Test on Gender and Tangibility**

**Group Statistics**

	Gender	N	Mean
item21	Male	424	3.60
	Female	76	3.39
item22	Male	424	3.68
	Female	76	3.39

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	Df	Sig.(2-tailed)
Item21	Equal variances assumed	4.314	.038	1.237	498	.217
	Equal variances not assumed			1.167	99.107	.246
Item22	Equal variances assumed	5.010	.026	1.771	498	.077
	Equal variances not assumed			1.653	98.289	.102

According to Levene's Test for Equality of Variances Equal variances assumed is used to check the significance of mean difference. For item 21 and item 22, Levene's test is significant (because  $p=0.038$  and  $p=0.026$ , which is less than 0.05) and so we should read the test statistic in the row labeled **Equal Variances not assumed**.

In this case the two tailed value of p is 0.246 and 0.102, which is greater than 0.05 and so we conclude that there was no significant difference between the means of male & female.

Item21= Moderns of office surroundings

Item22= Moderns of physical facilities

**Table7: Independent Sample Test on Gender and Reliability Group Statistics**

	Gender	N	Mean
item4	male	424	3.53
	female	76	3.37
item7	male	424	3.47
	female	76	3.50
item 13	male	424	4.12
	female	76	4.18
item 15	male	424	3.12
	female	76	3.22
item 16	male	424	4.45
	female	76	4.37
item 17	male	424	4.01
	female	76	4.00

item 18	male	424	3.54
	female	76	3.50

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	Df	Sig.(2-tailed)
item4	Equal variances assumed	.240	.624	1.449	498	.148
	Equal variances not assumed			1.464	104.640	.146
item7	Equal variances assumed	1.007	.316	-.224	498	.822
	Equal variances not assumed			-.213	99.605	.832
item13	Equal variances assumed	.001	.976	-0.652	498	.515
	Equal variances not assumed			-0.683	108.055	.496
item15	Equal variances assumed	.154	.695	-1.103	498	.271
	Equal variances not assumed			-1.076	101.650	.285

item16	Equal variances assumed	.052	.820	.791	498	.429
	Equal variances not assumed			.768	101.174	.444
item17	Equal variances assumed	.882	.348	.133	498	.894
	Equal variances not assumed			.123	97.625	.903
item18	Equal variances assumed	.046	.830	.420	498	.675
	Equal variances not assumed			.421	104.022	.674

According to Levene's Test for Equality of Variances Equal variances assumed is used to check the significance of mean difference. For these data, Levene's test is non significant for the item4, item7, Item 13, Item 15, Item 16, Item 17, Item 18 (because  $p=0.624$ ,  $p=.316$ ,  $p=0.976$ ,  $p=0.695$ ,  $p=0.820$ ,  $p=0.348$ ,  $p=0.830$  respectively, which is greater than 0.05) so we should read the test statistic in the row labeled **Equal Variances assumed** for the item 7, Item 13, Item 16, Item 17, item4, item15 & item 18.

### Equal Variances assumed

In this case the two tailed value of p is 0.148, 0.822, 0.515, 0.271, 0.429, 0.894 and 0.675. Among these values all of them are greater than 0.05, so we conclude that there was no significant difference between the means of male & female with respect to item 4, item 7, Item 13, item 15, item 16, Item 17, item 18.

Item 4= Eagerness of employees is same before & after getting insured

Item 7= Employees show a sincere interest in solving the problem.



Item 13= Feel safe in premiums with the insurance company

Item 15= Claim settlement process is transparent & there are no hassles.

Item 16= Get a complete peace of mind after getting insured.

Item 17= Satisfied with the service received from the insurance provider.

Item 18= Delighted with the service received from the insurance provider.

**Inference:**

For all the items null hypothesis is accepted and it is concluded that there is no significant difference between means of male & female. Also as seen in the Table SERVQUAL scores of males and females have no significant difference. This shows that meeting male & female expectations are relatively same. Both males & females expect the same service quality for the SERVQUAL dimension Reliability from the insurance provider.

**Table 8: Independent Sample Test on Gender and Responsiveness**

**Group Statistics**

	Gender	N	Mean
item 5	male	424	4.15
	female	76	4.08
item 6	male	424	3.70
	female	76	3.70
item 11	male	424	3.91
	female	76	3.86

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	Df	Sig(2-tailed)
item5	Equal variances assumed	3.469	.063	.640	498	.522
	Equal variances not assumed			.550	93.120	.584
item6	Equal variances assumed	.210	.647	.024	498	.981
	Equal variances not assumed			.025	105.131	.980
Item111	Equal variances assumed	.032	.857	.417	498	.677
	Equal variances not assumed			.417	103.764	.678

According to Levene's Test for Equality of Variances Equal variances assumed is used to check the significance of mean difference. For these data, Levene's test is non significant for the item5, Item 6, Item 111(because  $p=0.063$ ,  $p=0.647$ ,  $p=0.857$  respectively, which is greater than 0.05) and so we should read the test statistic in the row labeled **Equal Variances assumed** for the item 5, Item 6, Item 24.

### Equal Variances assumed

In this case the two tailed value of p is 0.522, 0.981, and 0.677 for the item 5, item 6, item 111 respectively. All the values are greater than 0.05, so we conclude that there was no significant difference between the means of male & female with respect to item 5, Item 6, Item 111.

Item 5= Information about the new plans/initiatives by the employees

Item 6= Employees are never too busy to respond to the customers' request

Item 111= Employees give their customer short waiting time or fast service turnaround

**Inference:**

For the item 5, item 6, item 111 null hypothesis is accepted and it is concluded that there is no significant difference between means of male & female. As can be seen in the Table SERVQUAL scores of male & female are almost same (or no significant difference) for these three Items (5, 6, and 111). This shows that meeting male & female expectations is same when considered in terms of service dimension responsiveness.

**Table 9: Independent Sample Test on Gender and Assurance**

**Group Statistics**

	Gender	N	Mean
item 1	male	424	3.50
	female	76	3.46
item 2	male	424	3.49
	female	76	3.37
item 3	male	424	3.60
	female	76	3.59

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	Df	Sig. (2-tailed)
item1	Equal variances assumed	.235	.628	.314	498	.754
	Equal variances not assumed			.308	102.057	.759
item2	Equal variances assumed	2.024	.155	1.053	498	.293
	Equal variances not assumed			1.155	113.122	.251
item3	Equal variances assumed	.099	.753	.051	498	.959
	Equal variances not assumed			.051	104.408	.959

According to Levene's Test for Equality of Variances Equal variances assumed is used to check the significance of mean difference. For these data, Levene's test is non significant for the item1, item 2 and Item 3 (because  $p=0.628$ ,  $p=0.155$  and  $p= 0.753$  respectively, which is greater than 0.05) and so we should read the test statistic in the row labeled **Equal Variances assumed** for the item 1, item 2 & Item 3.

**Equal Variances assumed**

In this case the two tailed value of p is 0.754, 0.293 and 0.959 respectively for the item 1, 2, 3. All the values i.e. the values for the item 1, item 2 and Item 3 are greater than 0.05, so we conclude that there was no significant difference between the means of male & female with respect to item 1, item 2 and Item 3.

**Inference:**

For the item 1, item 2, item 3 null hypotheses is accepted and it is concluded that there is no significant difference between means of male & female. As can be seen in the Table SERVQUAL scores of male & female are almost same for these three Items (1, 2, and 3). This shows that meeting male & female expectations is same when considered in terms of service dimension Assurance.

**Table 10: Independent Sample Test on Gender and Empathy**

**Group Statistics**

	Gender	N	Mean
item8	male	424	4.39
	female	76	4.32
item 9	male	424	3.96
	female	76	3.55
item 10	male	424	4.51
	female	76	4.51
item 11	male	424	3.63
	female	76	3.70
item 12	male	424	4.38
	female	76	4.30

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	Df	Sig.(2 tailed)
item8	Equal variances assumed	2.227	.136	.764	498	.445
	Equal variances not assumed			.673	94.535	.503
item9	Equal variances assumed	11.249	.001	3.110	498	.002
	Equal variances not assumed			2.829	96.541	.006
item10	Equal variances assumed	1.868	.172	.011	498	.991
	Equal variances not assumed			.010	94.611	.992
item11	Equal variances assumed	.603	.438	-.636	498	.525
	Equal variances not assumed			-.655	106.400	.514
item12	Equal variances assumed	2.290	.131	.866	498	.387
	Equal variances not assumed			.764	94.665	.447

According to Levene's Test for Equality of Variances Equal variances assumed is used to check the significance of mean difference. For these data, Levene's test is non significant for the item8,

Item 10, Item 11, Item 12 (because  $p=0.136$ ,  $p=0.172$ ,  $p=0.438$ ,  $p=0.131$  respectively, which is greater than 0.05) but for item 9  $p= 0.001$ , which is less than 0.05. So we should read the test statistic in the row labeled **Equal Variances assumed** for the item 8, Item 10, Item 11, Item 12 and in the row labeled **Equal Variances not assumed** for the Item 9.

### Equal Variances assumed

In this case the two tailed value of  $p$  is 0.445, 0.991, 0.525, and 0.387 for the item 8, 10, 11, 12. All these values i.e. the values for the item 8, Item 10, Item 11, Item 12 are greater than 0.05, so we conclude that there was no significant difference between the means of male & female with respect to item 8, Item 10, Item 11, Item 12.

### Equal Variances not assumed

In this case the two tailed value of  $p$  is 0.006 for the item 9. This value i.e. the value for the item 9 is less than 0.05, so we conclude that there was significant difference between the means of male & female with respect to item 9.

### Inference:

For the item 8, item 10, item 11, item 12 null hypothesis is accepted and it is concluded that there is no significant difference between means of male & female. As can be seen in the Table SERVQUAL scores of male & female are almost same for these Items (8, 10, 11 and 12). This shows that meeting male & female expectations is same when considered in terms of service dimension empathy for the items 8, 10, 11, 12.

Whereas for the item 9 null hypothesis is rejected and it is concluded that there is significant difference between means of male and female, this is also clearly visible from the table SERVQUAL scores of male and female. Male (mean = 3.96) and female (mean = 3.55). This shows that meeting male & female expectations is not the same when considered in terms of service dimension empathy for the item9.

## FINDINGS

The profiles focus on the demographic and economic of respondents. It shows that out of 498 respondents, 84.8% of the respondents are male and 15.2% are female.

The highest education level attained by most of the respondents was Degree (graduate) level (49.6%), followed by masters (34.4%) and Intermediate (10.4%). It shows that majority of respondents were educated with high qualifications.

The occupations of respondents were varied. The majority of the respondents were in businessman/self employed (32.8%) group, followed by private job (26.2%), others are lawyer (8.2%), teacher (6.8%), housewife (7.6%) and govt. employee (11.2%).

In term of household income, the majority of respondents were in the income group 1 – 3 lacs (42%), while the second highest group was 3 - 6 lacs (34%).

The result showed that the majority of the respondents choose LIC (67.6%), followed by ICICI Prudential (12%), Bajaj Allianz (6%) and Max Newyork (4.4%), Birla Sunlife & Others (2.8%), Tata AIG (2%), Aviva (1.6%), Kotak Mahindra (0.8%).

In this research, service quality and customer satisfaction were reviewed. SERVQUAL methodology is used as an analytical approach for evaluating the difference between customers' expectations and perceptions of quality was also studied.

While this research provides some perspectives to the field of service quality, it is believed that there are a number of things that should be done to confirm the demonstrated methodologies as well as to expand the use of SERVQUAL in design and improvement of quality services.

Just as the SERVQUAL instrument is extensively used to assess external service quality, the instrument can also be modified to assess the quality of the internal service provided by



departments and divisions within a company to employees in other departments and divisions. The results of the research illustrate that organizations can at least assess five dimensions of service quality to ascertain the level of services provided, and to determine which dimensions need improvement. The satisfaction of the customer with the services of Life Insurance Companies is linked with the performance of the service.

In order to improve service quality, it is necessary to contact employees regularly and assess their service experiences. Like the external customer, an internal customer too considers categories of service attributes, such as reliability and responsiveness, in judging the quality of the internal service. With the knowledge of the internal service quality dimensions, the service organizations can then judge how well the organization or employees performed on each dimension and managers could identify the weakness in order to make improvements. Future research should seek to examine the use of SERVQUAL to close other service quality gaps for different types of organizations. Also, an important issue for future research is about the relationship between internal service quality and external customer satisfaction as well as other constructs, such as employee service orientation, and external service quality.

## CONCLUSION

In conclusion, knowing how customers perceive the service quality and being able to measure service quality can benefit industry professionals in quantitative and qualitative ways. The measurement of service quality can provide specific data that can be used in quality management; hence, service organizations would be able to monitor and maintain quality service. Assessing service quality and better understanding how various dimensions affect overall service quality would enable organizations to efficiently design the service delivery process. By identifying strengths and weaknesses pertaining to the dimensions of service quality organizations can better allocate resources to provide better service and ultimately better service to external customers.

Generally speaking, the study of service quality is both important and challenging. Future efforts should continue to advance the understanding of the concept and the means to measure and improve service quality.

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