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SERVICE QUALITY IN INSURANCE COMPANIES

Corneliu Bențe
University of Oradea, The Faculty of Economics, Oradea, Romania
corneliubente@yahoo.com

Abstract: *Insurance services are a special category of services, characterized by a high standardization and at the request of customers to protect themselves from a number of financial losses that they may suffer as a result of risks. For this reason, it is very important that insurers provide quality services to customers. Customer satisfaction is paramount for attracting new customers and retaining existing ones, thus achieving a loyal customer base. They will recommend the insurance company and other potential customers if they are satisfied, thus increasing the market share of the insurance company. The quality of insurance services and the relationship between the insurance company and the client have been the subject of many studies over time, most often being followed by the impact that the quality of services has on their behavior. Starting from the identified problem, I set out in this paper to look at how consumers' perceptions of the quality of insurance services influence their perceptions of their relationship with the insurance company and implicitly their behaviour towards it.*
Starting from these approaches, we aimed in this paper to see what is the meaning given by the consumers of the insurance services of the company Allianz Țiriac to the concept of quality of insurance services.
Our study consisted of an extensive process, carried out in several stages of work, namely: elaboration of the questionnaire addressed to the insurance company's clients, establishing the sample, collecting data based on questionnaires, centralizing and processing the data and interpreting the results.
The case study took place over a month, on a sample of 300 people, most of the respondents are between 26 and 45 years old, who work in the private sector and came monthly between 1800-290 lei.
The GAP analysis highlights some aspects of the services offered by Allianz Țiriac. A negative GAP highlights the unfavorable aspects of the services provided by the insurance company and raises an alarm about the situation of the company.

Keywords: *customer, satisfaction, insurance, gap, perception, expectation*

JEL Classification: *G21, M31*

1. Introduction

In the literature there is an approach according to which the quality of services must be conceptualized and operationalized both with the help of perceptions of service performance and with the help of expectations (Parasuraman, Zeithaml and Berry).
Another current of criticism of the above-mentioned approach led by Cronin and Taylor then emerged, suggesting the conceptualization and measurement of service quality similar to the attitude only with the help of perceptions of service performance.
Age has been analyzed in the literature as a determinant of consumer satisfaction (Decker, 1981; Weitzer, Tuch, 2005). Young respondents reported a lower level of satisfaction with Lebanese postal services than older people, especially those in the most productive age group (Dima Jamali, 2007, p.378).

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2. Measuring the quality of services

Most of the methods of measuring and evaluating the quality of services developed and published in specialized papers are based on conceptual models of service quality. From a structural point of view, the methods are similar: a hierarchical structure of service quality characteristics (dimensions and attributes), measurement procedures, formulas and / or algorithms for determining and calculating service quality indicators is proposed. Representative methods include: SERVQUAL (Parasuraman, Zeithaml and Barry, 1988), SERVPERF (Cronin and Taylor, 1992), EP (Teas, 1993), SITEQUAL (You and Donthu, 2001), Webqual / eQUAL (Barnes and Vidgen , 2005), EtailQ (Wolfinbarger and Gilly, 2003), EWAM (Schubert, 2003), e-SERVQUAL (Zeithaml, Parasuraman, Malhotra, 2002), ESQUAL (Parasuraman, A., Zeithaml, VA, Malhotra, 2005) and WebQEM (Olsina, Rossi, 2002).

SERVQUAL was the first method developed and applied to evaluate the quality of services and was the subject of a large number of experiments reported in specialized publications. The method has also been applied and tested in the field of services. It should be noted that all other methods have been developed starting from the SERVQUAL conceptual architecture.

Although widely applied, the SERVQUAL method has received numerous criticisms regarding the number of dimensions, the calculation of indicators, the measurement scale, etc. As a result of the experiments performed, the three specialists came to the conclusion that the quality of a service is influenced by many determining factors, called "dimensions" of service quality.

The 10 dimensions of service quality that the authors (Parasuraman, Zeithaml and Barry) proposed in 1985 are: reliability, receptivity, credibility, kindness, security, competence, accessibility, communication, understanding the client and tangibility.

Reputable American researchers calculate the GAP in the form of the difference between the perceptions and expectations of the beneficiaries regarding the quality of the services. The authors (1988, p. 17) present expectations in the form of consumer desires, which they consider that the service should provide, and perceptions refer to consumers' beliefs about the service provided, but restrict in five dimensions all the previous 10 dimensions.

- tangibility, which includes the existing physical facilities;
- reliability, which refers to the institution's ability to communicate accurately and according to commitments;
- receptivity, which includes the steps of the institution in providing prompt services and providing support to citizens;
- safety, which refers to the competence, respect and honesty of employees;
- empathy, which aims at treating each client with due attention, ease of contact and communication with him.

We considered it important to present in this paper what is the meaning given by the consumers of the insurance services of the company Allianz Țiriac to the concept of quality of insurance services.

We can agree that the service quality is the gap between customer expectations regarding the service and quality and the perception after the use of the service. If the consumer gets a higher perception after using the service than his expectations about it, we can say that is a quality service.

The SERVQUAL model consists in questioning customers through 22 statements about their perception regarding the quality of service, as well as 22 statements about their expectations regarding quality. Respondents are asked to evaluate those statements using a five-step Likert scale. The statements represent the dimensions of service quality based on five

groups of factors that determine customer satisfaction: seriousness, tangibility, promptness, security and empathy.

In the study, the target population targeted people who accessed the insurance services offered by Allianz Țiriac between January and February 2021. This population was chosen because it was the most appropriate to provide answers about the degree of satisfaction felt after accessing the services offered by the insurance company. Due to the fact that the author did not have access to a list of personal data of the insured, it was not possible to use a probabilistic sampling method, using instead a non-probabilistic sampling method, respectively the rational selection method. This is a sampling method by which the population is intentionally selected based on the researcher's judgment.

To test the internal consistency of the questionnaire, the Cronbach's alpha coefficient (α) introduced by the American psychometricist Lee Cronbach in 1951 was calculated. The Cronbach's alpha coefficient is most often used in this regard in the literature. The value of the Cronbach alpha coefficient of at least 0.70 is considered to be the criterion to demonstrate the internal consistency and validity of the research instrument (Nunnally, 1988, p. 96).

The level of the coefficient regarding the dimensions of the insurance services reached values higher than 0.7 except for the empathy dimension where the value was 0.557. Due to the insufficient internal consistency as well as the manifest doubt of the clients in answering, item 23 was abandoned.

After removing this item, both the questionnaire on expectations and the one on citizens' perceptions included 22 items each. The Cronbach's alpha coefficient was calculated separately, on each dimension for both expectations and perceptions.

3. Purpose and objectives of quantitative research

The purpose of this approach was to identify the expectations and perceptions of customers regarding the insurance services offered by Allianz Țiriac.

The main objectives of the research were:

- determining the gap between customers' perceptions and expectations regarding the insurance services offered by Allianz Țiriac.
- determining the aspects that influence customers' perceptions regarding the insurance services offered by Allianz Țiriac
- verifying the influence of the age variable on customer satisfaction with the insurance services provided by Allianz Țiriac

There is a relatively small number of articles in the literature that address the quality of insurance services and the degree of customer satisfaction with the insurance services provided.

In the works of several authors (Dotchin, Oakland, 1994, p.23), it has been shown that there are significant differences in the perceived level of quality of services on the dimensions of SERVQUAL, that there are differences in perception of satisfaction with services provided by questioned (Dimitriades, Maroudas, 2007, p.40), that there are differences in the perception of satisfaction with the services provided depending on occupation, age and environment: urban or rural (Jamali, pp.376-378).

The research hypothesis was established taking into account the state of knowledge regarding the approached subject and the results of the qualitative research undertaken.

H1. There are significant differences across the five dimensions of customer satisfaction (tangibility, reliability, responsiveness, security and empathy) in terms of customer service satisfaction depending on the age of the customer.

4. Determining SERVQUAL score

Determining the SERVQUAL score involved going through the following steps:

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The first stage in the evaluation of the quality of the insurance services consisted in calculating the average and the standard deviation for each of the 22 pairs of expectations / perceptions statements;
The second stage involved the calculation of the difference between the perceptions and expectations of the clients regarding the insurance service quality;
The third stage involves the interpretation of the SERVQUAL score.
The values of the SERVQUAL score can be the following:
- positive values that suggest that at the level of the insurance service quality is better than expected;
- negative values, which highlight that at the level of the insurance service quality is weak;
- zero value, which means a satisfactory level of satisfaction.

SERVQUAL score = Perception score - Expectations score

To measure the values of the five dimensions, the scores of all the items within each dimension are summed and divided by the total number of items that make up that dimension.
The calculation of the mean and standard deviation, but also the testing of all hypotheses were performed in SPSS.
It is easy to see from Table 1 that there is an obvious difference between the averages of all dimensions corresponding to customer expectations and their perceptions of insurance services.
The SERVQUAL score is negative, there is a significant negative difference between customers' perceptions and expectations regarding insurance services. This result indicates an inefficient performance of the insurance company.

Table 1. Distribution of the values of the results of customer expectations and perceptions

DIMENSION	Exepectation		Percepţii		GAP
	Average	Std. deviation	Average	Std. deviation	P-E
TANGIBILITY	4,27	0,801	3,34	0,928	-0,93
RELIABILITY	4,65	0,587	3,63	0,941	-1,02
RECEPTIVITY	4,41	0,732	3,87	1,001	-0,54
SAFETY	4,62	0,522	3,84	0,916	-0,78
EMPATHY	4,49	0,567	3,38	1,1078	-1,11
TOTAL	4,38	0,642	3,65	0,978	-0,87

The largest difference between the averages of perceptions and expectations is given by the empathy dimension (-1.11), and the smallest difference occurs in the case of the receptivity dimension (-0.54).

5.Data analysis

Following the application of the questionnaires, the data were analyzed using SPSS version 20.0.
First, the internal consistency was determined for each of the five SERVQUAL dimensions, in order to evaluate the reliability of each dimension to assess whether all items in that dimension actually refer to the same phenomenon, so that there is a correlation between the items of each dimension. This is measured using Cronbach's correlation statistics on a scale of 0 to 1, where 1 denotes a perfect correlation between item scores and zero suggesting that there is no correlation between item scores. Values greater than 0.7 are considered acceptable in terms of fidelity and validity (George, Mallery, 1995, p.226).

To test the internal consistency, the Cronbach's alpha coefficient was calculated for each dimension. The composition of the five dimensions for both perceptions and expectations is as follows:
- tangibility - 4 items;
- reliability - 4 items;
- receptivity - 7 items;
- safety - 4 items;
- empathy - 3 items.

6. In conclusion

In order to achieve the established objective, the expectations and perceptions of the clients were identified in order to determine their satisfaction regarding the insurance services. In this regard, customer questionnaires were applied for direct data collection. The questionnaires were designed following the adaptation of the SERVQUAL scale.

There is no clear consensus in the literature on the number of dimensions of service quality. Analyzing the model proposed by Grönroos (1984), the quality of the service can be seen through the prism of two dimensions, the technical quality (what "offers" the service) and the functional quality (the way in which the service process takes place, its result), and then the measuring instrument developed by Parasuraman and his collaborators in 1985 which contained 10 dimensions which were later grouped in 1988 into five dimensions, it was decided to use the measuring scale containing five dimensions with 22 items.

The SERVQUAL score of -1,077 suggests that the insurance process at Allianz Țiriac requires improvements on all five dimensions, as each of them recorded a negative score. The lowest score is found in the case of the empathy size -1.11, then also below the threshold "- 1" is the reliability dimension with the value -1.02, then the tangibility dimension with an intermediate score of -0.93, the score - 0 , 78 belongs to the safety dimension and the highest score -0.54 is of the receptivity dimension.

Age has been analyzed in the literature as a determinant of consumer satisfaction Following the verification of the hypotheses, it is observed that there is a weak negative link between the age range of the citizens and their satisfaction regarding the insurance services ($r = -0.167$, $p = 0.001$ less than 0.05). The results corresponded to the mentioned studies, the biggest difference in perception of the satisfaction of the insurance services was between the participants aged "18-25 years" and those aged "26-35 years". The lowest level of satisfaction with insurance services is felt by people aged "18-25 years", and the highest level of satisfaction with insurance services is felt by people aged between 26-35 years, and the level of satisfaction will then decrease in proportion to the age range. The older the customers, the lower their satisfaction with communicating with insurance services.

Regarding the results of this research, the age has affected customer satisfaction with insurance services.

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