OPEN ACCESS

Saudi Journal of Business and Management Studies
Abbreviated Key Title: Saudi J Bus Manag Stud
ISSN 2415-6663 (Print) |ISSN 2415-6671 (Online)
Scholars Middle East Publishers, Dubai, United Arab Emirates
Journal homepage: http://scholarsmepub.com/sjbms/

Original Research Article

Determinants of the Customer Satisfaction in Motor Insurance

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DOI:10.36348/SJBMS.2019.v04i09.009 | **Received:** 16.09.2019 | **Accepted:** 25.09.2019 | **Published:** 30.09.2019

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Abstract

Motor insurance has become as an essential aspect of the daily life playing a significant role in providing the cover mainly to the road vehicles and third party lives and property against accidental damage and many other perils including the natural disasters. Not like in other commercial contracts for the tangible products, the insured has no opportunity to examine the product prior to purchase. Accordingly, the customers get experience about the service provider after purchasing the product. At present, there are 28 insurance companies operating in Sri Lanka and out of which, fifteen companies offer the covers for the motor vehicle. Insurance companies make huge efforts to attract new customers and to retain the existing customers with them, as they experience switching the motor policy holders to competitors at the renewal due to many reasons. Accordingly, long term retention of motor policy holders by the insurers is a significant issue in the motor insurance industry in Sri Lanka. The problem of this study include "How the key determinants of service quality affect towards the customer satisfaction and whether there is effect of customer satisfaction on behavioral intention to retain with reference to motor insurance policy holders in insurance companies in Sri Lanka". The population of this study were the motor insurance policy holders in the Western Province and the sample consisted with 125 motor policy holders selected through random sampling technique. Self-administered structured questionnaire was used to collect the primary data and the data was analyzed using Minitab software and the SPSS software packages to examine the customers' attitudes towards the existing situation of the service quality of the motor insurers and to examine the customer satisfaction and intention behavior to retain with existing company. It was found that, customers were neither disagree nor agree with the existing situation of the insurers. Further, it was found that, there was strong positive relationship between functional quality dimensions with customer satisfaction, except tangible and assurance dimension which are having moderate positive relationship between the variable. Further, it was found that price, technical quality and image dimensions also having moderately positive relationship with customer satisfaction.

Keywords: Motor insurance, customer satisfaction, behavioral intention, customer retention.

INTRODUCTION

Motor insurance plays a significant role in providing the insurance cover to the road vehicles and becoming an essential aspect of the daily life. Particularly the third party motor insurance provides the cover against third party bodily injuries, deaths and property damages caused by the motor vehicles and the comprehensive motor insurance policy provides the cover to the own damage of the vehicle, along with the third party cover. At present there is a keen competition among the insurance companies to attract and retain more customers and increase their market share in motor insurance. Hence, service quality and customer satisfaction are very important aspects that companies must understand in order to remain competitive in business and grow. It is very important for companies to know, how to measure these constructs from the customers' perspective in order to better understand their needs and satisfy them. Insurance companies are using different marketing strategies to attract new clients and successfully differentiate from other competitors, and compete with rivals by raising their

market shares and increasing profitability. They invest in marketing, sales and distribution, research and development, and other functional departments to meet customers' needs better.

Industry Overviews

During the year 2017, 28 insurance companies were operating in Sri Lanka and generated a total Gross Written Premium (GWP) income amounting to Rs. 163,623 million from both long term and general insurance sectors collectively recording a growth of 15.07% in 2017 compared to 16.35% growth rate recorded in 2016. Two companies were composite insurers and 13 companies transacted only general insurance business and balance 13 companies were transacting long term insurance business. At the end of 2017, total number of agents attached to the insurance companies amounted to 45,228 and there were 60 companies registered as insurance brokers. Out of said 61 companies, 41 companies were registered in both long term and general insurance brokering business while 19 companies were registered only in general insurance brokering business IRCSI, 2017.

Fifteen insurance companies were operating general insurance business in the insurance market in Sri Lanka and general insurance sector recorded a total GWP income amounting to Rs. 93,119 million in 2017, reflecting a growth of 17.1% compared to GWP Rs. 79,590 million recorded in 2016. Motor insurance as the driving force, continued its dominance in general insurance business representing 60.22% of the total GWP of general insurance business in 2017. GWP of motor insurance business has increased to Rs. 56,072 million in 2017, compared with Rs. 49,331 million in 2016. Motor insurance business remained as the highest retained class of general insurance business during last five years. During 2017, motor insurance has recorded a retention ration of 96.13%. However, premium ceded to the reinsurance companies for motor insurance has been increased from Rs. 1,233 million in 2016 to Rs. 2,170 million in 2017 due to enhancement in reinsurance cover due to adverse weather during last two years IRCSL, 2017.

Research Problem

At present fifteen insurance companies are operating general insurance business in Sri Lanka and motor insurance is the dominant class of business of almost all those insurers. Attraction of new customers and retention of existing customers are the major challenges faced by almost all the companies due to keen competition among them to acquire substantial part of the market share and lead the market in motor insurance business. Insurance companies follow different strategies to satisfy the customers through various forms in order to enhance their customer network and the profitability in motor insurance business. In spite of the efforts made by the insurance companies to retain the customers with them, they experience switching the motor policy holders to competitors at the renewal. Accordingly, long term retention of motor policy holders by the insurers is a significant issue in the motor insurance industry in Sri Lanka. Hence, the research problem of this study include "How the key determinants of service quality affect towards the customer satisfaction and whether there is effect of customer satisfaction on behavioral intention to retain with reference to motor insurance policy holders in insurance companies in Sri Lanka".

Research Questions

1. What is the existing situation of service quality and customer satisfaction in motor insurance industry in Sri Lanka?
2. To what extent does satisfaction influence the behavior intention of the customer?
3. What strategies are implemented by the insurance companies to satisfy the customers in order to enhance the customer network?

Research Objectives

The general objective of this study is to identify key determinants of service quality towards customer satisfaction and examine whether there is effect of customer satisfaction and behavioral intention retain of the customers with special reference to the motor insurance policy holders in insurance industry in Sri Lanka. The specific objectives of this study include;

- To identify the existing situation of service quality and customer satisfaction in motor insurance industry in Sri Lanka.
- To identify the relationship between customer satisfaction and consumers' behavioral intentions in motor insurance industry in Sri Lanka
- To identify the key service quality determinant provided by the motor insurance industry in Sri Lanka towards the customer satisfaction.

Significance of the Study

To the management of general insurance companies, the findings and results that will be reported in this study will provide a more reliable scientific measure and perspective for describing and evaluating the level of their customer satisfaction. The study will also serve as a valuable source of information that brings to understand switching intentions of their respective customers. Study essentially uncover the dimensions of service quality that customers consider as important as well as customers' intention to switch to other competitor insurance companies. Therefore this will provide empirical support for management strategic decisions in several critical areas of their business operations. The finding and results of this study will provide valuable insights and a more reliable guide to the policy makers like government agencies such as the Insurance Regulatory Commission of Sri Lanka, monitoring the impact of the operations of general insurance industry. To other stakeholders like

investors, shareholders, employees, consumer associations, among others, the study will provide valuable information, which will allow them to provide useful suggestions to the improvement in service delivery of their respective insurance companies in Sri Lanka

LITERATURE REVIEW

In commercial contracts of tangible products, the buyer has the opportunity to examine the product prior to purchase. Accordingly, the maxim of 'caveat emptor' or 'let the buyer beware' applies to the transactions of tangible products. However, in case of insurance contracts, the buyer has no such opportunity to examine the product prior to purchase and accordingly the maxim of caveat emptor does not apply. Not like in other commercial contracts, insurance contracts are mainly based on the principle of utmost good faith and the attraction of potential customers and retention of the existing customers mainly depend on customer satisfaction. Consumer satisfaction has been conceptualized in the marketing literature as the difference between perceived performance of a product/service and some cognitive standards such as expectation and desire of consumers [1, 2]. In this regard satisfaction is the result of perceived product performance and some expectation or desire of consumers. This results in a confirmation or disconfirmation of customer expectation and desire.

Satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product's performance (outcome) in relation to his or her expectation [3]. Accordingly, satisfaction is a psychological effect that involves the feeling of well-being and pleasures that result from obtaining what one hopes for and expects from the product and/or service. Oliver [4], suggest that. Customer satisfaction is a consumer's post-purchase evaluation and affective response to the overall product or service experience.

The present study will also examine the relationships that exist between customer satisfaction and behavioral intentions of customers such as likelihood to recommend re-purchase intentions and switching intention in motor insurance industry. Since many factors drive for the customer satisfaction, all those factors needed to be examined in order to measure the level of customer satisfaction. Customer satisfaction could be influenced by service quality and the customer service experiences [4, 5]. A service experience is defined as the service encounter and/or service process that creates the customer's cognitive, emotional and behavioral responses which result in a mental mark, a memory [6].

Asubonteng, McCleary, Swan [7] defined service quality as the extent to which a service meets customers' needs or expectations. This view of service quality has been supported by Parasuraman, Zeithaml and Berry [8] defining the concept of service quality as ″a form of attitude, related, but not equivalent to satisfaction, that results from a comparison of expectations with perceptions of performance. In motor insurance, if the service provided by the insurer not up to the expected level by the insured, the result will be switching the customer to a competitor at the renewal of the insurance.

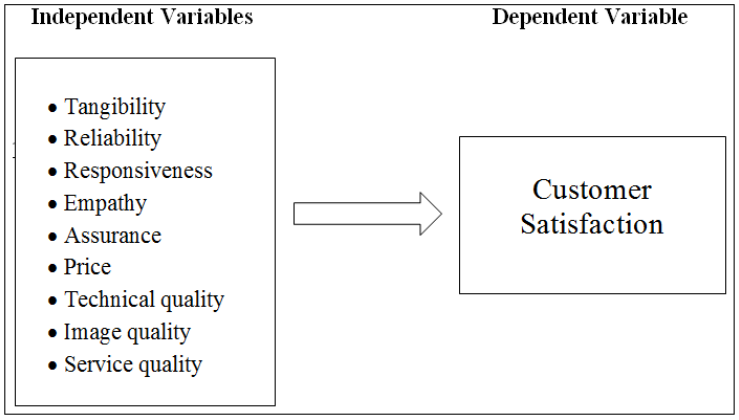
Customer satisfaction is driven by perceived price or value. Though the concept of value is relative and has several dimensions to it, Zeithaml [9] considers customers value as the overall assessment of the utility of a product based on perception of what is received and what is given. Dodds *et al.*, [10], controverter that customers perceptions of value represent a trade-off between the quality or benefit they receive in the product relative to the sacrifice they perceived by paying the price. In motor insurance, since there is no tariff rates set by a regulatory body in Sri Lanka, the price or the premium for the same vehicle varies among the different insurance companies. Accordingly, the perceived value process involves a trade-off between what the customer gives such as price/money, sacrifices, perceived risk, opportunity cost, and learning cost in exchange for what he/she gets such as quality, benefits, utilities [11, 9]. One of the most recent researches in the work of Hume & Mort [12] confirms that value or price quality is a positive predictor of satisfaction.

Kauppinen-Raisanen [13], view that the implication of the antecedents of customer satisfaction is that managers must take effective strategies to manage customer perceived quality, customer expectations, and customer perceived value in order to reap the full benefits of customer satisfaction measurement. Bruhn [14], views customer satisfaction as an experience based assessment made by the customer of how far his own expectations about the individual characteristics and other overall functionality of the services obtained from the provider have been fulfilled. The present study will include functional quality, technical quality, image and price as the determinants of customer satisfaction.

More recent studies view satisfaction as an outcome or end result during the process of the consumption of a service; it is viewed as a post-purchase experience [15]. This view has its roots in motivation theories that postulate that people are driven by the desire to satisfy their needs or that their behavior is directed at the achievement of relevant goals [16]. In this way satisfaction is perceived as a goal to be achieved and can be described as consumer fulfillment response [17]. In the context of Sri Lanka Insurance Industry, believe that customers, through the promotional activities of the Insurance Services in Sri Lanka, have developed certain expectations and set of desired services of the Industry. These are important in

determining their satisfaction of the services received/given. The determinants of satisfaction were based on the service quality models and price. In understanding service quality and its dimension, the study adapts service quality model developed by Gronroos [18]. It consists of functional quality, technical quality and image quality.

Conceptual Framework



HYPOTHESIS

Based on the conceptual framework, the hypotheses of this study include;

H_1: There is a direct relationship between tangibility and customer retention in motor insurance

H_2: There is a direct relationship between reliability and customer retention in motor insurance

H_3: There is a direct relationship between responsiveness and customer retention in motor insurance

H_4: There is a direct relationship between Empathy and customer retention in motor insurance

H_5: There is a direct relationship between assurance and customer retention in motor insurance

H_6: There is a direct relationship between price and customer retention in motor insurance

H_7: There is a direct relationship between technical quality and customer retention in motor insurance

H_8: There is a direct relationship between image quality and customer retention in motor insurance

H_9: There is a direct relationship between service quality and customer retention in motor insurance

RESEARCH METHODOLOGY

The population of this study was the motor insurance policy holders in Western Province and the data was collected from a sample of 125 motor insurance policy holders to represent five general insurance companies. Insurance companies operated 1,971 branches island wide as at the end of 2016 and highest number of branches were located in the Western Province which amounted to 657 and represented 33.33% of the entire branch network [19]. The probability random sampling technique was applied to select the 125 motor insurance policy holders in Western Province. Self-administered structured questionnaire was used to collect the data, which includes closed questions in retrieving data affecting customer satisfaction and retention. The questionnaire was developed in order to collect primary data with five point Likert's scale of Strongly Agree (5), Agree (4), Neither agree nor disagree (3), Disagree (2) and Strongly Disagree (1). The secondary data has also been collected from the Annual Reports of Insurance Board of Sri Lanka (now Insurance Regulatory Commission of Sri Lanka), journals, books, magazines, and from the search of web sites etc. Collected primary data was analyzed using Minitab software and SPSS technique. Pearson' correlation analysis was used to test the relationship in hypotheses.

Data Analysis

Collected primary data was analyzed using Minitab software version 15 and Statistical Package for Social Sciences (SPSS) version 17. To extend the objectives of the research, data were analyzed using descriptive statistical techniques, correlation coefficients analysis and regression analysis. Descriptive statistic was used to obtain a frequency counts, percentages, means and standard deviations for the dependent and independent variables. In this regard, the dimensions were rank according to their means to determine the relative importance of the service quality dimensions.

Descriptive statistics relating to independent variable

Following Table-1 shows the descriptive statistics relating to independent variables.

Table-1: Descriptive statistics relating to independent variables

Variable	Mean	Standard deviation
Tangible	2.333	0.259
Reliability	2.887	0.517
Responsiveness	2.597	0.324
Empathy	2.707	0.443
Assurance	2.437	0.259
Price	2.000	0.432
Technical quality	2.800	0.395
Image quality	2.617	0.443
Service quality	2.597	0.235

Source: Based on analyzed data

According to the Table-1, the "Mean" with respect to tangible, reliability, responsiveness, empathy, assurance, price, technical quality and image quality were 2.333, 2.887, 2.597, 2.707, 2.437, 2.000, 2.800 and 2.617 respectively. These values were fallen in to the category of almost disagree and neither disagree or agree.

It can be identified that motor policyholders were almost disagree with existing situation of tangibility and assurance provide by insurance companies in Sri Lanka. Therefore it can be identified that motor policy holders were almost disagree with tangible indicators such as access to information, visually attractiveness, entertainment facility and appearance of the company staff, and also motor policy holders were almost disagree with the assurance indicators such as ability of providing value added service, sincerity and patience and behavior of employees.

It can be recognized that the motor policy holders were neither disagree nor agree with existing situation of reliability, provide by insurance companies in Sri Lanka. It can be concluded that motor policy holders were neither disagree nor agree with timeliness of delivery insurance services, truthfulness of insurance company, dependable and consistent, ability of perform services first time, ability of maintaining error free records. Further, the reliability has highest mean value when compare with other variables.

Further, the analysis revealed that the motor policyholders neither disagree nor agree with existing situation of responsiveness and empathy provide by insurance companies in Sri Lanka. When consider about the responsiveness, it can be recognized that the motor policyholders neither disagree nor agree with keep promise, prompt customer service, respond for request and staff support. As well as general policyholders were neither disagree nor agree with insurance companies provide empathy indicators such as favorable terms and conditions, operating hours convenient, sound loyalty programme, customer interest at heart, makes efforts fill to the specific customer needs.

When consider about the price dimension, it can be recognized that motor policy holders were almost disagree with existing situation of price provide by insurance companies in Sri Lanka. It gave the sense those policyholders almost disagree with affordability of insurance premium charges and affordability of other services charges. Furthermore, it has revealed that the price has lowest mean value when compare with other variables.

Nevertheless, it can be identified that motor policyholders neither disagree nor agree with existing situation of technical quality provide by insurance companies in Sri Lanka, it can be concluded that motor policyholders were neither disagree nor agree with claims settlements, company innovativeness, providing adequate variety of insurance policies, technological knowledge and skills of the employees

It can be recognized that mean value with respect to the image quality of the insurance company was 2.617, It was identified that motor policyholders were neither disagree nor agree with existing image quality with insurance companies in Sri Lanka.

Finally, It can be recognized that mean value with respect to the service quality of the insurance company was 2.597. It was articulated that motor policyholders were neither disagree nor agree with existing situation of service quality provided by the insurance companies in Sri Lanka

Standard deviation was measured that how far one value range away from the mean. Values of standard deviation for tangible, reliability, responsiveness, empathy, assurance, price, technical quality and image quality were 0.259, 0.517, 0.324, 0.443, 0.259, 0.432, 0.395 and 0.443 respectively. It means to suggest that there were no higher disperse from mean value regarding above eight variables because all values were less than 01. It can be identify reliability was more deviated from mean when compared with other variables. When consider about the overall service quality, it was 0.235, Therefore it can be concluded that there was no higher deviation from mean value with respect to the overall service quality.

Descriptive Statistics Relating To Dependent Variables

Table-2: Descriptive statistics relating to dependent variables

Variable	Mean	Standard deviation
Customer Satisfaction	3.000	0.559

Source: Based on analyzed data

According to the Table-2, the "Mean" with respect to customer satisfaction were 3.000. These value is fallen into the category of neither disagree nor agree. Accordingly it can be identified that moto policyholders were neither disagree nor agree with existing situation of customer satisfaction. Therefore, it can be concluded that motor policyholders were neither disagree nor agree with what they received service as ideal/desired, met expectations and general policyholders were neither disagree nor agree with consider the overall satisfaction

Standard deviation value for customer satisfaction was 0.559. It explained that there were no high deviations from mean value with respect to above variable because it can be identified that all values were less than 01.

Simple Linear Regression Analysis

Table-3: Regression Analysis of service quality versus customer satisfaction

Predictor	Coefficient	SE Coefficient	T - value	P - value
Constant	-2.416	0.389	-6.205	0.000
Service Quality	2.085	0.149	13.969	0.000

Source: Based on analyzed data

Because of the coefficient value -2.4155, it suggests that when service quality is equal to zero, customer satisfaction is reducing by 2.416. Further coefficient value 2.085 suggests that when service qualities are changing by one unit, customer satisfaction is changing by 2.085. By using given information in Table-3, regression equation can be articulated as follows.

Customer Satisfaction = -2.416+ 2.085 Service quality.

Table-4: Model Summery of linear regression analysis

Figure	Value
R Square	77.1%
Adjusted R square	76.7%
Standard error of the estimate	0.2699

Source: Based on analyzed data

According to the Table-4, coefficient of determination or R square value was 77.1%. It was suggested that 77.1% of customer satisfaction variation that is explained by its relationship with service quality. Therefore, it can be identified that there was 22.9% unexplained variation. It gave the sense that model was fitted with data because explained variation was highly significant than unexplained variation.

When consider about the standard error of the estimate, it represented that standard deviation of sampling distribution. In other word it explained that how data were estimate was 0.2699. It suggested that model was fitted well because value of standard error of the estimate was less than mean value of depended variable (Mean value of customer satisfaction was 3.00).

Analysis of variance was presented in the following Table-5 and it was included degree of freedom, sum of square, F value and P value.

Table-5: Analysis of variance (Linear regression analysis)

	Degree of freedom	Sum of square	F value	P value
Regression	1	14.218	195.12	0.000
Residual	58	4.226		
Total	59	18.444		

Source: Based on analyzed data

According to the above Table-5, it can be identified that 14.21% variance was explained by regression and 4.226% was explained by residual. It can be identified that F value was 195.12. It suggested that most of variance explained by model because calculated F value was greater than table value. P value 0.000 suggested that test was highly significance and overwhelming evidence to say that there is relationship between service quality and customer satisfaction

When considering customer satisfaction as an independent variable and behavioral intention as a dependent variable, Regression Analysis of simple linear regression was presented in the following Table-6.

Table-6: Regression Analysis of customer satisfaction versus behavioral intention

Predictor	Coefficient	SE Coefficient	T - value	P - value
Constant	2.544	0.633	4.017	0.000
Customer satisfaction	2.169	0.208	10.447	0.000

Source: Based on analyzed data

Because of the coefficient value 2.544, it suggests that when service quality is equal to zero, behavioral intention is 2.544. Further value 2.169 suggests that when customer satisfaction is changing by one unit, behavioral intention is changing by 2.169.

By using given information in table 6, regression equation can be articulated as follows.

Behavioral intention = 2.544 + 2.169 Customer satisfaction

Scatter plot related to the regression analysis is shown as following Figure-1.

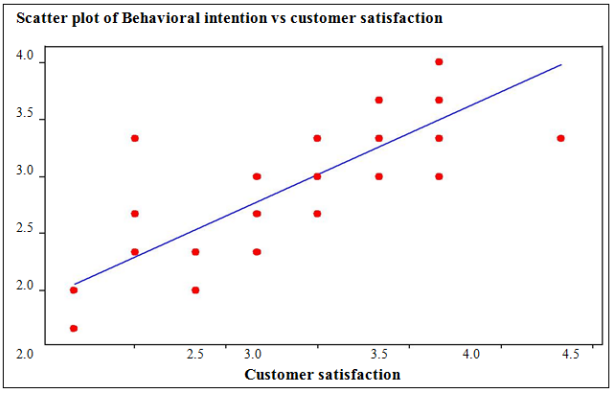


Fig-1: Scatter plot of Behavioral intention vs. Customer satisfaction Source: Based on analyzed data

Model summary of simple linear regression was presented in the following Table-7. And it was included value of R square, value of adjusted R square and value of standard error estimation.

Table-7: Model Summery of linear regression analysis

Figure	Value
R Square	65.3%
Adjusted R square	64.7%
Standard error of the estimate	0.8915

Source: Based on analyzed data

According to the table-7, R square value was 65.3%. It was suggested that 65.3% of Behavioral intention variation that is explained by its relationship with customer satisfaction. Therefore, it can be identified that there was 34.7% unexplained variation. It gave the sense that model was fitted with data because explained variation was highly significant than unexplained variation

When consider about the standard error of the estimate, it represented that standard deviation of sampling distribution. In other word it explained that how data were estimate was 0.8915. It suggested that model was fitted well because value of standard error of the estimate was less than mean value of depended variable (Mean value of behavioral intention was 3.017).

Table-8: Analysis of variance (Linear regression analysis)

	Degree of freedom	Sum of square	F value	P value
Regression	1	86.747	109.132	0.000
Residual	58	46.103		
Total	59	132.850		

Source: Based on analyzed data

According to the above Table-8, it can be identified that 86.747% variance was explained by regression and 46.103% was explained by residual. It can be identified that F value was 109.132. It suggested that most of variance explained by model because calculated F value was greater than table value. P value 0.000 suggested that test was highly significance and overwhelming evidence to say that there is relationship between customer satisfaction and behavioral intention.

Multiple Linear Regression Analysis

Table-9: Service quality variables versus customer satisfaction

Predictor	Coefficient	SE Coefficient	T - value	P - value
Constant	-1.8269	0.4742	-3.85	0.000
Tangible	0.2046	0.1369	1.49	0.141
Reliability	0.6014	0.0966	6.22	0.000
Responsiveness	0.3811	0.1280	2.98	0.004
Empathy	0.1082	0.0994	1.09	0.281
Assurance	0.0621	0.1560	0.40	0.692
Price	0.1148	0.0868	1.32	0.192
Technical quality	0.1953	0.0939	2.08	0.043
Image quality	0.1538	0.0833	1.85	0.071

Source: Based on analyzed data

According to the above table 9, it can be identified that when functional quality dimensions such as tangible, reliability, responsiveness, empathy and assurance changing by one unit customer satisfaction was change by 0.2046, 0.6014, 0.3811, 0.1082 and 0.0621 respectively. When price affordability changing by one unit customer satisfaction was change by 0.1148. Moreover, it can be recognized that when technical quality changed by one unit customer satisfaction was changed by 0.1953. Furthermore, according to the information given in above table it can be recognized that when image quality changed by one unit customer satisfaction was changed by 0.1538. By using all information in table 9, multiple regression equation can be articulated as follows:

CS = -1.83 + 0.205TA + 0.601RL + 0.381RS + 0.108EM + 0.062AS + 0.115PR +0.195TQ + 0.154IM

Where,

CS = Customer satisfaction
AS = Assurance
TA = Tangible
PR = Price
RL = Reliability
TQ = Technical Quality
RS = Responsiveness
IM = Image Quality
EM = Empathy

Furthermore, it can be identified that reliability as most effective type of service quality provide by insurance companies towards customer satisfaction.

Model summary of multiple linear regression analysis was presented in the following Table-10.

Table-10: Model Summery of linear regression analysis

Figure	Value
R Square	82.7%
Adjusted R square	80.0%
Standard error of the estimate	0.2502

Source: Based on analyzed data

According to the Table-10, R square value was 82.7%. It was suggested that 82.7% of variation was explained by model. Adjusted R square was represented modification of that adjusted for the number of explanatory term in a model. According to According to the above 10, Adjusted R square was 80%. According to the table 10, value of standard error of the estimate was 0.2502. It suggested that model was fitted well because value of standard error of the estimate was less than mean value of depended variable (Mean value of customer satisfaction was 3.00).

Table-11: Analysis of variance (Linear regression analysis)

	Degree of freedom	Sum of square	F value	P value
Regression	8	15.251	30.45	0.000
Residual	51	3.192		
Total	59	18.444		

Source: Based on analyzed data

According to the above Table-11, it can be identified that 15.251% variance was explained by regression and 3.192% was explained by residual. It can be identified that F value was 30.45. It suggested that most of variance explained by the model because calculated F value was greater than table value. P value 0.000 suggested that test was highly significance and overwhelming evidence to say that there is relationship between functional quality, price, technical quality and image quality with customer satisfaction.

Hypothesis Testing

Developed hypotheses were tested using Carl Pearson's Correlation Coefficient. Table-12 shows the coefficient values derived using descriptive statistics.

Table-12: Correlation coefficient analysis relating to independent variable

Variable	Pearson Correlation	P-value
Tangible	0.234	0.072
Reliability	0.848	0.000
Responsiveness	0.617	0.000
Empathy	0.594	0.000
Assurance	0.468	0.014
Price	0.316	0.000
Technical quality	0.473	0.000
Image quality	0.320	0.013
Service quality	0.878	0.000

Source: Based on analyzed data

H_1: There is a direct relationship between tangibility and customer retention in motor insurance

According to the above Table-12, it can be identified that correlation coefficient of tangible and customer satisfaction was 0.234. It suggested that there is moderate positive relationship between two variables. Furthermore, P - value 0.072 implied that test was no significance in 95% confidence interval, but in 90% confidence interval level test was significant, therefore, in 95% level confidence interval evidence to say there is no relationship between tangible and customer satisfaction.

H_2: There is a direct relationship between reliability and customer retention in motor insurance

According to the above Table-12, it can be identified that correlation coefficient of reliability and customer satisfaction was 0.848. It gave the sense that there is strong positive relationship between two variables. In addition, it can be recognized that highest value of Pearson correlation when compared with other independent variable. Furthermore, P – value 0.000 implied that test was highly significance and overwhelming evidence to say that there is a relationship between reliability and customer satisfaction.

H_3: There is a direct relationship between responsiveness and customer retention in motor insurance

When consider the responsiveness, it can be identified that correlation coefficient of responsiveness and customer satisfaction was 0.617. It gave the sense that there is strong positive relationship between two variables. Furthermore, P – value 0.000 implied that test was highly significance and overwhelming evidence to say that there is a relationship between responsiveness and customer satisfaction

H_4: There is a direct relationship between Empathy and customer retention in motor insurance

According to the above Table-12, it can be identified that correlation coefficient of other functional quality dimensions such as empathy and customer satisfaction was 0.594. It gave the sense that there is strong positive relationship between two variables. In addition, assurance and customer satisfaction was 0. 468. It suggested that there is moderate positive relationship between two variables. Furthermore when consider P – values of 0.000 implied that test was highly significance and overwhelming evidence to say that there is a relationship between empathy and customer satisfaction, and also there is a relationship between assurance and customer satisfaction.

H_5: There is a direct relationship between assurance and customer retention in motor insurance

According to the above Table-12, it can be identified that correlation coefficient of assurance and customer satisfaction was 0.468. It suggested that there is moderate positive relationship between two variables. Furthermore when consider P – values of 0.000 implied that test was highly significance and overwhelming evidence to say that there is a relationship between technical quality and customer satisfaction.

H_6: There is a direct relationship between price and customer retention in motor insurance

When consider the price, it can be identified that correlation coefficient of price and customer satisfaction was 0.316. It suggested that there is moderate positive relationship between two variables. Furthermore when consider P – values of 0.014 implied that test was highly significance and evidence to say that there is a relationship between price and customer satisfaction

H_7: There is a direct relationship between technical quality and customer retention in motor insurance

According to the above Table-12, it can be identified that correlation coefficient of technical quality and customer satisfaction was 0.473. It suggested that there is moderate positive relationship between two variables. Furthermore when consider P – values of 0.000 implied that test was highly significance and overwhelming evidence to say that there is a relationship between technical quality and customer satisfaction.

H_8: There is a direct relationship between image quality and customer retention in motor insurance

According to the above Table-12, it can be identified that correlation coefficient of image quality and customer satisfaction was 0.320. It suggested that there is moderate positive relationship between two variables. Furthermore when consider P – values of 0.013 implied that test was highly significance and evidence to say that there is a relationship between image quality and customer satisfaction

H_9: There is a direct relationship between service quality and customer retention in motor insurance

Finally according to the above Table-12, it can be identified that correlation coefficient of service quality and customer satisfaction was 0.878. It suggested that there is strong positive relationship between service quality and customer satisfaction. it can be recognized that there were 0.000 P - values it gave the sense that test was highly significance and

overwhelming evidence to say that there is a relationship between service quality and customer satisfaction.

Table-13 shows the relationship between customer satisfaction and behavioral intention to retain with the insurance company,

Table-13: Correlation coefficient analysis relating to behavioral intention to retain

Variable	Pearson Correlation	P-value
Customer Satisfaction	0.808	0.000

Source: Based on analyzed data

According to the above Table-13, it can be identified that correlation coefficient of customer satisfaction and behavioral intention to retain was 0.808. It suggested that there is strong positive relationship between two variables. Furthermore when consider P – values of 0.000 it gave the sense that test was highly significance and overwhelming evidence to say that there is a relationship customer satisfaction and behavioral intention for the retention with the company

CONCLUSIONS

In this study, the main purpose was to assess and analyze the determinants and effects of customer satisfaction on behavioral intentions of consumers to retain in motor insurance industry. Specifically, it is important to examine the determinants of service quality in motor insurance products, then examine the influence of satisfaction on consumers' behavior intentions. Therefore, research conducted to "identify key determinants of service quality towards to customer satisfaction and whether there is effect of customer satisfaction and behavioral intention with special reference to the motor policy holders in insurance companies".

The population of the whole research was the total motor policyholders of insurance companies in Sri Lanka. A sample of 125 motor policyholders who deal those companies selected, based on highest market share of Gross Written Premium in insurance industry. Both primary and secondary data used in this research and by using questionnaire, primary data collected. To extend the objectives of research, primary data analyzed by using descriptive statistical techniques, correlation coefficients analysis and regression analysis based on an objective analysis of data and discussion of results, the following are the summary of major findings and conclusions of this study.

Tangible and assurance are functional quality dimensions it can found that motor policyholders were almost disagree with their existing situation. Other functional quality dimensions such as reliability, responsiveness and empathy, it can identify that motor policyholders were neither disagree nor agree with their existing situation. Furthermore, it can identify that reliability has the highest mean value when compare with other variables

Price, technical quality and image quality dimensions it can be identified that general policy holders were almost disagree with existing price affordability, but when consider about the technical quality and image quality can be found that general policy holders were neither disagree nor agree with their existing situation.

When considering about the existing situation of customer satisfaction it can be identified that averagely motor policy holders were neither disagree nor agree with the existing situation.

According to the correlation coefficient analysis, it can be identify that there was strong positive relationship between functional quality dimensions with customer satisfaction, except tangible and assurance dimensions; these are having moderately positive relationship with customer satisfaction. Furthermore, it can be recognize that reliability had highest value of correlation coefficient when compare with others. Finally it can be concluded that there is strong positive relationship between overall service quality and customer satisfaction.

When consider about the P value of functional quality, price, technical quality and image quality, it can be recognize that P values of all four variables less than 0.05, except functional quality tangible dimension. Thus, the hypothesized relationship between functional quality items and satisfaction is partially support through reliability, responsiveness, empathy and assurance. When consider the price, technical quality and image quality dimensions it can be identify that all tests were highly significance and overwhelming evidence to say that there is relationship between each dimension with customer satisfaction. Finally, it can found that P value of service quality was 0.000 and it implied that test was highly significance and overwhelming evidence to say that there is relationship between customer satisfactions

According to the correlation coefficient analysis, it can be identify that there is strong positive relationship between customer satisfactions with behavioral intention. It gave the sense that test was highly significance and overwhelming evidence to say that there is a relationship customer satisfaction and behavioral intention. Furthermore, according to the linear regression analysis it can found that there is highly significance positive relationship between customer satisfaction and behavioral intention.

The present study provides empirical support that customer satisfaction in the industry could be significantly influence by improving upon the customer perception of the Reliability of the service provider. This factor is critical to the insurance industry of Sri Lanka as a growing industry. Customers seem to be particular about how reliable an insurance company is to them. Customers want an insurance company that would be more reliable to them in helping customers have a readily available insurance cover and claims for their undertakings as and when it becomes necessary. Therefore, when customers undertake any insurance policy they highly expect their insurance service providers to be reliable and trusted in all matters and this in turn affect customer satisfaction / dissatisfaction of the insurance service providers.

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