

# Understanding of Customer Expectations and Perceptions of Indian Health Insurance Companies

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**Abstract-** Nowadays increased competition in production and services is observed all around the world. This is completely obvious that increasing competition in services is evident also. This factor makes more difficult day by day towards customers loyalty and their retain specially in hotel, bank and insurance industries. Therefore providing service quality is a major and upcoming challenges for companies operating in this field. Generally the aim of this research is to compare the policyholders' expectations and perceptions from Indian health insurance companies' service quality at Bangalore city. This study in terms of the nature and purpose is descriptive and survey type. All health insurance policyholders in Bangalore city during 2016 constitute the static population of this study. Convenience non random sampling method have been used. In this study both primary and secondary data have been collected. In primary data collection, 197 policyholders have been interviewed by standard SERVQUAL questionnaire (Parasuraman and Zeithmal, 1988). Descriptive and inferential statistics were used towards demographic description and hypothesis testing. SPSS and Excel tools were used to calculate and analysis the collected data. Reliability test have been used to calculate Alpha Cronbachs' coefficient towards validation and reliable of questionnaire. Also statistical techniques such as parried sample T- test, mean, standard deviation were calculated for identifying service quality gap and hypothesis testing. The results showed that the health insurance policyholders' expectations are more than their perceptions. Therefore offered service quality of health insurance companies were in weak level of quality among their policyholders' expectation. These findings were true for all aspects of SERVQUAL model and completely represent the main research hypothesis.

**Keywords;** Service quality, Health insurance, SERVQUAL model, Customer expectations and perceptions.

## INTRODUCTION

Surviving and growing up of the insurance companies to do best of their roll in the country economic scene, are more related to the customers

tendency to communicate with them. Therefore offering the services with high quality, especially in this more competitive business world, is very important and vital role. This study tried to show the service quality offered by Indian health insurance companies through the customers perspective.

There are some advantages of attention to service quality. First the high level of service quality will reach to customer satisfaction then will increase the customer loyalty and at least will increase market share. quality is a key determinant of market share and return on investment as well as cost reduction. (Zeithmal & Parasuraman, 1985). The second is the service quality is essential element in customer relationship marketing. Therefore having competitive advantages through the service quality requires to recognition of quality requirements of customer perspective. (Wang & Sohal, 2000).

Homogeneity and similarity of insurance products, has raised the quality of service offered to customers as the main factor that should be analysed in competitive strategies. Defining and measuring quality in services might be difficult due to the intangible nature of the service offering. The researches on service quality have been carried out within the framework of widely accepted service quality SERVQUAL instrument, (Parasuraman et. al. (1985, 1988, and 1991). Since then, many researchers have used the 22-items scale to study service quality in different sectors of the service industry including financial institutions (Gounaris et. al. 2003; Arasli et. al. 2005). To evaluate the different services quality, different scales have been used but the most well-known scale have been provided by Parasuraman et al known SERVQUAL model. (Venous, Safaian, Farsi). So the

SERVQUAL model have been used in this research. Although the service sectors have got rapid growth in developing countries, however, in these countries there is less attention to the quality of services. In fact, due to the predominance of a seller's market in a developing economies, studies related to the service quality have been neglected.

## SIGNIFICANCE OF STUDY

Willingness to service quality plays an important role in service industries such as insurance and banking, because the quality of services is vital

for the organizations' survival and profitability. Today, customer satisfaction and service quality are critical issues and it is more important in the most service industries. Especially in the case of insurance services which are generally difficult to distinguish the services. (Stafford, et al. 1998,426)

During the past decades in India, health expenditure averaged 11% of basic requirements expenditures such as food, water, housing and clothing and almost 5% of the total annual expenditures of households. Almost 40% have been reported to have taken loans to meet such expenditures and nearly 10% have been sold assets resulting in intergenerational poorness. (MoH, 2006). Planning Commission reports on Vision 2020, health insurance companies will play an invaluable role in developing the health care system (Planning Commission, 2002). The setting up of Insurance Regulatory Commission of India IRDA is required to contribute:

- keeping up a stable and viable market
- Ensuring and defending purchasers' interest
- Improving the reasonableness of private insurance
- Controlling the charges of premium with reference to benefits offered by health insurance companies' policies.

The traditional health insurance market has been characterized by three main players which are closely associated with each other. such as:

- Policyholders / patients or insured persons
- Health insurance companies
- Medical service providers are such as; hospitals, doctors, dentists etc.

Both public and private insurance companies offer health insurance to the customers in India. According to the old history profile of Indian insurance industry and companies name, they have been joined together. The name of each company evokes insurance industry in customers' mind. This topic was effected on demand increasing in health insurance services. In the other hand not enough presence of insurance providers in past decades was another cause that the companies not considered about customer orientation. Therefore increasing the competitive in recently years and more effect activations of public and private insurance companies, also improving the customers' knowledge and awareness of health insurance services are caused of developing the customers' expectations from Indian health insurance companies. Moneli et al.(2014)found out the factors such as exaggeration in advertisement, innovations are be able to effect on increasing customers' real expectations. Indian health insurance companies to keep and maintain their customers and attract new customers have to offer the services in such a way that qualities become more or at least equal on customers' expectations.

## RESEARCH OBJECTIVES

Given the above, it can be said that the gap in services is a very important issue. the assessment of what is received by the client indicates that it has been waiting for or expecting for. This will have a direct impact on customer satisfaction and loyalty as a result. That's why this research seeks to recognize the existing service quality in Indian health insurance companies and offering suggestions for resolving them. With regard to information given the above for this study, the following objectives are determined for this research;

1. To know about service quality exist in Indian health insurance companies.
2. To identify the policyholders' expectation and perceived quality of services have been provided by Indian health insurance companies.

**Hypothesis of the Study:** In pursuance of the objectives of the study the following hypothesis formulated:

**H1-** There is service quality gap in Indian health insurance services.

**H2-** Policyholders' expectations of Indian health insurance company are more than their perceptions.

## REVIEW OF LITERATURE

The world in 21<sup>st</sup> century has faced wonderful changes. Such changes mean that the old methods of doing business won't have the efficiency they used to have. In the current status of affairs, the main duty of organizations is to understand the needs and requests of the customers and to offer solutions that will bring their satisfactions. The companies which are in the high level of doing business regarding marketing try to keep their customers satisfy. The satisfied customers will repeat their purchases and inform others about their good experiences regarding the products and services. The main key to success is that the function of company matches the expectations of its customers. The clever and intelligent companies try to make their customers happy. It means that they are not only committed to present products and services but also what they are offering is more than what is expected from their customers. Armstrong, G., Kotler, P., & H. Z. (2000).

## SERVICE QUALITY

Before defining the concept of service quality it's good to explain something about the service, what is the service? The complex word "Service" has the different meanings and it can cover the personal services and service as a product. Because of this extent and complexity during the decades (1960-1980) range of definition offered to word service but result did not meet the comprehensive definition. (Gronroos,2003).

However the following definition for the word "service" referred to;

Service is work that one party is doing to another one.(Perrealt, 2003)

Service is process consists of a series of more or less intangible activities that naturally (but not always) occurs between the customers and employees or physical sources or products and the offering systems of service that to be the solution for customers problems.(Gronroos, 2000).

Service is activity and benefit that one party offer to another party which essentially is intangible without any ownership. Result can become as tangible product or no.(Kotler & Armstrong, 2001). Service is producing benefit but basically intangible, or is a single product by itself or is the important element of intangible product that satisfy the customer needs and wants by way of exchange.(Palmer & Cole, 2000).

Most of the posts that they have studied the quality concept, have been examined that through two perspective; provider and consumer perspective. Therefore most of the definitions are related to customer orientation. For example, Lewis, Moore and Creedon have defined the quality as acting equal or more than the customer expectations.(Ghobadian, 1994,49). Expectation is the image in customer mind from what the customer will receive while purchasing. Some elements impress the customer expectations such as; word of mouth, advertising activities, mind image and price. (Ghobadian, 1994,49). Many authors have discussed about the service quality components. common factors they have noted are like; process quality, outcome quality, physical quality, interactive quality and corporate quality.(Harrison, 2000, 244-245).

Process quality; Its related to quality of process and production methods of service delivery. Usually the customer evaluates the service quality while the service is delivering because of simultaneous production and consumption character of service.

Outcome quality; Technical quality product will be evaluate after the service delivering.

Physical quality; It refers to product support and supportive items of the products and services. Financial and insurance services or products have limited physical dimensions and yet elegant. So another physical evidences often use for evaluating service quality. Such as; decoration, facilities at the branches and so on.

Interactive quality; It refers to interactions between customers and service deliveries. interactions occurs maybe through the different methods like; face to face or by electronic tools like telephone and internet. Therefore organization must ensure that their interactions with their customers are effective.

Corporate quality; This is refers to mind image and comprehensive perception of the organization. Organization is the one intangible

dimension. So can say that perception of organization quality is probably based on all factors have mentioned above.

It must be acknowledged that service quality is very subjective and that each of these factors how much affects on customers perceptions of overall quality is probably different . For some customers overall quality probably is more under effect of interaction with branches employees, whiles for some another customers probably is more under affect on reliability of equipment and technology.

## **SERVICE QUALITY DIMENSIONS**

Regarding to service quality dimensions, researchers have presented more list of quality components and affective factors on them. It can be noted to two groups of researchers. (Johnston, 1997, 111-112)

Parasuraman and et al(1985) introduced the service quality dimensions such as; 1- Access. 2- Communications. 3- Competence. 4- Courtesy. 5- Reliability. 6- Responsiveness 7- Security. 8- Apperceive. 9- Tangibles. 10- Assurance. Parasuraman et al. 1990; "although the relative importance of dimensions from one service sector to another probably is more deferent, but we believe that most (but not all) service quality dimensions of consumption service industries have mentioned here."

Johnston and et al.1990; they studied and did comprehensive experiments of service quality dimensions that parasuraman et al have been offered at 10 building services in England. Although their analysis generally supported those 10 dimensions, but they were suggested 12 factors. Finally this group have been offered 18 factors with more research in this field. 18 factors are such as follow:

1- Access; The physical access to the service provider address, including the ease of finding ways on service provider location.

2- Aesthetic; The acceptance and utility service components are provided to the customer, including appearance and service space environment, how to provide service facilities, the person who is offering service and offered service.

3- Attentive/Helpfulness; The help of service amount, help of service provider to the customer or transfer the feeling to customer that the service provider is interesting to satisfy customer properly.

4- Availability; Availability of service provider himself and service facilities to the customer or availability of employees and allocating the amount of time to each customer. Service facilities means quantity and variety of services provided by company to customer.

5- Care; Interest, regard, consultation, patience were shown to the customer including amount of comfortable feeling emotionally.

6- Cleanliness/ Tidiness; Clean appearance, decorous and tidy of visible components of services, including service environment, facilities, service himself and provider himself.

7- Comfort; Physical and comfort facilities of service.

8- Commitment; Apparent commitment to work by employees, including honor, glory, pride, satisfaction and employees diligence on his duty and work.

9- Communication; Ability to rendering service and communicate with customers in a way that he understands, including clarity, complete and correct oral and written information given to the customer, also ability to listen to the customer and understand him.

10- Competence; The skills, proficiency and professionalism on rendering service like doing the correct procedure, the correct implementation of customer orders, giving correct information to customer and ability of service presenter to do his duty and job properly.

11- Courtesy; Courtesy and respect that is shown to the customer by service provider.

12- Flexibility; Strong correlation found between the ability, understanding and willingness of service employees. Then they have been combined them in to two parameters such as assurance and empathy. (Johnston,1997,111)

13- Friendliness; Customer access to service not physically, especially to service provider himself including ability to satisfy the customer.

14- Functionality; Service capabilities and suitability with organization goal and service quality.

15- Integrity; Honesty, equity and trust that the service provider has in relationship with the customers.

16- Reliability; The reliability and performance consistency of service facilities, service itself and provider himself including rendering service on time and ability to do what the provider promised to do for customer.

17- Responsiveness; Quick and timeliness of services including service ability to Respond promptly to customer wants with minimal waiting.

18- Security; Customer personal safety and his possessions at the time of the service process including maintaining confidentiality issues.

#### **COMPARE MODEL OF SERVICE QUALITY**

The basic model of Parasuraman and et al 1985 has been covered the ten items. But this researchers have been found a strong correlation between the communications, competence, courtesy, reliability and security, On the other hand between the access and apperceive they have been found strong correlation in their next reviews also. Therefore they have been combined them in two overall dimensions like assurance and empathy.(Johnston.1997,111). Thus they have been created five dimensions such as;

Tangible factors, Reliability, Responsiveness, Assurance and Empathy as a basis tools to evaluate the service quality. This scale have five dimensions and 22 components as sub dimensions to measure customer expectations and perceptions of service quality dimensions.(Zeithaml & Bitner,1996, 152-153).

In compare model of service quality, first the respondents have been asked to rank the component of model in terms of their expectations among the services according to five point Likert scale. At the second time same respondents have been asked to rank their perception of actual company actions according to same characters. The mean frequency of each dimension was calculated for all respondents. However, if perceived performance was below than customer expectations, quality was poor if the performance was more than expectations then the service quality level on the study was in high level.(Robinson.1999,21).

#### **SERVQUAL MODEL**

In this model, the quality is a function of gap between expectation and performance. Therefore, in this model, we try to find and remove the gaps which leads into customers dissatisfaction of service quality. The gaps in presenting services are the most critical issue, because the overall evaluation of customer from what he expected to receive is in comparison to what he has received. The final goal in improving quality of services is to decrease such gaps as much as possible. That is why the service providers need to decrease or remove such gaps. Service quality is the difference between customer perceptions & expectations. In this study service quality will represent by the SERVQUAL scale is constructed by Parasuraman, Zeithaml and Bitner (1996). Defining and measuring quality in services might be difficult due to the intangible nature of the service offering. The researches on service quality have been carried out within the framework of widely accepted service quality SERVQUAL instrument. (Parasuraman et. al.(1985, 1988, and\_1991). Since then, many researchers have used the 22-items scale to study service quality in different sectors of the service industry including financial institutions (Gounaris et. al. 2003; Arasli et. al. 2005). The potential gaps in the quality of services include:

Gap 1 (Understanding): the difference between customer expectations and management perceptions of customer expectations.

Gap 2 (Service Standards): the difference between service quality specifications and management perceptions of consumer expectations.

Gap 3 (Service Performance): the difference between service quality specifications and the service actually delivered.

Gap 4 (Communications): the difference between service delivery and what is communicated about the service to customers.



Gap 5 (Service Quality): The difference between customer expectation of service quality and customer perception of the organization's performance.

Gaps 1 to 4 affect the way service is delivered and these four gaps lead to Gap 5. Therefore, the extent of Gap 5 depends on the size and direction of these four gaps (Gap 1, Gap 2, Gap 3 and Gap 4).

The one of direct effects of providing better quality service, improving the ability of company to satisfy the customer needs and expectations. Because the organization has found what services the customers are asking. Providing better services to customer, make them repeat their purchases and spreading their positive word of mouth also. Another direct effects of better services, increasing the organization ability to provide services efficiently to the customers. Because the organization has known what services their customers want and need, So company or organization decrease the unnecessary activations or eliminate them. Therefore organizations' market share then profit will increase with high level of efficiency and effectiveness on improving service design and delivery.(Chang & Chen, 1998, 247).

#### **CUSTOMER SATISFACTION AND SERVICE QUALITY**

Service quality concept and customer satisfaction in published documents and marketing activities have been had more attention during past decades. Marketing researchers have been highly praised the benefits of service quality and satisfaction. They have cited them as indicators of competitive advantages. Even though the exact nature of customer judgments and relationship between service quality concept and customer satisfaction is in doubt.(Ruyter, et al, 1997, 388).

Parasuraman and et al, did not distinguish between the effect of service quality dimensions to creating satisfaction or dissatisfaction. They postulated that these two words(satisfaction& dissatisfaction) are two sides of a coin. Silvesteri & Johnston(1990) introduced three kind of factors like; Hygiene factors(unsatisfied factors), Enhancing (satisfied factors) and dual- threshold factors(both unsatisfied and satisfied factors) inspired by health and motivational factors of Herzberg. According to them unsatisfied factors are the factors when they are available, therefore they will lead customers become unsatisfied, although their absence does not lead to satisfaction. For example, dirty insurance branches will lead customers unsatisfied but clean insurance branches won't lead customers satisfied. Satisfied factors are those factors if they are available in more adequacy of recovery, They have positive effect on customer perception but if they do not exist or exist on very weak situation, Do not reduce the customers perception of service quality. Another example; The employee is not know the

customer at second meeting time, Maybe it won't lead the customer become unsatisfied, Even though employee know the customer with name also won't lead the customer become full satisfied. Dual-threshold factors are those factors that can make customers satisfied or unsatisfied, therefore every changing in performance can have positive and negative effects. Moneli et al. her colleagues(2014) studied the policyholders' satisfaction in Life insurance companies. The results demonstrated that there is a relationship significantly between the factors such as; exaggeration on advertisement, customer real expectations and innovation. Cadotte & Turgon(1988)have introduced the fourth category of factors under the neutralizing factors name. These factors have least sensitive to the all changes in performance. Every changing on the performance level of these factors have least effects on customer perceptions. Johnston through his studies on these area has concluded that unsatisfied factor necessarily isn't the other side of satisfied factor coin. He has been introduced the helpfulness, Responsiveness, Care and friendliness as the main sources of satisfaction, And called impeccability, Reliability, Responsiveness, Access and functionality as main source of un-satisfaction.(Harrison, 2000, 178).

#### **CUSTOMER SATISFACTION BENEFITS**

Although every successful marketer wants to deliver services that makes customer satisfied, But this is not the marketers' goal only. Organizations and companies cannot ignore their main objectives like access to competitive advantages through creating profit. Customer satisfaction has so many benefits to company and high level of customer satisfaction leads to more customer loyalty. Maintaining the good customers in the long run is more beneficial than continuous attraction of new customers to replace with those customers who have broken up their relationship with company. Customers who have more satisfaction from the company, They tell their positive experiences to others and such this way they become advertiser of company, Therefore they reduce the customer attraction cost also. This is very important to professional service deliver, Because their popularity, Reputation, Introducing their benefits and positive points of them through their customer word of mouth is the essential information source for new customers.

#### **CONCEPTUAL MODEL OF STUDY**

Based on the literature review, The researchers have been used the SERVQUAL model modified by Parasuraman, Zenithaml and Berry (1985) for evaluating the relationship between insurance service quality and customer satisfaction. The model suggests five dimensions service quality including: Reliability, Assurance, Tangibles, Empathy and Responsiveness. also each main dimension has been formed some sub-dimensions.

**RESEARCH MATHEMATICAL PATTERN**

In this research in order to evaluate the quality of services, SERVEQUAL model have been used. Based on this model, The quality of services includes the difference between the customers' perceptions from the function of the service provider and their expectations from services delivered. Therefore the respondents are required to first signify the variables through 5- point Likert scale test with regards to their expectations. Then the very respondents are asked to clarify their perceptions from the real function of the organization with regards to those qualities. This way, the expectations (E) and perceptions (P) of the customer from the (h) dimension in the range of (1-5) have been measured. (1 is extremely opposite, 5 is extremely in agreement). Therefore the differentiations between expectations and perceptions have been evaluated. The output number is the gap between the favorable status and the status quo of h dimension. The output number is definitely between (+4& -4). the number (-4) is indicative of the highest quality and (+4) is suggestive of the lowest quality.

$$G_h = E_h - P_h$$

For every respondent, the quality of services have been achieved in any of dimensions through the following mathematical formula:

$$SQ_j = \frac{\sum_{i=1}^{n_j} (E_{ij} - P_{ij})}{n_j}$$

In this formula;  $SQ_j$  is the quality of services in the  $j$  dimension.  $E_{ij}$  is the expectation from the organization for  $i$  variable in the  $j$  dimension.  $P_{ij}$  is the perceived performance from organization for variable  $i$  in the  $j$  dimension.  $N_j$  is the number of the variables of  $j$  dimension. Then the mean of the answers of each dimension have been evaluated for all respondents. Now if the perceived performance is less than the expectation of individuals, it is a sign of the weak quality and if the performance is above the expectations, it is a sign of the high quality of services.

**RESEARCH METHODOLOGY**

The primary and secondary data have been used in this research. After the precise study about the subject using library resources, reliable articles, Parasuramans' SERVQUAL questionnaire(1988) have been provided in three parts as follow:

First part includes demographic specificities of the respondents such as; gender, age, education level, income, and time period of interaction with the company.

Second part includes twenty two statements for evaluating the health insurance policyholder expectations based on the 5-point Likert scale.

Third part includes 22 statements for evaluating health insurance policyholder perceptions based on 5-point Likert scale.

The pilot study have been done in order to determine reliability of questionnaire although the used questionnaire was a standard. The designed questionnaire have been asked from insurance and marketing experts to do double reliability check. The experts have confirmed it then through the questionnaire 21 insurance policyholders have been interviewed. Alpha Cronbach test have been calculated in order to evaluate the questionnaire reliability and credibility. The output results from the first sample showed that the questionnaire was reliable. Cronbach's Alpha Coefficient was (0.9405). The population of this research was all Indian health insurance policyholders in Bangalore city. Population was unlimited then 197 sample of health insurance policyholders have been interviewed through the convenience non-random sampling method. The data has been collected from the sample was analysed by using descriptive statistics via SPSS and Excel tools as well as inferential statistics techniques such as; testing reliability, mean, standard deviation, Alpha Cronbach's and paired sample T-test for gap estimation between policyholders' expectation and perception.

**Table 1**

Respondents Demographic Characteristics			
	Description	Frequency	Percentage
<b>Gender</b>	Male	107	54.3
	Female	90	45.7
<b>Age</b>	Upto 20	9	4.6
	21-30	34	17.3
	31-40	67	34.0
	41-50	57	28.9
	51 and older	30	15.2
<b>Education</b>	Illiterate	7	3.6
	High school	47	23.9
	Degree	68	34.5
	Master Degree and above	75	38.1
	Upto 2 years	42	21.3
<b>Time period</b>	2-4	85	43.1
	4-6	52	26.4
	Above 6 years	18	9.1
<b>Income</b>	Upto 30000	6	3.0
	30001-50000	34	17.3
	50001-70000	74	37.6
	70001-90000	62	31.5
	Above 90000	21	10.7
<b>Marital status</b>	Single	75	38.1
	Married	122	61.9

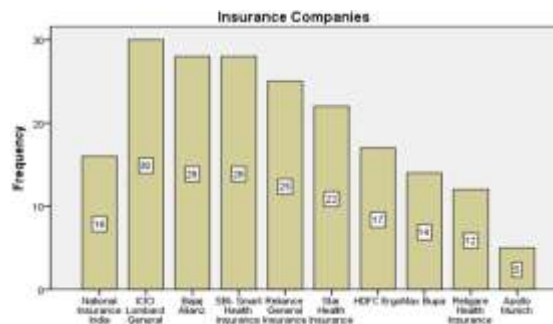
Source; Primary Data

Respondents' demographic characteristics are shown in table 1 and it showed that out of 197 respondents 54.3% of the respondents were male and 45.7% were female. In terms of age, 4.6% of respondents are in up to 20 years of age and 17.3% of respondents are between 21 to 30 years. 34% of respondents are in 31 to 40 years, 28.9% of them are in 41 to 50 years and 15.2% of them are equal or older than 51 years. 38.1% of respondents have master degree and above. Married respondents are 61.9% in this study. In terms of Income, 10.7% of respondents earns above 90,000 Rupees monthly. In the table number 1 the respondents' demographic characteristics have been described. According to this table some demographic features such as gender, age, education and income can have a serious impact on health insurance buyers behaviour.

Gender percentage of respondents show the equality and participation of women and men today's in Indian society. Most health insurance buyers in this study (34% of the respondents) are between 31-40 years so it shows the impact of life experience and responsibility of respondents against s/himself and their family members. high level of education affect on high ability to take correct decision and high level of respondents income shows the capability of health insurance buyers and consumers. And finally more respondents are in married status (61.9%)so they have more feeling to have health

insurance and more feeling responsibility against family.

Chart 1  
Insurance Companies



Source; Primary Data

Chart number 1 shows the policyholders' insurance companies. Most of the respondents have their health insurance from ICICI Lombard company at 15.2% level and least of them have their health insurance from Apollo Munich company at 2.5% level in this research.

Parameters	SERVQUAL Questionnaire	Expectations		Perceptions		Gap(E_P)	t-value	Sig. (2-Tailed)
		Mean	Std. Dev	Mean	Std. Dev	Mean		
1-Reliability	When HIC promises to do something by a certain time, it does so.	4.13	.649	3.26	.968	0.87	10.293	.000
2-Reliability	HIC is sympatric and reassuring	4.22	.653	2.95	.976	1.3	14.836	.000
3-Reliability	HIC is dependable.	4.19	.649	3.14	.904	1.05	13.455	.000
4-Reliability	HIC provides its services at the time it to do so.	4.12	.640	2.93	1.148	1.19	11.955	.000
5-Reliability	HIC keeps its records accurately.	4.12	.640	3.00	1.102	1.12	12.261	.000
6-Assurance	you feel safe in your transactions with HIC's employees.	4.22	.653	3.03	.886	1.19	15.002	.000
7-Assurance	Employees of HIC are polite.	4.19	.649	2.86	1.102	1.33	14.229	.000
8-Assurance	Employees get adequate support from HIC to do their job well.	4.12	.640	2.92	1.049	1.2	13.518	.000
9-Tangibility	Modern-looking equipment	4.11	.642	2.97	1.109	1.14	12.462	.000
10-Tangibility	Appealing physical facilities	4.20	.670	3.02	.901	1.18	14.702	.000
11-Tanjibility	Neat appearance of staff	4.18	.652	2.82	1.094	1.36	14.425	.000
12-Tangibility	Materials associated with service are visually appealing	4.11	.637	2.90	1.053	1.21	13.695	.000
13-Empathy	HIC gives you personal attention.	4.12	.640	3.11	.911	1.01	13.263	.000
14-Empathy	Employees of HIC gives you personal attention.	4.21	.651	2.93	1.139	1.28	13.443	.000

15-Empathy	Employees of HIC knows what your needs are.	4.18	.652	2.97	1.106	1.21	13.264	.000
16-Empathy	HIC have your best interest at heart.	4.12	.640	3.05	.900	1.07	14.094	.000
17-Empathy	HIC have operating hours convenient to all customers.	4.02	.782	2.83	1.096	1.19	11.941	.000
18-Responsiveness	HIC tell customers exactly when services will be performed.	4.17	.623	2.95	.973	1.22	14.742	.000
19-Responsiveness	you receive prompt service from HIC's employees.	4.19	.710	2.84	1.095	1.35	14.885	.000
20-Responsiveness	Employees of HIC always willing to help customers.	4.16	.724	2.96	1.094	1.2	13.879	.000
21-Responsiveness	Employees of HIC are too busy to respond to customer requests promptly.	4.11	.642	2.90	1.040	1.21	15.009	.000
22-Responsiveness	You can trust employees of HIC.	4.19	.707	3.02	.886	1.17	14.702	.000

Source; Primary Data

Table 2- Paired Sample T-test and Gap Evaluation Model

Table 2 shows that the service quality parameters such as; Reliability, Assurance, Tangibility, Empathy and Responsiveness in first column. In second column the SERVQUAL questionnaire that we call them service quality sub-parameters. Health insurance policyholders' expectation and perception are respectively in the third and fourth columns plus the mean value and standard deviation for each of them. Mean value for finding gap (E-P) between the expectation and perception have been evaluated in column fifth. At least the T- value and significance level of study respectively calculated in fifth and sixth columns. Therefore results reveal that there are significance differences in (0.05 Sig. level) between all variables' mean in both expectations and perceptions level at all the service quality dimensions.

Table3- Paired Sample T- test for all Service quality Dimensions

SERVQUAL Dimensions	Expectations	Perceptions	Gap	Service quality
Reliability	4.14	3.06	1.08	Weak
Assurance	4.18	2.93	1.25	Weak
Tangibility	4.15	2.92	1.23	Weak
Empathy	4.13	2.98	1.15	Weak
Responsiveness	4.17	2.88	1.29	Weak
Total Mean	20.77	14.77	6.00	Weak

Source; Primary Data

Table 3 reveals that the result of this research. So the level of service quality in all dimensions in the customer expectations are greater than their perceptions. Therefore the service quality

offered by health insurance companies at Bangalore city is in weak quality through the customer perspective. In the other hand the insurance companies could not satisfy their customer expectations. intuitively can say that the exaggerating on advertisement by insurance companies increased the customer expectations. the customer expectations are such as; appropriate attitude, speed of services offering, accuracy and on time response while the customer connect to the company. these expectations created by the companies advertisement. Therefore the customer evaluation of service quality is weak while the customer connecting to the company and do not facing such these expectations. Table 4 shows the bigger gap is in the responsiveness parameter and the small gap is in the reliability parameter of service quality.

### CONCLUSION

After evaluating the service quality of health insurance companies in Bangalore city. Previous tables and charts showed that the customers were not satisfied from any of those service quality parameters. Results of this research have several administrative applications. Findings show that the health insurance managers have to be aware of this points that the quality of offered services in all service quality parameters through the customers point of view deemed to be in low level of quality. The health insurance managers have to try to decrease these gaps and on the next steps have to make an action to change these gaps positively and try to offer services beyond the customer expectations.

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