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**Topic** - Customer Service in Contemporary Market Scenario - A Comparative Study of Customer Satisfaction in Public and Private Life Insurance Companies

## ABSTRACT

The liberalization of life insurance industry in India has caused companies to face many new challenges in their relationship with customers in order to survive. Taking into consideration the long-term customer relationships, customer satisfaction and retention are turning into the crucial factors for success of life insurance companies. One of the ways for achieving high customer satisfaction and gaining the loyalty of customers is to offer high quality services on time.

The major objectives of this research are to identify the key determinants of service quality and to cross compare the level of customer satisfaction in the public and private life insurance spheres. This research has also endeavors to develop an efficient model of service quality and to suggest new strategies to make the product offerings more effective and efficient.

The study uses the initial 22 attributes of the SERVQUAL instrument capsulated into five dimensions of service quality (tangibility, reliability, responsiveness, assurance and empathy) without modifications. The sample customers chosen for the study are those who have purchased a life insurance policy after the liberalization of insurance industry, i.e., after the year 2000 from either LIC or any one of the five private life insurance companies, namely- ICICI Prudential, HDFC Standard life, Birla Sun life, SBI Life and Bajaj Allianz. The sample size was fixed as 1000 and research study was conducted in the National Capital Region (NCR) of Delhi comprising Delhi and its suburbs (Noida, Gaziabad, Faridabad, and Gurgaon) using quota sampling.

The major findings of the research work are:

- ❖ Both public and private sector life insurance companies have been lacking in understanding the needs of customers.
- ❖ Service quality offered by both public and private sector does not meet customers' expectations.
- ❖ There is no significance difference between the quality gap scores of public and private sector on all SERVQUAL dimensions.
- ❖ All dimensions of service quality are positively correlated with customer satisfaction.
- ❖ Overall service quality has more impact on customer satisfaction in private sector life insurance companies than public sector.
- ❖ There exists significant difference in customer satisfaction between public and private sector life insurance companies and the customers of public sector (LIC) is more satisfied than private sector customers in experiencing satisfaction on overall services.

In accordance with the research findings, I have developed a suitable service quality model for life insurance companies to retain their customers satisfied and delighted and of course to retain in the competitive environment.

Finally abstract is concluded with the list of chapters of my thesis. The thesis comprises nine chapters: Introduction, Life Insurance-Features & Products, Life Insurance Industry in India, Services-A conceptual Framework, Life Insurers' Services, Literature Review, Research Methodology, Data Analysis and Findings, and Summary and Conclusions.

