

DETERMINANTS OF CUSTOMER SATISFACTION
IN CONVENTIONAL INSURANCE SERVICES:
THE CASE OF MALAYSIA

CHOI CHENG KEONG
CHUA CHIAU XIANG
KATRIN KOH SZE YEE
LAI MEI HSIEN
TAN WEN PEI

BACHELOR OF BUSINESS ADMINISTRATION
(HONS) BANKING AND FINANCE

UNIVERSITI TUNKU ABDUL RAHMAN

FACULTY OF BUSINESS AND FINANCE
DEPARTMENT OF FINANCE

APRIL 2014

DETERMINANTS OF CUSTOMER SATISFACTION IN
CONVENTIONAL INSURANCE SERVICES:
THE CASE OF MALAYSIA

BY

CHOI CHENG KEONG
CHUA CHIAU XIANG
KATRIN KOH SZE YEE
LAI MEI HSIEN
TAN WEN PEI

A research project submitted in partial fulfillment of the
requirement for the degree of

BACHELOR OF BUSINESS ADMINISTRATION (HONS)
BANKING AND FINANCE

UNIVERSITI TUNKU ABDUL RAHMAN

FACULTY OF BUSINESS AND FINANCE
DEPARTMENT OF FINANCE

APRIL 2014

Copyright ©2014

ALL RIGHTS RESERVED. No part of this paper may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, graphic, electronic, mechanical, photocopying, recording, scanning, or otherwise, without the prior consent of the authors.

DECLARATION

We hereby declare that:

- (1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.
- (4) The word count of this research report is 20688.

Name of Student:	Student ID:	Signature:
1. <u>CHOI CHENG KEONG</u>	<u>11ABB03666</u>	_____
2. <u>CHUA CHIAU XIANG</u>	<u>10ABB00020</u>	_____
3. <u>KATRIN KOH SZE YEE</u>	<u>11ABB02981</u>	_____
4. <u>LAI MEI HSIEN</u>	<u>11ABB00383</u>	_____
5. <u>TAN WEN PEI</u>	<u>11ABB00501</u>	_____

Date: 8 April 2014

ACKNOWLEDGEMENT

We have taken effort to complete our research. It would not possible to complete without the support and help of numerous people. We would like to extend our sincerely thanks to all of them. Firstly, we would like to thanks our parents for their understanding and endless support.

Besides that, the special thank you goes to our supervisor, Mr. William Choo Keng Soon for helping us throughout the whole research period. We appreciate and grateful for his guidance, advice, comment, commitment and sacrifices to assist us in any way he can. His sincere supervision and guidance truly help the progression and smoothness of our research. The comments and patient which he gave is much indeed appreciated.

Apart from this, greatly deals appreciated go to the contribution of the participants in our survey questionnaire. With their help, we can able to collect the data for analysis and it let us more understand their opinion towards our research. Also it makes our survey become more reliable.

Last but not least, we would like to thank UNIVERSITI TUNKU ABDUL RAHMAN (UTAR) for giving us this opportunity to conduct this research. Without the facilities provided, we will never complete this research. Lastly we would like to thank all of our group members because the effort and cooperation from each of the members is the key factors that affect the completion of this research.

Thank you.

DEDICATION

We would like to dedicate this final year thesis to our parents and friends who give fully encouragement for us during the preparation of this thesis. Besides, we are glad to have their guidance and advice which helps to smoothen the completion of this project.

TABLE OF CONTENTS

	Page
Copyright Page.....	ii
Declaration.....	iii
Acknowledgement.....	iv
Dedication.....	v
Table of Contents.....	vi
List of Tables.....	xii
List of Figures.....	xiv
List of Appendices.....	xv
List of Abbreviations.....	xvi
Preface.....	xvii
Abstract.....	xviii
CHAPTER 1	RESEARCH OVERVIEW
1.0	Introduction.....1
1.1	Research Background.....2
1.2	Problem Statement.....4
1.3	Research Objective.....7
	1.3.1 General Objective.....7
	1.3.2 Specific Objective.....7
1.4	Research Question.....8
1.5	Hypotheses of the Study.....8

1.5.1	Service Quality.....	8
1.5.2	Perceived Value.....	9
1.5.3	Corporate Image.....	9
1.5.4	Complaint Behavior.....	9
1.5.5	Role of Agent.....	10
1.6	Significance of Study.....	10
1.7	Chapter Layout.....	12
1.7.1	Chapter 1: Research Overview.....	12
1.7.2	Chapter 2: Article Review.....	12
1.7.3	Chapter 3: Methodology.....	13
1.7.4	Chapter 4: Result Analysis.....	13
1.7.5	Chapter 5: Conclusion.....	13
1.8	Conclusion.....	14
CHAPTER 2	LITERATURE REVIEW.....	15
2.0	Introduction.....	15
2.1	Review of Literature.....	16
2.1.1	Definition of Customer Satisfaction.....	16
2.1.2	Definition of Service Quality.....	17
2.1.2.1	The Relationship between Service Quality and Customer Satisfaction.....	18
2.1.3	Definition of Perceived Value.....	20
2.1.3.1	The Relationship between Perceived Value and Customer Satisfaction.....	21
2.1.4	Definition of Corporate Image.....	23
2.1.4.1	The Relationship between Corporate Image and	

	Customer Satisfaction.....	24
2.1.5	Definition of Complaint Behaviour.....	25
2.1.5.1	The Relationship between Complaint Behaviour and Customer Satisfaction.....	25
2.1.6	Definition of Role of Agent.....	26
2.1.6.1	The Relationship between Role of Agent and Customer Satisfaction.....	27
2.2	Review of Relevant Theoretical Models.....	28
2.2.1	SERQUAL Model.....	28
2.2.2	Structural Equation Modelling.....	29
2.2.3	Questionnaire.....	29
2.2.4	Nvivo 8.....	31
2.2.5	Seemingly Unrelated Regression Analysis.....	31
2.2.6	Coefficient Alpha.....	32
2.3	Proposed Theoretical/ Conceptual Framework.....	35
2.4	Hypotheses Development.....	36
2.4.1	Service Quality.....	36
2.4.2	Perceived Value.....	37
2.4.3	Corporate Image.....	37
2.4.4	Complaint Behaviour.....	38
2.4.5	Role of Agent.....	38
2.5	Conclusion.....	39
CHAPTER 3	RESEARCH METHODOLOGY.....	40
3.0	Introduction.....	41
3.1	Research Design.....	41

3.1.1	Qualitative Research.....	41
3.1.2	Correlational Research.....	41
3.2	Data Collection Method.....	42
3.2.1	Primary Data.....	42
3.3	Sampling Design.....	43
3.3.1	Target Population.....	43
3.3.2	Sampling Frame and Location.....	44
3.3.3	Sampling Elements.....	44
3.3.4	Sampling Technique.....	45
3.3.5	Sampling Size.....	45
3.4	Research Instrument.....	46
3.4.1	Purpose of using Questionnaire.....	46
3.4.2	Questionnaire Design.....	47
3.4.3	Pilot Test.....	48
3.5	Constructs Measurement.....	49
3.5.1	Nominal Scale.....	51
3.5.2	Ordinal Scale.....	51
3.5.3	Interval Scale.....	52
3.5.4	Origins of Questionnaire.....	53
3.5.4.1	Service Quality.....	56
3.5.4.2	Perceived Value.....	57
3.5.4.3	Corporate Image.....	58
3.5.4.4	Complaint Behaviour.....	58
3.5.4.5	Role of Agent.....	59
3.6	Date Processing.....	60

	3.6.1	Data Checking.....	60
	3.6.2	Data Editing.....	60
	3.6.3	Data Coding.....	61
	3.6.4	Data Transcribing.....	61
3.7		Data Analysis.....	62
	3.7.1	Descriptive Analysis.....	62
	3.7.2	Reliability Test.....	63
	3.7.3	Inferential Analysis.....	64
	3.7.3.1	Pearson Correlation Coefficient Analysis.....	65
	3.7.3.2	Multiple Regression Analysis.....	66
	3.7.3.3	One-Way ANOVA.....	68
3.8		Conclusion.....	69
CHAPTER 4		DATA ANALYSIS.....	70
	4.0	Introduction.....	70
	4.1	Descriptive Analysis.....	70
	4.1.1	Respondent Demographic Profile.....	71
	4.1.1.1	Gender.....	71
	4.1.1.2	Age.....	72
	4.1.1.3	Education Level of Respondents.....	74
	4.1.1.4	Monthly Income Level.....	75
	4.1.1.5	Purchasing of Life Insurance.....	77
	4.1.1.6	Purchasing of Health Insurance.....	78
	4.1.1.7	Purchasing of Personal Accident Insurance.....	79
	4.1.1.8	Purchasing of Other Types of Insurance.....	80
	4.1.2	Central Tendencies Measurement of Construct...81	

4.2	Scale Measurement.....	87
4.2.1	Internal Reliability Test.....	87
4.3	Inferential Analyses.....	88
4.3.1	Pearson’s Correlation Coefficient.....	88
4.3.2	Multiple Regression Equation.....	95
4.3.3	One-Way ANNOVA.....	98
CHAPTER 5	DISCUSSION, IMPLICATION, AND CONCLUSION....	100
5.0	Introduction.....	100
5.1	Summary of Descriptive and Inferential Analyses.....	100
5.2	Discussion of Major Findings.....	102
5.2.1	Relationship between Service Quality and Customer Satisfaction.....	103
5.2.2	Relationship between Perceived Value and Customer Satisfaction.....	103
5.2.3	Relationship between Corporate Image and Customer Satisfaction.....	104
5.2.4	Relationship between Complaint Behaviour and Customer Satisfaction.....	104
5.2.5	Relationship between Role of Agent.....	105
5.3	Implication of Study.....	105
5.3.1	Managerial Implications.....	105
5.4	Limitation of Study.....	108
5.5	Recommendations for Future Study.....	110
5.6	Conclusion.....	112
	References.....	113

LIST OF TABLES

	Page
Table 2.1: Summarized of the Methodology	33
Table 3.1: Reliability Test for Pilot Testing	48
Table 3.2: Measurement Applied on Variables	50
Table 3.3: Origin of Statements in Questionnaire Survey	53
Table 3.4: Rule of Thumb for Internal Reliability Test	64
Table 4.1.1: Frequency Distribution of Respondent's Gender	71
Table 4.1.2: Age of Respondents	72
Table 4.1.3: Education Level of Respondents	74
Table 4.1.4: Frequency Distribution of Respondents' Monthly Income Level	75
Table 4.1.5: Purchasing of Life Insurance of Respondents	77
Table 4.1.6: Purchasing of Health Insurance of Respondents	78
Table 4.1.7: Purchasing of Personal Accident (PA) Insurance of Respondents	79
Table 4.1.8: Purchasing of Other Types of Insurance of Respondents	80
Table 4.1.9: Customer Satisfaction	81
Table 4.1.10: Service Quality	82
Table 4.1.11: Perceived Value	83

Table 4.1.12: Corporate Image	84
Table 4.1.13: Complaint Behaviour	85
Table 4.1.14: Role of Agent	86
Table 4.2: Reliability Test for Substantive Study	87
Table 4.3: Correlation Matrix between Independent Variables and Dependent Variable	88
Table 4.3.1: Correlation between Customer Satisfaction and Service Quality	90
Table 4.3.2: Correlation between Customer Satisfaction and Perceived Value	91
Table 4.3.3: Correlation between Customer Satisfaction and Corporate Image	92
Table 4.3.4: Correlation between Customer Satisfaction and Complaint Behavior	93
Table 4.3.5: Correlation between Customer Satisfaction and Role of Agent	94
Table 4.3.6: Model Summary of Multiple Regression Model	95
Table 4.3.7: ANOVA of Multiple Regression Model	95
Table 4.3.8: Coefficient of Multiple Regression Model	96
Table 4.3.9: One Way ANOVA	98

LIST OF FIGURES

	Page
Figure 4.1: Gender of Respondents	71
Figure 4.2: Age of Respondents	73
Figure 4.3: Education Level of Respondents	74
Figure 4.4: Respondents' Monthly Income Level	76
Figure 4.5: Purchasing of Life Insurance of Respondents	77
Figure 4.6: Purchasing of Health Insurance of Respondents	78
Figure 4.7: Purchasing of Personal Accident (PA) Insurance of Respondents	79
Figure 4.8: Purchasing of Other Types of Insurance of Respondents	80

LIST OF APPENDICES

	Page
Appendices A: Survey Questionnaire	126

LIST OF ABBREVIATIONS

CB	Complain Behaviour
CI	Corporate Image
CS	Customer Satisfaction
PV	Perceived Value
RA	Role of Agent
SEM	Structural Equation Modelling
SPSS	Statistical Package for Social Sciences
SQ	Service Quality
SUR	Seemingly Unrelated Regression
VIF	Variance Inflation Factor

PREFACE

In this research we will test on the variable that can affect the customer satisfaction in conventional insurance services. After reviewed previous research, we have identified five independent variables which will bring effect to the customer satisfaction in conventional insurance services which including service quality, perceived value, corporate image, complaint behavior and role of agent. We will determine the relationship between the dependent variable and independent variables and also which factor will be most significant variable on affecting the customer satisfaction in conventional insurance services.

The result of this research seeks to provide a better understanding of how and why the independent variables will influence the customer satisfaction in conventional insurance services. Thus, local insurance company can make some modification on their product which able to meet the customer's need. Lastly, it will increase their competitive advantages.

ABSTRACT

There are more than 50 researchers sought to determine the customer satisfaction which will influence in conventional insurance services. The objective of this research is to determine the factors that affect the customer satisfaction in conventional insurance services in Malaysia. In order to meet the objective, Pearson correlation analysis had been carried out to test the relationship between customer satisfaction (dependent variable) and service quality, perceived value, corporate image, complaint behaviour and role of agent (independent variable). Internal reliability analysis has been used in the research. We found that service quality was the most important factor that affects the customer satisfaction in conventional insurance services in Malaysia. We found that corporate image and role of agent were the insignificant variables which barely explain the customer satisfaction level in conventional insurance services around Malaysia.

CHAPTER 1 : RESEARCH OVERVIEW

1.0 Introduction

According to Oxford English Dictionary, insurance is defined as a guarantee of compensation of certain amount by a company (a contract) as a protection against a possible eventuality such as losses, damage, illness or death face by the insured person. There are many types of insurance policies, for examples, health and medical insurance, life insurance, personal accident insurance, and car insurance. Nowadays, majority of Malaysians own at least one insurance policy in order to protect own benefits.

Insurance policies are often offer by insurance companies, either Islamic or conventional. Once a customer purchases the insurance policy, then the customer will have a satisfaction level when the customer serves by the insurance companies. At the early stage of study, customers' satisfaction towards the insurance's services is believed to be affected by several factors. Customers are likely to choose insurance company that has high quality of service such as provide complete information about the product and services. Furthermore, company needs a valuable perceived value to increase the willingness of customer to purchase insurance policy from them. Besides that, a well-known and positive corporate image can increase the trustworthiness of an insurance company. In addition, a company must handle well the complaints make by customer in order to solve problem that complaint exist. Hence, it helps improve the efficiency of the company. Lastly, having a resourceful and capable employees or agents helps to increase the sales of the insurance policy. Therefore, an insurance company which has a high quality of services provided, good perceived value,

positive corporate images, less complaining, and talented agents will largely increase the satisfaction of the customers.

In this research, it is important to study the factors that will have effect on the customer satisfaction. Thus the main purpose of this research is to investigate what are the factors of conventional insurance services that provided around Malaysia will affect the customer satisfaction towards insurance industry. In this chapter, the insurance background, followed by study of the problem that occur that lead to this research, the objective of this research, the research question, hypothesis and lastly the contribution of this research will be discussed.

1.1 Research Background

According to history, the first basic insurance contract in this world was appeared around 2100 B.C. in “Code of Hammurabi” that found at Babylon, which indicated that a loan was given to guarantee the goods can be arrived by caravan against the accident of the journey. After that, insurance grew at the end of 17th century in London which had become a center for trade due to increase in demand for marine insurance, this gave an opportunity to Mr. Edward Lloyd who opened a coffee house since 1680s, since the shop had lots of customers and majority of them was ship owners, ship captains or merchants, thus, he established Lloyd’s of London.

Insurance has spread into Malaysia at 18th century because Malaysia was colonized by the Great British and so affects the trade to grow rapidly with Great British, since the traders want to insure the risk of transportation for ingredients and raw materials such as spices, rubber and tin from Malaysia to their country, thus insurance has

started to spread along 3 major ports in Malaysia which are Penang, Malacca and Singapore (since Singapore is part of Malaysia at that moment).

In the early developments stage, the insurance placements are handling by the trading house and then become agency house which specialized in transnational trading such as Harrisons & Crossfield, Boustead and Sime Darby, which are the main agent for British based insurance companies, and lead to empowerment to have their own risk taken and claims settlement. After that, the insurance business was continuously expand since the rapid growth of trading and this was attracted many overseas insurers to expand their business into Malaysia, so local branches have been build and expatriate managers and executives were appointed to manage them. Beside the trading insurance, the workmen injury or death insurance was authorized to Workmen's compensation Ordinance 1952 so they can require employers to pay the insurance for their workmen; Road Traffic Ordinance 1958 had empowered to claim the payments from motor vehicle user to purchase third party insurance which is compulsory.

After Malaysia independent from British at 1957, local government had introduced domestic insurance companies such as life insurance companies and general insurance companies and they were developed in early 1960 but few of them were failed because lack of business expertise and technical skill; the domestic insurance companies also need for comprehensive legislation to regulate them, thus Insurance Act 1963 has been introduced to solve these problems. Then, Insurance act 1996 has been introduced by government to replaced Insurance Act 1993 to improve the integrity of regulation. Nowadays, the director of insurance holds the power and responsibility to supervise the operation of the insurance industry in Malaysia.

As the economy of Malaysia growth, insurance industry also growth obviously as well, and now, it is playing a main role in Malaysia' financial institution. Due to the great potential in Malaysia's market, insurance companies such as Great Eastern, Allianz, and Prudential etc. have compete with each other and the main way to obtain a larger market share is to fulfill customers' desired and build up long-term relationship with customers. Thus, how successfully an insurance company survives in the competitive market depends on what is the degree of customer satisfaction it achieved.

1.2 Problem Statement

Many researchers have done the research on customer satisfaction on various industries while some focused on insurance industry by narrowing their scope of study to one particular type of insurance. However, not much researchers study about the conventional insurance services available in insurance industry especially in Malaysia although some of them compared conventional insurance with the Takaful insurance. Since nowadays, the development of insurance industry had influenced the method business used to serve their customers (Kaur, Pamjit, Negi & Meenakshi, 2010) thus, it is essential to know what determinants that affects the customer satisfactions in conventional insurance services.

Based on this paper, there have some reviews regarding on several method of measurement on the customer satisfaction level by previous researcher and outline the research question in the paper.

There are many factors will influence the customer's satisfaction in insurance industry. Principally customers are concerned the service quality provided in insurance industry. Most of the customers faces problem of unfriendly service attitude delivered by insurance company's staffs. For instance, insurance company's staffs are delayed to reporting the compensation to a customer and this will make customer feel that staffs are not really serious and responsible to the job and to serve the customer. According Foster (2004), Parasuraman & Zeithaml & Berry (1988) and Walker & Johnson & Leonard (2006) stated that if an organization provide services that meet customer's needs, this will then lead to higher customer satisfaction level.

Besides that, perceive value also is a factor that will influence the customer satisfaction. Carr (1990), Voss & Parasuraman & Grewal (1998) and Woodruff (1997) said that either the customer become more or less satisfied, it will subsequently influence customer value expectations, purchase behavior and overall customer satisfaction. If the insurance company cannot meet the customer's desire, the perceived value to the insurance company tend to be lowered. This research to study how the perceived value will affect the customer satisfaction toward conventional insurance industry.

Moreover Johri (2009) stated that image of insurance corporate can affects customer satisfaction, by the degree of reliability, trust, assurance, competence, empathy, responsiveness, and tangibility. When once one of those components of corporate image is damaged, it will downgrade the insurance companies' reputation, which the insurance company will bring bad image to customers. If an insurance company refuses to compensate the insurer's claim and then falls into a lawsuit, the insurance company's reliability, trust and responsiveness will be query by the customers. Thus corporate image should be included in this research to study how corporate image can improve customer satisfaction.

Next, customer complaints behaviour is one of the most effective ways to collect information. Based on Wu (2013), the consumer complaint behaviour is an important key to maintain the customer loyalty in market. The level of complaining receive can affect the satisfaction of customer. Based on Stone (1966), the task of settling complaints by the customers is difficult due to it claims a long period to deal with. At the same time, there is also short of help, caused unable to handling all the complaints that an insurance company receives daily. According to Stone, there are 4 major problem that leads to the rise of complaint, they are, increase in premium volume, the condition of current economic, introduction of new policies in insurance industry and increase in public awareness. Thus, the problem occurs as how the customer complaint behaviour will affect the level of satisfaction in the conventional insurance services.

Last but not least, an insurance agent always known as the first line employee that represents the firm to serve customers. According to Kaur et al (2010), nowadays, changes occurred in insurance market is caused by the consumers and not the insurers or the agent anymore. In other words, consumers become the winner of the competitive insurance market as they would change their loyalty to other companies once their feel dissatisfied with the services provided. Hence, the problem arises as how the role of agent will affect the customer satisfaction to meet the customers' expectations in conventional insurance services. In addition, customer retention is always better than attracting new customers to the market for the purpose of survival especially in competitive market (Gera, 2011) as less cost is needed to maintain existing customers. Despite of that, insurance agents might have their own responsibility to help their companies to sustain the business while entertaining the consumers. Therefore, this research paper is carried out to study the factors that will affect the customer satisfactions towards conventional insurance services based on the problems encountered or found by previous researchers.

1.3 Research Objective

1.3.1 General Objective

To determine the customer satisfactions towards conventional insurance services by evidence from Malaysia market.

1.3.2 Specific Objective

- To study the relationship between service quality and customer satisfactions towards conventional insurance services by evidence from Malaysia market.
- To study the relationship between perceived value and customer satisfactions towards conventional insurance services by evidence from Malaysia market.
- To study the relationship between corporate image and customer satisfactions towards conventional insurance services by evidence from Malaysia market.
- To study the relationship between complaint behavior and customer satisfactions towards conventional insurance services by evidence from Malaysia market.
- To study the relationship between role of agent and customer satisfactions towards conventional insurance services by evidence from Malaysia market.

1.4 Research Question

- Does service quality significantly affect customer satisfactions towards conventional insurance services by taking evidence from Malaysia market?
- Does perceived value significantly affect customer satisfactions towards conventional insurance services by taking evidence from Malaysia market?
- Does corporate image significantly affect customer satisfactions towards conventional insurance services by taking evidence from Malaysia market?
- Does complaint behavior significantly affect customer satisfactions towards conventional insurance services by taking evidence from Malaysia market?
- Does role of agent significantly affect customer satisfactions towards conventional insurance services by taking evidence from Malaysia market?

1.5 Hypotheses of the study

1.5.1 Service Quality

H₀: Service quality insignificantly affects customer satisfactions toward conventional insurance services

H₁: Service quality significantly affects customer satisfactions toward conventional insurance services.

1.5.2 Perceived Value

H₀: Perceived value insignificantly affect customer satisfactions towards conventional insurance services.

H₁: Perceived value significantly affect customer satisfaction towards conventional insurance services.

1.5.3 Corporate Image

H₀: Corporate image insignificantly affect customer satisfactions towards conventional insurance services.

H₁: Corporate image significantly affect customer satisfactions towards conventional insurance services.

1.5.4 Complaint Behavior

H₀: Complaint behavior insignificantly affects customer satisfactions towards conventional insurance services.

H₁: Complaint behavior significantly affects customer satisfactions towards conventional insurance services.

1.5.5 Role of Agent

H₀: Role of agent insignificantly affects customer satisfactions towards conventional insurance services.

H₁: Role of agent significant affect customer satisfactions towards conventional insurance services.

1.6 Significance of the Study

It is essential to carry out this study since this study can brings advantages to customers, investors, public and insurances providers, by showing how the determinants, which are service quality, perceived value, corporate image, complaint behavior, and role of agent affect customer satisfactions in conventional insurance sector in Malaysia.

Since the customer satisfaction is an indicator for the companies' performances, hence it is crucial to carry out this research. This study can impact the customers who are willing to purchase conventional insurance policies. When there's dissatisfaction occurred, it will leads to consumers' complaint (Singh and Widing, 1991), it is understandable that the particular firm do not meet the expectations of most of the consumers. Thus, the customers are able to make a judgement towards the company's performance after surveying all the targeted insurance companies and then the customers will probably able to pick the better insurance company.

On the other hand, this study can bring benefits to investors. To ensure the investments have lowest risk, investors need evaluate the profitability of the insurance company. Thus, investors need the result of customer satisfaction of the insurance companies to determine which insurance company should be invested and will has better return because customer satisfaction may influence an insurance company's profitability through competitive ability. The insurance company which has higher customer satisfaction is belief to have higher competitive power, thus it will has higher profitability.

Apart from that, this study will be able to benefit to the public, community or social. The aim for this study is to let public, community or social to know about the right to voice out or speak out the opinion freely through word of mouth to other people and even give feedback to the company if the services or product which provided by the insurance company does not meet the expectations. Another public, community or social have the right to choose which company want to visit. Thus, the company will have chances to improve and growing up become a stronger and perfect company.

Nowadays, insurance providers are necessary need to learn how to satisfy customer to win customer loyalty, and improve the ranking over the country. Due to customer retention is much way better than attracting new customers which require more cost such as the cost of advertising, promotion, marketing and much more that can attract customers' attention. Throughout this research, it is study the factors that determined the degree of customer satisfaction and then insurance providers can form the strategies to improve customer satisfaction by improve the services quality; make an excellent corporate image, and agents training programs. Evidence from most insurance company rating programs, the more customer satisfaction to the insurance provider, the higher the ranking the insurance provider.

1.7 Chapter Layout

This research paper consists of five chapters.

1.7.1 Chapter 1: Research Overview

In chapter one, introduction and research background of the topic of the research will be stated. This chapter consists of introduction, research backgrounds, problem statement, research objectives, and research questions, hypotheses of the study, significant of the study, chapter layout and conclusion.

1.7.2 Chapter 2: Article Review

This chapter contains gathering of a comprehensive review of the published and unpublished information. Most of the information will collect from journal article and previous researchers done on this topic and also what are the issues, findings and framework that they used in past history. In this chapter, the literature review is a combination of the relevant work generated on this field or topic which includes of introduction, literature review, review of relevant theoretical models, proposed theoretical, hypotheses development and conclusion.

1.7.3 Chapter 3: Methodology

In this chapter, data collection method, the sources of the data, sample size, sampling design, operational definitions of constructs, measurement scales and the methods of data analysis that will be use to conduct this study are included.

1.7.4 Chapter 4 : Result Analysis

In this chapter, the patterns and analysis of the results relevant to the question will be conduct and hypotheses of the research. Introduction, descriptive analysis, scale measurement, inferential analysis and conclusion will include in this chapter.

1.7.5 Chapter 5: Conclusion

This chapter will be the last section of the research project where all the results will be concluded and discussed. Besides that, the policy implications that government and other parties can be implementing to improve this research are included in the chapter. Moreover, summary of statistical analysis, discussion of major findings, implication and limitation of the study and recommendations also will be suggested for future researchers.

1.8 Conclusion

In a nutshell, chapter 1 contains the groundwork of the research. This research is important and useful to insurance companies, consumers, investors, public, and insurance providers to more understanding the latest information about the customers satisfaction towards conventional insurance services. Moreover they can know the direct or indirect effects of the macroeconomic factors towards conventional insurance services.

In addition, the following chapter will present the literature review form previous studies that represent the understanding on variables. Hence, this research project will be benefits to them who are interested in insurance industry, so for those who are interested in insurance services, this research can make them make own decision and target the needs and desire since have the knowledge in this area.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

In this chapter, how other researchers' works or done their research will be look in depth critically especially in the field that related to determinants of customer satisfaction in conventional insurance services sector.

The chapter layout will be follow step by step accordingly: review of the literature where past researchers' research were analyzed; review of relevant theoretical models which study the method of research used by past researchers; proposed theoretical or conceptual framework is where dependent and independent variables are study about their relationship either positively, negatively or positively and negatively related; hypotheses development where all the null and alternative hypotheses is stated in order to undergo the research and making decision whether to accept or reject the null hypothesis; and last but not least the brief summary about this chapter.

2.1 Review of the Literature

2.1.1 Definition of Customer Satisfaction

Bolton and Drew (1991) and Cronin and Taylor (1992) mentioned that customer satisfaction is defined as the judgment made when receiving a particular service based on the services marketing literature. According to Oliver (1981) said that customer satisfaction is an emotional reaction which affect the customers' attitude. Generally, customer satisfaction took place when the customer comparing an actual service performance with their expectations of the service where the differences will generate three types of disconfirmation; positive, negative and zero disconfirmation (Oliver, 1980). In addition, positive disconfirmation means the satisfaction level is high while negative disconfirmation means there is high dissatisfaction level. Oliver (1997) also stated that "satisfaction is the fulfillment response by customer. It is a judgment towards the product or service feature, or mainly on the product or service itself, provided that a agreeable level of consumption-related fulfillment, including the under-or over-fulfillment level". At last, Anderson, Fornell and Lehmann (1994) characterized customer satisfaction as an increasing consumption experience.

Overall, there are a lot of prior researchers that study about customer satisfactions in various types of industries especially in service industries. However, not much researchers that study about the determinants of customer satisfactions in insurance industry. This is the reason why this research is done in order to find out customers in insurance industry expectations towards the services provided in the conventional insurance sector so that insurance

companies able to make some changes and improve the services. A few researches were done on insurance sector customer satisfactions such as Kaur & Negi (2010); Gera (2011); Upadhyaya & Badlani (2011); Duodu & Amankwah (2011); and few others more.

2.1.2 Definition of Service Quality

Service quality can be defined as a customer's judgement about an organization's overall performance (Parasuraman, Zeithaml, and Berry 1998). According to Anderson and Fornell (1994) also said that service quality is the degree to which a product or service provides customer requirement and how these requirements are met. Besides that, Parasuraman et al. (1998) explained service quality as the gap between expectation and perception of services quality and conducted new concept of service quality which is SERVQUAL. It is a tool to measure the satisfaction of customer by satisfactions of customer service. The SERVQUAL model proposes that customers evaluate the service quality on five types of dimension which are reliabilities, responsiveness, empathy, assurance and tangibles. Next, Bitner and Hubbert (1994) defined service quality as the overall impression of customers towards an organization's relative inferiority or superiority and the services provided by the organization. The researcher wants to indicate that customer always judge the image and performance of organization based on the service quality. Also it defined that customer satisfaction may be affected by the service quality of the organization. In addition, it determine about the service quality based on time promised.

2.1.2.1 The relationship between service quality and customer satisfaction

According to Gunwant et al. (n.d), researchers found that there was a significant difference between the perceptions of services being provided at the promised time on the basis of company of which policy is taken. It shows that time promised is ONE of the factors that customers is concern about to the service quality. In other words, it means that the more accurate the time that insurance industry had performed to the customers, the customer satisfaction and impression will become better. Moreover, it also found that between perceptions of employees' understanding of specific customer needs has a significant difference. (Gunwant et al., n.d) Among the FIVE dimensions of service quality, the TWO areas that India customers concern about are the reliability and the assurance. In Indian insurance industry, the firms tried to improve these two dimensions in order to enhance the customer satisfaction. Hence, the study shows that there is a positive relationship between service quality and customer satisfaction.

In Ghana, there are studies found that reliability and responsiveness have a significant impact on customer satisfaction in insurance industry. However, technical quality, price and image quality do not significantly affect customer satisfaction in insurance industry (Duodu and Amankwah, 2011). Reliability can be defined as the capability to provide service reliably and precisely while responsiveness and willingness defined as the keenness of service provider to help customers and provide a prompt service. The researchers found that both of the dimensions have a significant impact on customer satisfaction, which mean that customers want to receive the service based on the time that customers preferred. In this speediness world, human beings do not want to waste their time on any transactions. Therefore, the time promised is indirectly affects the customer satisfaction due to the service quality.

Therefore, customers do not really care about the technical quality, price, image quality of the product or the service in the insurance industry in Ghana since the time promised is over cover all the factors.

Next, according to Upadhyaya et al. (2011), customers think that the salespeople can always use technology to solve their doubts. Thus, this will help in extending the relationship between salespeople and customers as sense of trust and satisfaction is developed, yet, it doesn't mean that technology use to replace the salespeople. This research investigates the life insurance companies in India. The study mentions that technical quality is less important to fulfil the customer satisfaction. This is because customers like to negotiate with the salespeople during a transaction. However, a machine cannot allow customers to make any negotiation during transaction. Moreover, customers always have a lot of questions about the product or service before they purchase it, so salespeople will be the best answerer to the customers. The other way round, machine is fixed for everything. It has a fix transaction procedure and constant information that had saved inside the machine. Thus, the information that obtains from machine is limited compared to salespeople. At the end, it states that salespeople's service quality become a critical factor that will affect the customer satisfaction.

In today's changing world, customer impression really do play a critical role in insurance company as nowadays, developed economies are becoming more service oriented (Jajae et al. 2012). This study also found that there is a positive relationship between service quality and customer satisfaction in different research. In other words, service quality increase will directly cause higher customer satisfaction level. In addition, the researchers also found that more than THREE quarter of the respondents do not have problems or

conflicts with the insurance providers based on the high service quality that had been provided.

According to Gorji and Sargolzaee (2011), the authors found that there is no relationship between tangible factors of service quality and customer satisfaction in the public sector but it can achieve in the private sector. The study shows that service quality due to the tangible factors are not significant to the part of economy that controlled by the government in the insurance industry. Nevertheless, the tangible factors are significant to the part of economy that is not under government control in insurance industry.

2.1.3 Definition of Perceived Value

Customer perceived value is the consumer's overall assessment of the utility of a product based on perception of what is received and what is given. (Sweeney et al. (1999), Ulaga & Chacour (2000) .It is the value that a customer perceived to gain by purchasing a product. In another word, perceived value is the total perceived benefits minus total perceived costs. Thus, customers will repeat buying the same product if perceives to get same value out of the product. Hence, delivering customer perceived value becomes the motto of marketers. Therefore, some researchers such as Petrick (2002) argued that perceived value is actually more complex. Since the result of multiple value perceptions could be come from customer choice, so, multi-dimensional approach of value perceptions should be considered by scholars and managers. Generally, many scholars defined perceived value as the customers' judgement or valuation by comparing the benefits or utility they obtained from a product, service or relationship, and the perceived costs

(Zeithamal, 1998; Monroe, 1990; Gale, 1994). According to Zeithaml (1998), the researcher also defines perceived value as the customer's overall evaluation of the value of a product or service based on perceptions of what is given up by them to gain what they received concept. Besides that, Cronin, Brady, and Hult (2000) also defined that perceived value as benefits obtained and sacrifices made by customer.

2.1.3.1 The relationship between perceived value and customer satisfaction

According to Parasuraman (1997) said that perceived value could be one of the most important measurement to gain a competitive advantage. Young, H., K. & Dan, J., K. & Kathy, W. (2013) found that there is a strong and positive relationship between perceived value and customer satisfaction. In addition, Eggert and Ulaga (2002) also confirmed that both cognitive and affective variables should be measured simultaneously together. The study also argued that perceived value and satisfaction should complement each other but cannot be substitutes. Based on another researcher said that perceived value is an important determinants for customer satisfaction (Crosby and Stephens, 1987; Fornell et al., 1996). The early findings of Jacoby and Kaplan (1972) & Kaplan et al. (1974) show that the perceived value has a direct positive effect upon brand preference, and the major customer perceived risk when purchasing life insurance is financial risk. Recently, in order to integrate customer perceived value and customer satisfaction, a conceptual frameworks have been developed (Heskett et al., 1994; Liljander and Strandvik, 1995; Storbacka et al., 1994; Woodruff, 1997).

Nevertheless, from previous research studies, there is a small amount of studies provided empirical evidence for the fundamental relationship between perceived value and satisfaction (Andreassen and Lindestad, 1998; Cronin et al., 2000; Crosby and Stephens, 1987; McDougall and Levesque, 2000; Patterson and Spreng, 1997). Furthermore, only the value disconfirmation experience supports the anticipated relationship of perceived value upon customer satisfaction. For example, most of the customers expect to receive benefits that are greater than the cost. In other words, customers expect to receive a value whenever they purchase a product or service. Thus, if anything happens after the purchase that is unexpected such as, an increase or reduce in the cost incurred or benefit received, then it will cause the perceived value to be changed.

According to Carr (1990), Voss et al., (1998) and Woodruff (1997) said that customer value expectations, purchase behaviour and overall customer satisfaction will be affected when the customers neither become more or less satisfied. Moreover, customers perception of overall service value positively impacts upon customer overall service satisfaction. For example, in a relationship with the service supplier, customers tend to make a selection on the options available and generate a value themselves, thus, it will raise the customers' product or service satisfaction (Carr, 1990; Gronroos, 1997; Normann and Ramirez, 1993; Ravald and Gronroos, 1996; Rosen and Surprenant, 1998; Woodruff, 1997).

2.1.4 Definition of Corporate Image

Based on Boyle (1996) said that image is defined as the “tool impression a corporation put on the minds of people”. Furthermore, corporate image can be defined as “the net results of interaction of all experiences, impressions, beliefs, feelings and knowledge that people have on the corporation” (Worcester, 1997). Corporate image as “the image people has on the corporation through the gathering of received messages” (Fombrun, 1996). Keller and Aaker (1992) said that normally corporate image connects customers’ memory to the organization. Next, corporate image also considered as a type of brand image where it refers to the whole corporation other than its individual products (Bravo, Montaner, and Pina, 2009). According to Tariq and Moussaoui (2009), customers will be encouraged to repeat purchase in the future if good corporate image is perceived by them. Therefore, a good corporate image will leads to the success of the corporation as supported by Granbois (1981) who said that corporate image is one of the main aspects that lead to the organization success. At last, Bravo, Montaner and Pina (2009) stated that both in theory and practice, a strong corporate image is able to increase the success of an organization in the short run and long run.

2.1.4.1 The relationship between corporate image and customer satisfaction

According to Hart & Rosenberger (2004)'s study, replicates that the model proposed by Andreassen & Lindestad (1998) relating to the effect of corporate image in the formation of customer loyalty, which stated the corporate image may indirectly effect customer loyalty through customer satisfaction. Besides, Malik, Ghafoor & Iqbal (2012) try to find the impact of brand image, price, and service quality on the customer satisfaction. However, Andreasson & Bodil (1998) categorized corporate image and customer satisfaction into two routes to customer loyalty and also the relationship between these three components. In Mohamed, Yehia & Tawfik (2013)'s study, they explore the relationship among corporate image and reputation, service quality, customer satisfaction and customer loyalty. Next, Hishamuddin & Asiah (2001) also carry out study on the relationship between customer satisfaction and perceived corporate image.

Besides, there are some findings of studies found that corporate image is highly related to customer satisfaction (Hart & Rosenberger, 2004; Malik et al. 2012). Furthermore, some studies also proved that corporate image significantly give impact on customer satisfaction (Andreasson & Bodil, 1998; Mohamed et al. 2013). Based on Hishamuddin & Asiah (2001)'s results, it indicated that all the factors under company image show a positive relationship with customer satisfaction.

2.1.5 Definition of Complaint Behaviour

Complaint behaviour can be referring to the customer initiative to communicate with the service provider in order to obtain solution or compensation for problems in any particular market transactions. According to Singh (1988) stated that third party complaint behaviour is usually not directly related to the dissatisfying experience such as newspapers or legal agencies but it is directly towards things which are outside the customer's social boundaries. Westbrook (1987) said that satisfaction is a partial moderator of negative effect which involved anger, disgust and contempt on complaint behaviour. Based on Singh and Wilkes (1996), when the level of complaint success is high, likelihood it is associated with higher levels of complaint behaviour too.

2.1.5.1 The relationship between complaint behaviour and customer satisfaction

Based on the research done by Haverilla & Naumann (2011), it indicated there is a negatively correlation between customer satisfaction and customer complaints. Besides, feedback can be either positive (praise) or negative (complaint) too. Furthermore, according to the research done by Gull & Iftikhar (2012), a similar result found by the researchers is that the relationship between customer satisfaction and complaint behaviour are not so significant (poor negatively related) in service sector. The study shows that the consumers in Pakistan are less likely to choose to complaint their dissatisfaction to the service provider if compared to responses like negative

word of mouth and switching. Instead of complaining to the service provider, customers prefer to express their emotions privately.

On the other hand, the result shows by Potluri & Mangnale (2011) provide evidence shows that outcome of customer complaint handling procedure and customer satisfaction has a strong relationship. In addition, the research carries out by Grougiou & Pettigrew (2009) also found that the seniors' will directly and positively expressed their dissatisfaction through the complaining process to the service providers. The result shows that there is a significant relationship between the customer satisfaction and complaint behaviour. In the study conducted by Bougie, Pieters & Zeelenberg (2003) also shows that there is a direct effect between customer satisfaction and customers' behavioral responses in the services field.

2.1.6 Definition of Role of Agent

Generally, agent can be defined as a person who brings an action on behalf of the other person. For example, an insurance agent represents the insurance company to sell insurance policies. Adding on, according to Launstein (1959), insurance agent should use his knowledge regarding to insurance in advising his policyholders instead of just become a salesman or salesperson to sell the insurance policies. Other than that, some researchers use the term insurer to represent the medium man or the agent who deal with customer. Nowadays, competition among the insurers rise due to customer preferred better services from insurers instead of the prices of the product itself (Kaur & Negi , 2010). Furthermore, based on Siddiqui & Sharma (2010) study, insurance agents has the responsibility to constantly monitor their customers' needs as it will affect

the overall customer satisfaction based on the services performed by the agents.

2.1.6.1 The relationship between role of agent and customer satisfaction

Based on Hui-Chen (2006) study, the agent in insurance industry played a vital role in developing the relationship among the buyer and seller in the industry. Indirectly, there will be motivation that makes consumers to maintain the relationship with service providers (Jap, 2000). Besides that, Reynolds and Beatty (1999) found out that the relationship between the satisfactions or loyalty towards the salespeople or agents was based on feelings either pleasure, joy, dejection or detesting rather than the trust towards the salespeople as stated by Doney and Cannon (1997) and Jap (2000). Both latter studies found out that trust towards the agents or salespeople will affect consumer's purchasing decision and retention of the relationship where the agents' personality or characteristics were taken into account. In Hui-Chen (2006) studies, result showed that customer attitudes towards sales agent become positive when customer received high advantages from the agents and thus, the agent's attitude appears to be a customer loyalty or satisfaction translation.

2.2 Review of Relevant Theoretical Models

2.2.1 SERVQUAL model

Service quality consists of five main dimensions which derive from 10 overlapping dimensions. There are reliability, assurance, tangibles, empathy and responsiveness. SERVQUAL model is used for measuring the gap between customer expectations and experience. The data was collected using a structured questionnaire (the SERVQUAL scale).

Reliability: ability to perform the promised service dependably and accurately

Assurance: knowledge and courtesy of employees and their ability to inspire trust and confidence

Tangibles: physical facilities, equipment and appearance of personnel

Empathy: Caring, individualized attention the firm provides for its customers

Responsiveness: willingness to help customers and provide prompt service

Satisfaction is actually the customer's reply to the assessment of the distinction between initial expectations and actual performance (Gorji and Sargolzaee, 2011). Customer satisfaction is important because it will affect the company making the policy for customer-oriented and market-oriented in the future. According to Gunwant and Dash (n.d); Upadhyaya and Badlani (2011), the authors want to find the gap between actual service and expected service. They identify that this gap is determined by consumer evaluations along the five dimensions. Besides that, Jajae and Sheikh Ahmad (2012) tried to focus more on the variables' relationships instead of using the correlation design and test the activity impact.

2.2.2 Structural Equation Modelling (SEM)

Structural equation modelling is a statistical data analysis technique that used for multivariate analysis with latent variable. The main goal of SEM is to find the limit where a hypothesised model able to fit or adequately describe the sample data (Duodu et al., 2011). The fitness of a model will use a number of Goodness-of-fit to test the index. SEM divides into six main stages

1. Defining individual constructs
2. Developing the overall measurement model
3. Designing study to produce empirical results
4. Assessing the measurement model validity
5. Specifying the structural model
6. Assessing structural model validity

2.2.3 Questionnaire

A survey of questionnaire was carried out by Haverilla and Naumann, (2011) to find the relationship between customer satisfaction and complaint behaviour. A questionnaire contains of 40 questions that measured the performance of service provider and level of satisfaction. All the questions were measured by using a five point scale. The result shown thesis two variables are negatively correlated.

Besides, Potluri, Mangnale, Dist and Pradesh (2011) also conducted a questionnaire. In the study, the researchers used a quantitative survey recall research design and personal interview to identify the customers' level of satisfaction and reason of dissatisfaction. Thus, the result shows that there is a strong relationship between process in handling customer complaint and customer satisfaction. Next, Gull and Iftikhar (2012) developed a questionnaire as their tools. The data were then tested by using IBM SPSS 19. Result shows that there is a significant relationship between customer dissatisfaction and complaint behaviour.

Based on Mohamed, Yehia and Tawfik (2013); Hart & Rosenberger (2004), the researchers used questionnaire to identify the impact of corporate image and reputation on customer satisfaction. Besides that, questionnaires are used to examine the effect of service quality, price and corporate image on the customer satisfaction that composed of demographic part and subjective part (Malik, Ghafour and Iqbal, 2012).

According to Kaur and Negi (2010), the researchers collect those questionnaires and identify the factors that influence customer satisfaction by using the multiple regression analysis. One of the factors is the role of agent that may affect the customer satisfaction.

2.2.4 Nvivo 8

An interviews technique is being used in the research which carried out by Grougiou & Pettigrew (2009). These interviews were semi structured and verbally-administered word association. The interviews were held on a one-to-one basis. All interviews will be recorded, transcribed, and lastly imported into NVivo 8 (a software programme that runs qualitative analysis). Result shows that majority of the sample less likely to voice out their complaints to the services provider.

2.2.5 Seemingly Unrelated Regression (SUR) Analysis

According to Bougie, Pieters & Zeelenberg (2003), the researchers used the retrospective experience sampling (respondents were ask to recall their earlier bad experience in service sector) in testing the consumers' negative experience with service organizations. The researchers were then performing the seemingly unrelated regression (SUR) analysis to test the correlation. The result shows that anger will give effect on dissatisfaction from customers' behavioural responses.

2.2.6 Coefficient Alpha

This is use for estimate the validity for each variable and to test the proposed model. According to Hui-Chen (2006); Der-Jang, (2007), the reliability analysis for measurement scales is through the use of coefficient alpha. For the confirmatory factory analysis, the researchers use the LISREL for analyze.

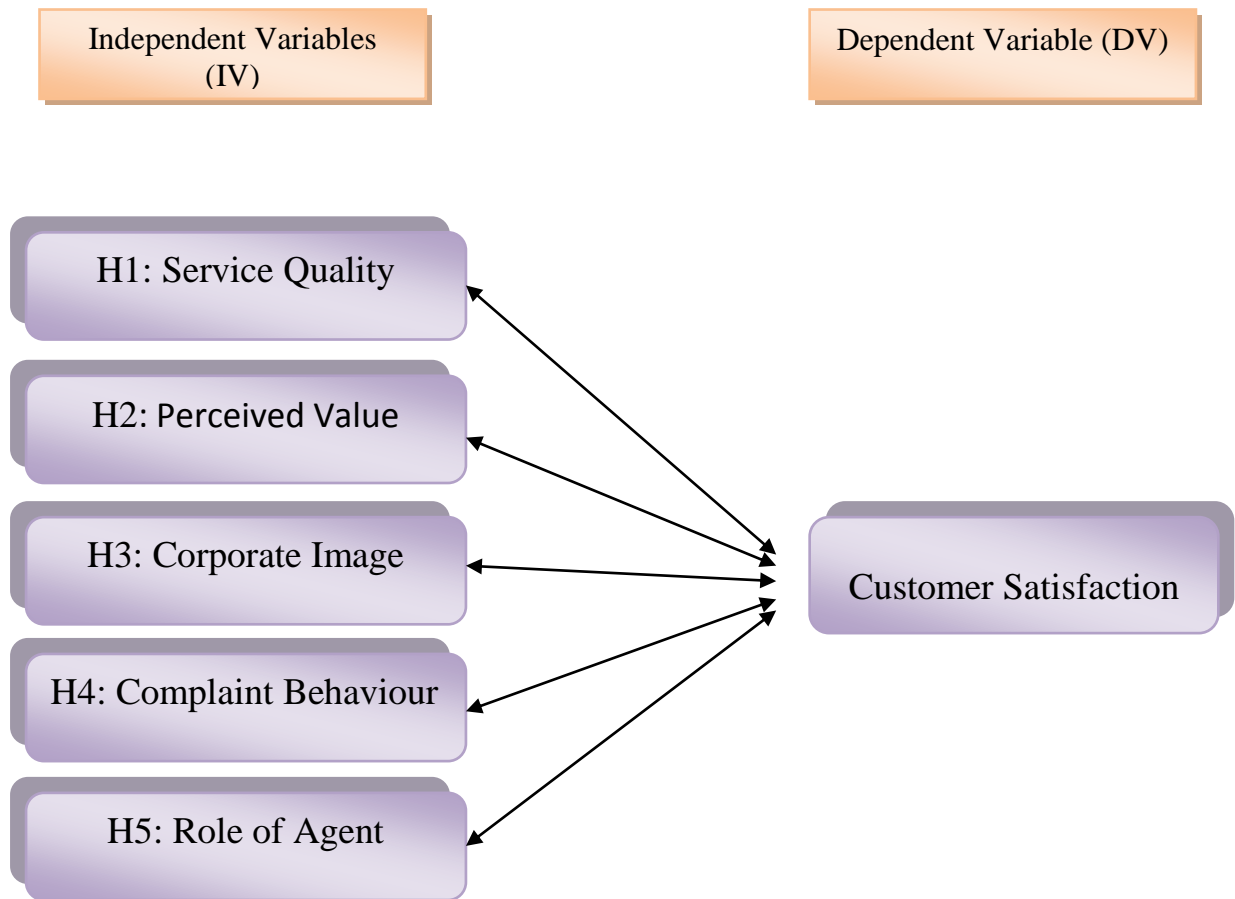
Table 2.1 summarized common variables and method used by the researchers that were conducted in the studies. Those common variables are service quality, perceived value, corporate image, complaint behaviour and role of agent.

Table 2.1: Summarized of the methodology

Summarized of the methodology on previous research			
Study	Variables	Method	Country
Gunwant and Dash (n.d)	Service quality	SERVQUAL model	India
Gorji and Sargolzaee (2011)	Service quality	SERVQUAL model	-
Upadhyaya and Badlani (2011)	Service quality	SERVQUAL model	India
Jajae and Sheikh Ahmad (2012)	Service quality	SERVQUAL model	Australia
Duodu and Amankwah (2011)	Service quality	Structural Equation Modelling (SEM)	Ghana
Dodds, Monroe, & Grewal, D. (1991), Lundstrom and Lamont (1976),	Perceived Value	Questionnaire	Australia
Mano and Oliver (1993), Zeithaml (1988)	Perceived Value	Questionnaire	Australia
Parasuraman (1997), Woodruff (1997)	Perceived Value	Structural Equation Model (SEM)	-
Hart & Rosenberger (2004)	Corporate Image	Questionnaire	Australia
Malik, Ghafoor & Iqbal (2012)	Corporate Image, Service Quality	Questionnaire	Pakistan
Andreasson & Bodil (1998)	Corporate image	Structural Equation Modelling (SEM)	Norway
Mohamed, Yehia &	Corporate image,	Questionnaire	-

Tawfik (2013)	service quality		
Hishamuddin & Asiah (2001)	Corporate image	Questionnaire	-
Haverilla and Naumann (2011)	Complaint behavior	Questionnaire	-
Gull and Iftikhar (2012)	Complaint behavior	Questionnaire	Pakistan
Grougiou and Pettigrew (2009)	Complaint behavior	NVivo 8	United Kingdom
Bougie, Pieters and Zeelenberg (2003)	Complaint behavior	Seemingly Unrelated Regression (SUR) analysis	-
Potluri and Mangnale (2011)	Complaint behavior	Questionnaire	Ethopia
Siddiqui & Sharma (2010)	Role of agent Service Quality	SERVQUAL model	India
Hui-Chen (2006), Der-Jang, (2007)	Role of agent	Coefficient alpha (Cronbach, 1951)	Taiwan
Kaur & Negi (2010)	Role of agent	Questionnaire	India

2.3 Proposed Theoretical/ Conceptual Framework



The sketching above is the proposed conceptual framework which is designed to serve as the foundation of the research paper. The theoretical framework is to help researchers to examine the relationships between dependent variable and independent variables towards the factors that affect customers' satisfaction in conventional insurance services. Thus, this paper is study on the impact of service quality, perceived value, corporate image, complaint behavior, and role of agent on the customers' satisfaction.

In this study, there will be FIVE independent variables that will be use which are service quality, perceived value, corporate image, complaint behavior and role of agent while customer satisfaction is the dependent variable. The

proposed framework will contain five hypotheses to be tested in determining the relationship between the variables. Each hypothesis will be further discussed in detail at below.

2.4 Hypotheses Development

In order to examine the factors that affecting the customer satisfaction in conventional insurance services, the hypotheses was proposed as below.

2.4.1 Service Quality

H_0 : There is no significant relationship between service quality and customer satisfaction.

H_1 : There is significant relationship between service quality and customer satisfaction.

These hypotheses are proposed to test the relationship between service quality and customer satisfaction. The result of the test will be positive relationship or negative relationship between service quality and customer satisfaction.

2.4.2 Perceived Value

H_0 : There is no significant relationship between perceived value and customer satisfaction.

H_1 : There is significant relationship between perceived value and customer satisfaction.

These hypotheses are proposed to test the relationship between perceived value and customer satisfaction. The result of the test will be positive relationship or negative relationship between perceived value and customer satisfaction.

2.4.3 Corporate Image

H_0 : There is no significant relationship between corporate image and customer satisfaction.

H_1 : There is significant relationship between corporate image and customer satisfaction.

These hypotheses are proposed to test the relationship between corporate image and customer satisfaction. The result of the test will be positive relationship or negative relationship between corporate image and customer satisfaction.

2.4.4 Complaint Behaviour

H_0 : There is no significant relationship between complaint behaviour and customer satisfaction.

H_1 : There is significant relationship between complaint behaviour and customer satisfaction.

These hypotheses are proposed to test the relationship between complaint behaviour and customer satisfaction. The result of the test will be positive relationship or negative relationship between complaint behaviour and customer satisfaction.

2.4.5 Role of Agent

H_0 : There is no significant relationship between role of agent and customer satisfaction.

H_1 : There is significant relationship between role of agent and customer satisfaction.

These hypotheses are proposed to test the relationship between role of agent and customer satisfaction. The result of the test will be positive relationship or negative relationship between role of agent and customer satisfaction.

2.5 Conclusion

In a nutshell, this chapter provide plenty of literature review. The main purpose of this chapter is to present a summary of study on relevant field in order to create a sustainable foundation based on the critically reviewed by previous researchers. Referring and reading this chapter has provided a better understanding of the concept of variables which has been discussed in this study which includes the literature review of the customer satisfaction, service quality, perceived value, corporate image, complaint behaviour and role of agent. Besides that, the theoretical framework and conceptual also have provided in this chapter and show the relationship between dependent variable and independent variables. Lastly, the methodology of the research will be formulated in chapter 3 to discuss the ways in data collection and data analysis for the empirical hypotheses testing.

CHAPTER 3 : RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents a systematic overview of the methods implemented in the study. The elements covered include research design, data collection method, sampling design, research instrument, data processing, data analysis, and constructs measurement. Three hundred survey questionnaires were collected from targeted respondents through face-to-face approaches. The chapter will further discuss how the research was conducted.

3.1 Research Design

Research design is actually a detailed sketch and analytical strategy of completing a research and answering each research question validly and accurately (Kumar, 2010). On the other hand, research design can be defined as the foundation for systems creation that responds to human needs. According to Selltiz, Wrightsman & Cook, (1976), a research design is framed to formulate methods of collecting and analyzing data in order to achieve research objectives. Besides, based on Kothari (2004), research design provides a conceptual structure for conducting the research and a blueprint for collecting, measuring and analyzing the data. In addition, a good research design must at least consists of four aspects, which are the clear statement of research problems, different procedures and techniques used for collecting information, the population to be studied and various methods to be carried out in analyzing and interpreting data (Kothari, 2004).

3.1.1 Quantitative Research

Quantitative research is one of the methods applied in this study. Quantitative research can be defined as the quantitative studies that involved numerical data. Nykiel (2007) stated that quantitative research's meaning can be consists of two different perspectives which are marketing and science perspectives. Marketing perspective explained that quantitative research involved the collection of quantifiable data or information that can be traced over time whereas science perspective is about processing the facts, making predictions and testing the stated hypotheses. Quantitative research is suitable in this study because the quantifiable data collected from samples of targeted population to measure the respondents' opinions become more convenient as the sample size chosen are huge and the respondents are randomly selected (Fitzpatrick, 2006). On top of that, reliable results able to obtained if the research is conducted in proper way (Nykiel, 2007).

3.1.2 Correlational Research

Correlational research can be defined as the method to identify whether two or more variables in the study have relationship after collecting the data from the respondents (Jackson, 2011). Harris (2005) also describe the function of correlational research is to find out the existence of relationships between variables besides providing new theories and hypotheses in the study. As the objective of this research is to examine the relationship between service quality, corporate image, perceived value, complaint behavior, and role of agent on customer satisfaction in the insurance industry, thus correlational research is appropriate in the study.

3.2 Data Collection Method

Data collection method usually depends on which types of data that has been chosen. Data actually can be categorized into primary data and secondary data. In this study, primary data has been chosen in the research.

3.2.1 Primary Data

Primary data is actually first-hand data or the information collected by researchers via direct observations (Panneerselvam, 2000). Normally, primary data is collected through observation method, surveys, interviews and experiments instead of other sources which are available for public access (Forshaw, 2000). Since the study is about the responses and opinions of respondents towards the insurance services, primary data research is the best way to collect the information. Survey questionnaires and interview are the most common technique used in primary data research.

In this study, questionnaire is used as the tool to collect data as questionnaire provides reliable information for the research. The questionnaires are randomly distributed to 300 targeted respondents. Furthermore, each respondent required to spend five to ten minutes to complete the paper-and-pencil questionnaire. In order to make sure the data to be reliable and unbiased, researchers monitored the whole process of answering the questionnaires. All the questionnaires are then collected back by researchers once the respondents completed the questionnaires to avoid loss of data. Other than that, by using paper-and-pencil questionnaires method, respondents able to ask the

researchers about any doubt relating to the questions in the questionnaires which able to avoid bias results.

3.3 Sampling Design

Sampling design is the specific planning that consists of target population, sampling frame and location, sampling elements, sampling technique and sample size. According to Lohr (2009), the reason for sampling design is to understand the population characteristics.

3.3.1 Target Population

Lohr (2009) also defined target population as the group of people where complete collections of observations related to the research were taken. In this study, the population comprised the insurance policyholders that experienced in using services provided by any insurance companies around Malaysia.

3.3.2 Sampling Frame and Location

Based on Neill (2003), sampling is needed to represent the entire targeted population. However, sampling frame is not relevant to be used in the research according to Saunders, Lewis, & Thornhill (2009), because non-probability method was chosen for selecting the sampling. Denscombe (2007), add on that the sampling frame is not necessary because every each of the sample used does not has same probability to be selected in the research. Basically, the research or the sampling was carried out at few states in West Malaysia such as Perak, Selangor, Kuala Lumpur and Johor.

3.3.3 Sampling Elements

Sample elements mean the individuals that participate in the research study (Hair, Bush & Ortinan, 2006). There are a few characteristics that the respondents should have in order to participate in the research study such as the particular respondent must owned at least an insurance policy in any insurance companies in Malaysia and he or she must have a sound mind. Besides that, to avoid duplication of data, researchers will approach targeted respondents that have not completed the questionnaire before.

3.3.4 Sampling Technique

The sampling technique which is used in this research is the non-probability sampling technique or the convenience sampling method which is suitable and convenient for the research study to run without sampling frame. Usually, researchers only distribute questionnaires to selected respondents that are qualified in terms of the sampling elements and who willingness to participate (Gravetter & Forzano, 2009). Questionnaire distributions is the best method chosen to run the research as it is inexpensive and the data collected will be more reliable as respondents able to ask the researchers whenever the researchers have problems in answering the questions. The convenience sampling method also enables researchers to have proximity relations with respondents (Castillo, 2009).

3.3.5 Sampling size

Sample size is crucial in research study. This is because based on Creswell (2005), bigger sampling size will have more accurate estimation towards the actual population parameters compare to smaller sampling size which will has higher chances in committing sampling error. In addition, according to Green, (1991), to calculate the appropriate sampling size, the following formula should be the reference n (sample size) = $50 + 8 (m)$, where “ m ” is the number of independence variables. Since the number of independent variables used in this research is five, which means the sampling size must be at least 90 respondents. In this research paper, 300 questionnaires are distributed in few states of Malaysia in order to obtained more reliable results.

3.4 Research Instrument

Questionnaire is efficient in collecting data after requirements and measurements for the variables of interest are known. According to Sekaran (2003) said that a questionnaire was a pre-formulated written set of questions generally within closely defined alternatives for respondents to record respondents' answers. Frequently questionnaires can be face-face interview, telephone interview and written questionnaire to respondents. Besides that, in order to make sure that the questionnaire are design properly in terms of measurement scale and components and they are understood easily by respondents, pilot testing has been conducted.

3.4.1 Purpose of using Questionnaire

In this study, the pen and pencil questionnaire survey method has been used for distributing questionnaire to respondents. This method is able to let respondents reading more accuracy and completes the questionnaire shortly. This questionnaire was used due to the elimination of interview bias and is the cheapest per respondent. Moreover, according to Belmore (1985) concluded that respondents would understand the information presented on paper more than the information presented on video display terminals.

3.4.2 Questionnaire Design

English is used in designing the questionnaire and it consists of three parts. In this research paper, close-ended and ranking scale questions are used in the questionnaire due to researcher can code the information easily and data collecting process becomes simpler.

In part one, there are some questions such as gender, age, education level, income level and type of insurance policy which categorized under demographic profile part are being asked to understand respondents' profiles. Nominal ratio and ordinal ratio are used as the scale of measurement.

In part two, the general information of the respondents for using the particular insurance service like the satisfaction level toward insurance company. While in last part, the question are related to the independent variables are used in this paper.

3.4.3 Pilot Test

Based on Zikmund (2003) study pilot testing is defined as a small scale investigative research technique that use sampling without applying rigorous standards. Researchers have distributed 30 questionnaires to the lecturers from Universiti Tunku Abdul Rahman (UTAR) as respondents for testing the internal reliability and accuracy of the questionnaire and to check whether it is capable and comprehensive to implement in the real survey. Last but not least, the feedback given by the lecturers are appreciated due to it can be the reference for improving on the weakness which encountered if any.

Table 3.1: Reliability Test for Pilot Testing

Variable	Constructs	Cronbach's Alpha	No. of Items
IV1	Service Quality	0.760	5
IV2	Perceived Value	0.827	5
IV3	Corporate Image	0.757	5
IV4	Complaint Behaviour	0.700	5
IV5	Role of Agent	0.898	5
DV	Customer Satisfaction	0.778	5

Source: SPSS, version 16.0

By using the Cronbach's Alpha determines the internal reliability of all items in a survey instrument to measure its reliability (Santos, 1999). According to Table 3.1, the result of Cronbach's Alpha is obtained from SPSS, version 16.0 were in range of 0.700 to 0.898. Based on the rule of Thumb, Cronbach's

Alpha shows that those independent variables which are service quality, perceived value, corporate image, complaint behaviour, role of agent and also the dependent variable, customer satisfaction falls under good reliability due to the result of Cronbach's Alpha were within 0.7 to 0.8.

According the DeVellis (1991), Hair, Celsi, Money and Samouel and Page (2003) said that if the result of Cronbach's Alpha fall under 0.6 to 0.7 which is consider still can acceptable and determined as fair reliability. This is due to the lower limit for Cronbach's Alpha can be decline to 0.60 even though many authors stated that the lower limit for Cronbach's Alpha is 0.70 (Hair, Cels, Money, Samouel, and Page, 2003).

3.5 Constructs Measurement (Scales and Operational Definitions)

According to Osherson and Lane (n.d.), the scales of measurement that widely used in quantifying the variables in the research are nominal scale, ordinal scale, interval scale and ratio scale. In this research, nominal scale, ordinal scale and interval scale are used as the scales of measurement.

Table 3.2 Measurement applied on variables

	Variables / Objects	Measurements	Scales of Measurement
Demographic	Gender	Nominal	-
	Age Group	Ordinal	-
	Education level	Ordinal	-
	Income Level	Ordinal	-
	Insurance Policy owned	Nominal	-
Dependent Variable	Customer Satisfaction	Interval	5-point Likert Scale
Independent Variables	Services Quality	Interval	5-point Likert Scale
	Perceived Value	Interval	5-point Likert Scale
	Corporate Image	Interval	5-point Likert Scale
	Complaint Behavior	Interval	5-point Likert Scale
	Role of Agent	Interval	5-point Likert Scale

3.5.1 Nominal Scale

Osherson and Lane (n.d.) stated that nominal scale of measurement is the weakest form of measurement since the value that assigned to an objects or a variable to represent the labels is easily identified in the analysis. Stevens (1946) illustrated the rule of nominal scale which same numeral does not assign to different classes or different numerals do not assign to the same class. For example, the numeral “0” only assigns for male and “1” only assigns for female when grouping the gender in analysis. Another case in Stevens’ research is numerical numbers in nominal scale do not involve in ranking, for example, when labels the insurance policy owned in the research, assigns “0” for Life Insurance, “1” for Health Insurance, “2” for Personal Accident (PA) Insurance and “3” for other insurance policy, there is no ranking bring by those numerical number, for example, although “1” is bigger than “0”, but it do not bring the meaning that Health Insurance is more important than Life Insurance.

3.5.2 Ordinal Scale

According to Osherson and Lane (n.d.), ordinal scale has included the characteristics of nominal scale which the numerical numbers that representing the ranking of the variables do not rank the importance of information, for example, a rank 0 (below 19 years old) respondent does not mean it is low important than a rank 1 (20-29) respondent in analysis, as 0 is smaller than 1; but the ranking of information within a variable becomes meaningful, for example, a rank 1 respondent is older than a rank 0 respondent. In this research, education level and income level are also applied

with ordinal scale besides age group since these two variable can be ranked, for example, bachelor degree respondent has higher education level than a diploma respondent; a upper middle income (RM 2,500- RM 5,000) respondent has higher income level than a lower middle income (RM 1,000- RM 2,499) respondent.

3.5.3 Interval Scale

Osherson and Lane (n.d.) stated that interval scale is numerical scale, which intervals or group distances indicate same meaning, for example, 10 Celsius Degree to 20 Celsius Degree has 10 Celsius Degree in group distance, 20 Celsius Degree to 30 Celsius Degree also has 10 Celsius Degree in group distance and these 10 Celsius Degree in distance show same meaning. As Leach (2004) mentioned, the 5-point Likert scale placed rating scale inside an evenly divided range thus this scale measurement can also be consider as an interval scale. In this research, 5-point Likert scale is used to measure Customer Satisfaction, Service Quality, Perceived Value, Corporate Image, Complaint Behavior and Role of Agent; which the 5-point is measure as: 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree) and 5 (strongly agree).

3.5.4 Origins of Questionnaire

Table 3.3: Origin of Statements in Questionnaire Survey

Construct	Statement	Origin Statement
Service Quality	The insurance company provides access to information on products or services offered.	(Frank & Theresa, 2011)
	The insurance company performs the services as promised.	(Frank & Theresa, 2011; Kumar, 2011)
	The insurance company provides short waiting time when offering the products.	(Frank & Theresa, 2011)
	The insurance company's staffs are consistently courteous.	(Frank & Theresa, 2011)
	The insurance company provides individual attention (caring and empathetic nature regarding claim).	(Frank & Theresa, 2011)
Perceived Value	The company's insurance policy provides additional benefits. (No claims bonus, choice to change coinsurance option, etc.)	(Strauss & Corbin, 1998)
	The company's insurance policy provides flexibility. (Combination of protection, savings and investment.)	(Strauss & Corbin, 1998)
	The insurance coverage meets my expectation.	(Frank & Theresa, 2011)
	I am generally aware about the value of insurance products that I had purchased.	(Strauss & Corbin, 1998)

	The company's insurance policy consider to be a good buy.	(Strauss & Corbin, 1998; Kumar, 2011)
Corporate Image	The insurance company frequently appears in media channels. (Example: newspaper, television and other media channels.)	(Kumar, 2011)
	The insurance company has good reputation since it always involve in corporate social responsibility (CSR) activities.	(Kumar, 2011)
	It is convenient to reach the insurance company's branch office since it located around the residential area.	(Kumar, 2011)
	The insurance company provides various services to customers. (For example: personal, financial and insurance plan advising.)	(Kumar, 2011)
	The insurance company's staffs have good attitudes. (For example, friendly, polite and well-trained.)	(Kumar, 2011)
Complaint Behaviour	It is convenient to send in complaint to an insurance company.	(Kumar, 2011)
	There are various channels offered by the insurance company in handling the complaints.	(Frank & Theresa, 2011)
	The insurance company respond in due course to the complaints.	(Kumar, 2011)
	The insurance company able to handle the complaints systematically.	(Kumar, 2011)
	It is a waste of time to file a complaint to the insurance company.	(Kumar, 2011)

Role of Agent	The agent of insurance company is able to communicate efficiently.	(Kumar, 2011)
	The agent explained the information regarding the insurance products well.	(Kumar, 2011)
	The agent is knowledgeable in diagnosing problems or doubts related to insurance policy.	(Kumar, 2011)
	The agent is easy to contact.	(Kumar, 2011)
	The agents provides updates of the insurance products.	(Kumar, 2011)
Customer Satisfaction	Services provided by insurance company meet my expectations.	(Frank & Theresa, 2011)
	I will purchase another insurance from the insurance company.	(Kumar, 2011)
	I have the intention of switching the insurance to another company in future.	(Kumar, 2011)
	I will recommend my insurance company to my friends or family members.	(Kumar, 2011)
	Overall, I feel comfortable and secured with the insurance services provided.	(Frank & Theresa, 2011)

3.5.4.1 Service Quality

The reason for the selection of service quality survey questions is to find the appropriate actions that had been taken by insurance industry in ways to maintain and further enhance profitability and at the same time preserving customer satisfaction. As stated by Gronroos (1996), Stone (2000), Dyche (2001), Ryals & Knox (2001), Xu (2002) and Thompson (2004) customer satisfaction is mainly driven by service quality of a firm from the perspective of its customers. Service quality consider as important as well because it related to customers' intention to switch to other competitor insurance companies when the satisfaction level is low. Besides that, Gyasi and Azumah (2009) said that satisfaction is the process where customers make an overall subjective evaluation towards the product or service quality they received against his or her expectation or desires over a time period. Since the product or service quality can be categorized into several dimensions, for instance what product offers, product or service reliability, timeliness, and friendliness of the service providers will affect the customer satisfaction level (Gronroos, 2000, 2001; Bo Edvardsson, 2005). Oliver (1993), Parasuraman (1998), Lovelock (2000), Lovelock & Wirtz (2007), Gronroos (1994, 2000, and 2001), Yonggui Wang & Hing-Po Lo (2002) and Kotler & Keller (2006) added that customer satisfaction can be influenced by service quality and the customer service experiences.

3.5.4.2 Perceived Value

The question under this section are used to more understanding about what are the drivers of customer perceived value in the field of insurance services. The value seems to be highly related to the contact person in business-to-business insurances, since the insurance companies provide the function of knowledge and skill for the advantage of the customers. Based on the study, the value generated from inter-firm relationships between SMEs and insurance companies is related to the number and decision making capability of inter-firm contacts and interactions among relational drivers (Palmatier, 2008). Also in the research stated that the calibre of relational ties, contact density and the decision making capability of account managers has a great influence on the customer perceived value. In addition, SMEs based a lot of trust on the account manager and valued the fact that the account manager could make it easier for the customer to deal with insurance issues. The relationship between the service supplier and customers select options is very important. This is because it can create the value (added value) and increase the product or service satisfaction (Carr, 1990; Gronroos, 1997; Normann & Ramirez, 1993; Ravald & Gronroos, 1996; Rosen & Surprenant, 1998; Woodruff, 1997). Jacoby and Kaplan (1972) stated that the proposition that perceived value has direct positive effect upon brand preference, that financial risk is the major customer perceived risk when purchasing life insurance.

3.5.4.3 Corporate Image

The purpose of selecting the respective questions under corporate image is to determine the corporate image of insurance company whether will affect the customer satisfaction. Based on the studies found that corporate image is highly relate to customer satisfaction (Hart & Rosenberger, 2004; Malik, Ghafoor & Iqbal, 2012). Besides that, Mohamed, Yehia & Tawfik (2013) said that there might be have a relationship among corporate image and reputation, service quality, customer loyalty and customer satisfaction. Also, this study needs to study further and analyse deeply the relationship between customer satisfaction and perceived corporate image (Hishamuddin & Asiah (2001).

3.5.4.4 Complaint Behaviour

Under complaint behaviour, the questions in this section are selected in order to investigate the relationship between complaint behaviour and customer satisfaction in insurance industry. Haverilla and Nauman (2011)'s study showed that there is a negative relationship between customer satisfaction and customer complaints. Besides that, customer complaint can be either positive or negative feedback toward the customer satisfaction. Moreover, Potluri and Mangnale (2011) said that there is a strong relationship between outcome of customer complaint handling procedure and customer satisfaction. Bougie, Pieters and Zeelenberg (2003) added that there is a direct impact of customers' behavioural responses to service area on customer satisfaction.

3.5.4.5 Role of Agent

The reason for the selection of role of agent survey questionnaire is to evaluate the customer attitudes towards the agent and study the relationship between role of agent and customer satisfaction. Hui-Chen (2006) said that when customer get high benefit from the agent, the customer attitude toward agent will become positive, thus the agent's attitude appears to be a customer loyalty or satisfaction translation. Next the study of Reynolds and Beatty (1999) found that the relationship between satisfaction and loyalty towards the salespeople or agents was based on feelings either pleasure, joy, dejection or detesting rather than the trust towards the salespeople as stated by Doney and Cannon (1997) and Jap (2001). Both studies found out that trust towards the agents or salespeople will affect customer's purchasing decision and retention of the relationship where the agents' personality or characteristics were taken into account.

3.5.4.6 Customer Satisfaction

The selection of survey questions based on customer satisfaction is used to determine the customer satisfaction toward conventional insurance services. According to Mohsan et. al., (2011) believed that customer satisfaction may lead to customer retention. Besides that, Frank & Theresa (2011) suggested that insurance companies' management team should lead by taking marketing strategies as reference so that responsiveness towards customers can be improved. Haverila and Naumann (2011) suggested that to study further about the differences levels of customer satisfaction in service industry.

3.6 Data Processing

3.6.1 Data Checking

Data checking is a procedure to determine whether the information gathered is correct and accurate. After the distributed survey questionnaires were collected back from respondents, the answers selected by the respective respondents will be checked thoroughly to identify errors that might occur during or after the submission of survey questionnaire. The error that might occur include missing answers or incomplete information gathered from the survey questionnaire, triggering the inability of the data collected to be used in the data analysis. Data checking is important as any problem that occurred can be handled on time before proceeding to the next stage.

3.6.2 Data Editing

Data editing is a procedure that aim to detect and correct errors. As soon as finish the data checking process, data editing process was carried out to avoid missing or void questionnaire that were collected from respondents. However, sometimes not only were the answer incomplete in particular sections, but the entire questionnaire was totally blank or empty caused by online data recording problems or technical problems. This certainly not the respondents' fault because the submission of the questionnaire will not be successful if there are unanswered questions, and a notification will pop up to notify the respondents regarding the questions that were missed out.

3.6.3 Data Coding

Data coding is a procedure where translating from a format into another form. At this stage, all the choices of all sections in the survey questionnaire are assigned with ascending numerical order, beginning with the value of 1. For example in the section A, the gender of male is assigned with the value of 1 while female is assigned with the value of 2. Meanwhile for the question of 'age group', for age below 20 years old will be assigned with value of 1, age between 20-29 years old with value of 2, 30-39 years old with value of 3, 40-49 years old with value of 4 and lastly 50 years old and above will be code with value of 5 according in an ascending order. In addition, the choices in the 'Likert' scale of 'strongly disagree' are assigned with the value of 1, followed by ascending value until 5 for scale of 'strongly agree'.

3.6.4 Data Transcribing

Data transcribing is the procedure whereby all the data recorded online were download and converted into the Microsoft Excel spreadsheet format. After all the choices in the questionnaire are coded with values properly in Microsoft Excel, the data is opened with the Statistical Package for Service Solution (SPSS) software version 16.0 for data analysis.

3.7 Data Analysis

3.7.1 Descriptive Analysis

Descriptive analysis is a set of brief summary of a collected data, which can represent the entire population or sample. According to Peck, Olsen & Devore (2011), descriptive analysis is the method used for organising and summarizing demographic data by using table and numerical summaries. It helps to described data in a most simple way.

Under the descriptive analysis, all the unstructured data which collected from the survey questionnaire can be perform and shows in table form. Data collected will be calculated by using measurement such as mean average, frequencies of distribution and exhibition of percentage, so it can summarize into simpler forms. Thus, it can be easily view and have better understanding (Wood & Ross-Kerr, 2010). As a result, it is mostly for the use of section A which content more unstructured data.

3.7.2 Reliability Test

Reliability means consistency of a measure. Furthermore, reliability refers to the range of consistency towards measures where obtain the almost same or the exactly same results are consistent in repeated testing (Cherry, 2013). Therefore, internal consistency reliability was conducted to test the reliability and consistency of the results.

Next, Cronbach's Alpha will be used in the internal consistency reliability test in order to explain and interpret the reliability among the items surveyed (McDonld, Newton, & Whetton, 2001). In addition, Cronbach's Alpha is preferably used when there was an existence of multiple five-point Likert scale questions in the survey questionnaire (Lund, 2013). Besides, Cronbach's alpha is range from 0.0 to 1.0 and it was used to check whether the construct is reliable or not.

Many researchers suggested that 0.70 is the most acceptable and suitable cut-off point for the Cronbach's Alpha value (George & Mallery, 2005; Hair et al, 2009; Nunnally, 1978; Tavakol & Dennick, 2011). Yet, there are different opinions too. According to Hair et al. (2003), 0.60 is the minimum acceptable value for Cronbach's Alpha reliability test while Devilles (1991) stated that 0.65 is the minimally acceptable value.

The table below shows a rule of thumb for internal reliability test which developed by Hair et al. (2003), and this rule of thumb was applied in this research. The author defined rule of thumb about this Cronbach's Alpha coefficient size as value of 0.6 to 0.9. Value which less than 0.6 is considered poor while above value of 0.9 are considered excellent.

Table: 3.4 Rule of Thumb for Internal Reliability Test

Cronbach's Alpha Coefficient	Reliability Level
$\alpha \geq 0.9$	Excellent (High-Stakes testing)
$0.7 \leq \alpha < 0.9$	Good (Low-Stakes testing)
$0.6 \leq \alpha < 0.7$	Acceptable
$0.5 \leq \alpha < 0.6$	Poor
$\alpha < 0.5$	Unacceptable

3.7.3 Inferential Analysis

Inferential analysis helps assess strength of the independent variables and dependent variable relationships. Inferential analysis also uses to infer from the sample group generalizations that can be applied to a wider population (Marshall & Jonker, 2011). Inferential analysis can be classified as either parametric or nonparametric. Nonparametric analysis is use for variables at the nominal or ordinal level of measurement and parametric analysis is use for variables at the interval or ratio level of measurement (Allua & Thompson 2009).

3.7.3.1 Pearson Correlation Coefficient Analysis

Pearson correlation coefficient use to measure the degree of a linear dependency (Egghe & Leydesdorff, n.d.). It is a numerical measure of the strength of linear association between two variables. Pearson correlation coefficient also measures the similarity between the shapes of two expression patterns (Jiang, Tang & Zhang, n.d.). The value of Pearson correlation coefficient is ranging between +1 and -1. While the value of the correlation coefficient is negative, it is meaning that both variables are negative relationship which shows that when one variable increase and the other variable will decrease. In other word, it can call as moving in the opposite direction between both variables. On the other hand, if the value of the correlation coefficient is positive, it means that both variables are positive relationship which shows that one variable increase and another variable will increase also and vice versa. Both variables are moving in a same direction when the variables are positive relationship.

When the value of correlation coefficient is found out as 0, it indicates that no linear relationship between both variables and the movement for both variables are random. While if the value of correlation coefficient is +1, so this shows that there is a perfect positive linear relationship between both variables and the movement of both variables is consistent and same direction. In the same way, if the value of correlation coefficient is -1, it is consider as the perfect negative linear relationship between both variables and the movement of both variables is opposite direction. The value between 0 and 1 or 0 and -1 is use to indicates that the strength of the correlation. Therefore, the closer the value to 1 or -1 means that the strong positive or negative relationship that obtain between both variables. Besides, the closer the value to 0 means that the weak positive or negative relationship that obtain between

both variables. Basically, the strength of correlation is dividing into 3 situations. According to Ratner (n.d), the value between 0 and 0.3 or 0 and -0.3 consider as weak positive or negative linear relationship. The value between 0.3 and 0.7 or -0.3 and -0.7 consider as moderate positive or negative linear relationship. The value between 0.7 and 1.0 or -0.7 and -1.0 consider as strong positive or negative linear relationship.

There are 4 assumptions that require for the pearson correlation coefficient.

- 1) The variables must be interval or ratio level of measurements.
- 2) Each of the variables must have a normal distribution.
- 3) There is a linear relationship between both variables
- 4) Outliers should keep to a minimum or removed it entirely.

3.7.3.2 Multiple Regression Analysis

Multiple linear regressions model is the linear regression model that contains one dependent variable (Y) and several independent variables (X). The model include at least two or more independent variable that act as the explanatory variables. The reason that researchers use multiple regression models rather than use simple regression model is because the outcomes of the estimation not only include one independent variable that will influence the dependent variable. Gujarati & Porter (2009) had mentioned that economic theory is seldom so simple. In this study, the equation of multiple regression models is show as below:

$$Y = \beta_1 + \beta_2 SQ_2 + \beta_3 PV_3 + \beta_4 CI_4 + \beta_5 CB_5 + \beta_6 RoA_6 + \mu$$

Y = Customer Satisfaction

β = Slope of Coefficient

SQ = Service Quality

PV = Perceived Value

CI = Corporate Image

CB = Complaint Behaviour,

RA = Role of Agent

Multicollinearity is meaning that two or more explanatory variables are highly correlated in multiple regression models. It also shows that within the independent variables, there are relationships. To detect multicollinearity, variance inflation factor (VIF) is the most common way to identify it. VIF shows how the variance of an estimator is fluctuated based on the presence and absence of multicollinearity (Gujarati & Porter, 2009). The extent of collinearity between two independent variables increase will direct make the variance of estimator increase. The higher of the r-square will increase the degree of VIF. If there do not have any collinearity between both independent variables, the VIF will be 1. The formula of VIF is show as below:

$$VIF = \frac{1}{1 - R^2_{x1,x2}}$$

When the VIF is undefined, it means that both independent variables are perfect multicollinearity. When the VIF is defined and higher than 10, it can be concluded that there is existing high multicollinearity. If the degree of VIF is between more than 1 and less than 10, it can be concluded that there is low multicollinearity. Lastly, if VIF is equal to 1, it means that there is no multicollinearity.

3.7.3.3 One-Way ANOVA

One way Analysis of Variance (ANOVA) can be used in the case of a quantitative outcome with a categorical explanatory variable that consists of two or more independent variables. The purpose of this analysis is to test the significant differences between the means of each group. ANOVA gives a single overall test to determine whether there are differences between groups or treatments (Bewick, Cheek & Ball, 2004). The analysis is calculated in three steps which are sum of squares for all samples, sum of square that within class and sum of square that between classes. Before proceeding to the one way ANOVA test, a set of hypothesis is set which is shown as below:

H_0 : All the group means are equal. ($\mu_1 = \mu_2 = \dots = \mu_k$)

H_1 : At least one of the group means is different.

μ = mean of groups, k = number of groups

To apply a one way ANOVA test, it requires certain assumptions to be fulfilled. If there is any assumptions may not satisfied, it may cause the results that came from the use of ANOVA test become unreliable.

- 1) Each sample is an independent random sample
- 2) The specific groups test must follow the normal distribution
- 3) The population variances are equal across responses for the group level.

3.8 Conclusion

The research design was discussed in this chapter. Data collection method of primary data was used. Furthermore, preparation such as proper sampling design and research tools were determined earlier to assist in this research study. Besides, construction of measurements such as nominal scale, ordinal scale and interval scale were applied. Finally, data analysis was carried out by using the SPSS version 16.0 computer software once the data processing was done. After the data has been analyzed and illustrated by SPSS version 16.0, it was interpreted and further explains on the next chapter. Lastly, the result which obtained from SPSS will be used to answer all the proposed hypothesis statement.

CHAPTER 4: DATA ANALYSIS

4.0 Introduction

This chapter presents the data analysis results which are accordance to the research methodology as discussed in Chapter 3. Data analysis is the process to evaluate data by using analytical and logical reasoning to examine each data component. In this research, 300 sets of questionnaire are collected to run the test. In this chapter, the Statistical Package for Social Sciences (SPSS), version 16.0 and Microsoft Excel is used in order to run the analyzed result for descriptive analysis, reliability analysis and inferential analysis.

4.1 Descriptive Analysis

Descriptive analysis is used to describe the characteristics of sample for each respondent and demonstration the general pattern of responses provided by the respondents.

4.1.1 Respondent Demographic Profile

In this research, there are 5 questions have been used in the questionnaire for the collection of respondent's demographic profile. It is including gender, age, education, income level and types of insurance policy.

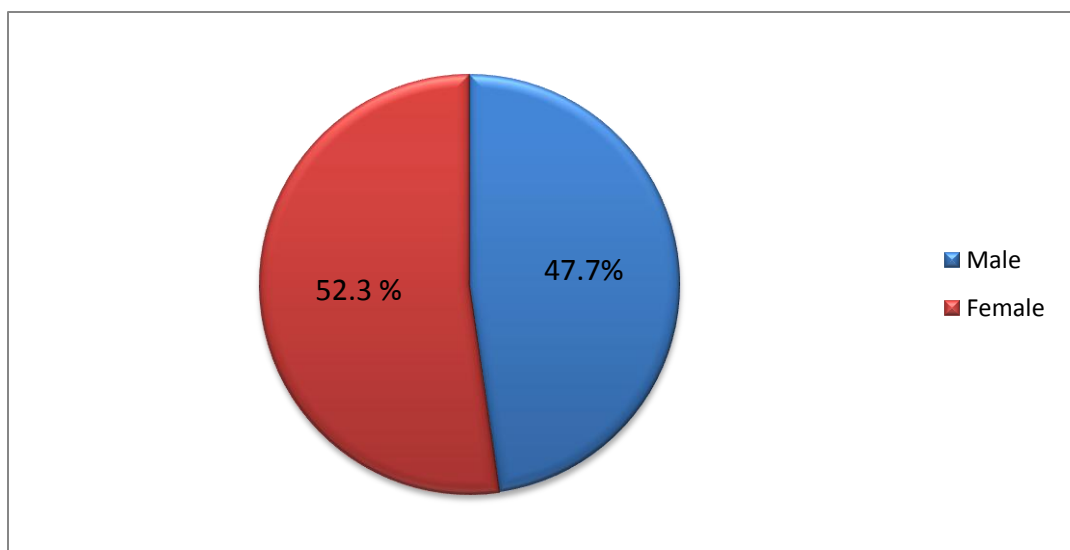
4.1.1.1 Gender

Table 4.1.1 Frequency distribution of respondent's gender

	Frequency	Percent
Valid Male	143	47.7
Female	157	52.3
Total	300	100.0

Source: SPSS, version16.0

Figure 4.1 Gender of Respondents



Source: SPSS, version 16.0

According to Table 4.1.1 and Figure 4.1 above show the information of the respondents about the gender. In this research, female respondents are slightly higher than male respondents, which is 52.3% (157 respondents) for female and 47.7% (143 respondents) for male.

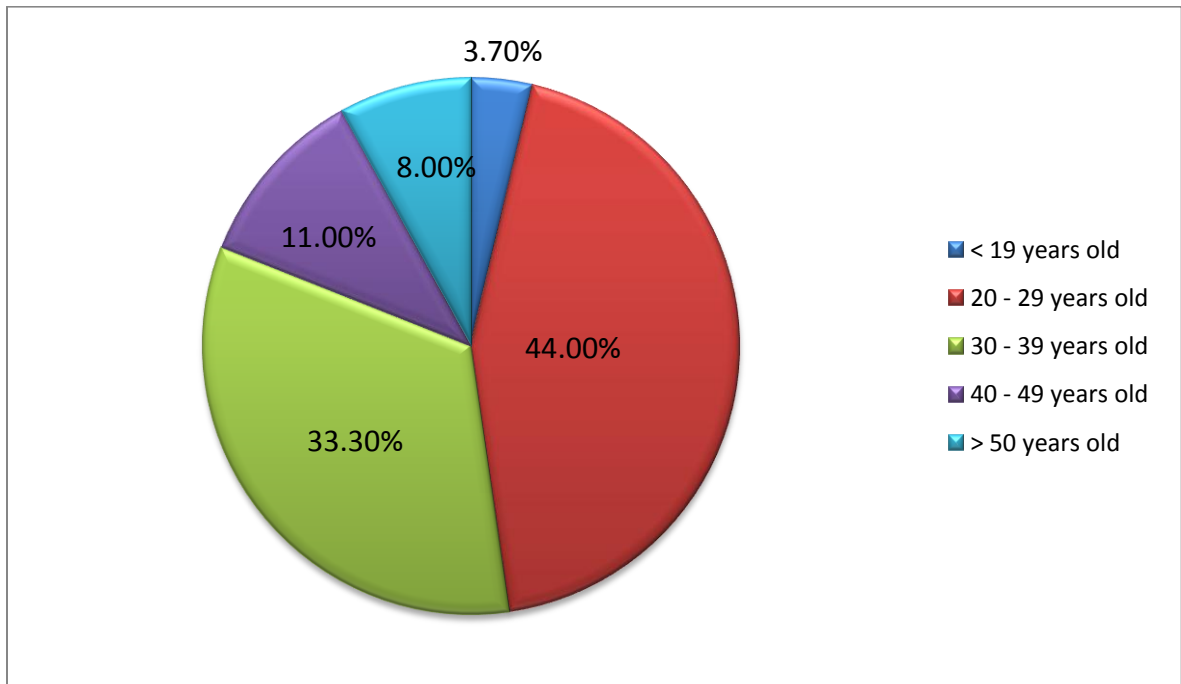
4.1.1.2 Age

Table 4.1.2 Age of Respondents

	Frequency	Percent
Valid < 19 years old	11	3.7
20-29 years old	132	44.0
30-39 years old	100	33.3
40-49 years old	33	11.0
> 50 years old	24	8.0
Total	300	100.0

Source: SPSS, version 16.0

Figure 4.2 Age of Respondents



Source: SPSS, version 16.0

The Table 4.1.2 and Figure 4.2 above show the information of age of respondents. The majority respondents are from the age group 20 – 29 which is occupied a total of 44% of the total respondents. The following age group is 30 – 39 years old which is 33% and age group of 40 – 49 which consists of 11% of the total respondents. While for the age group of below 19 years old and above 50 years old, both of age group is the lowest percentage compared to others age group which are 3.7% and 8%.

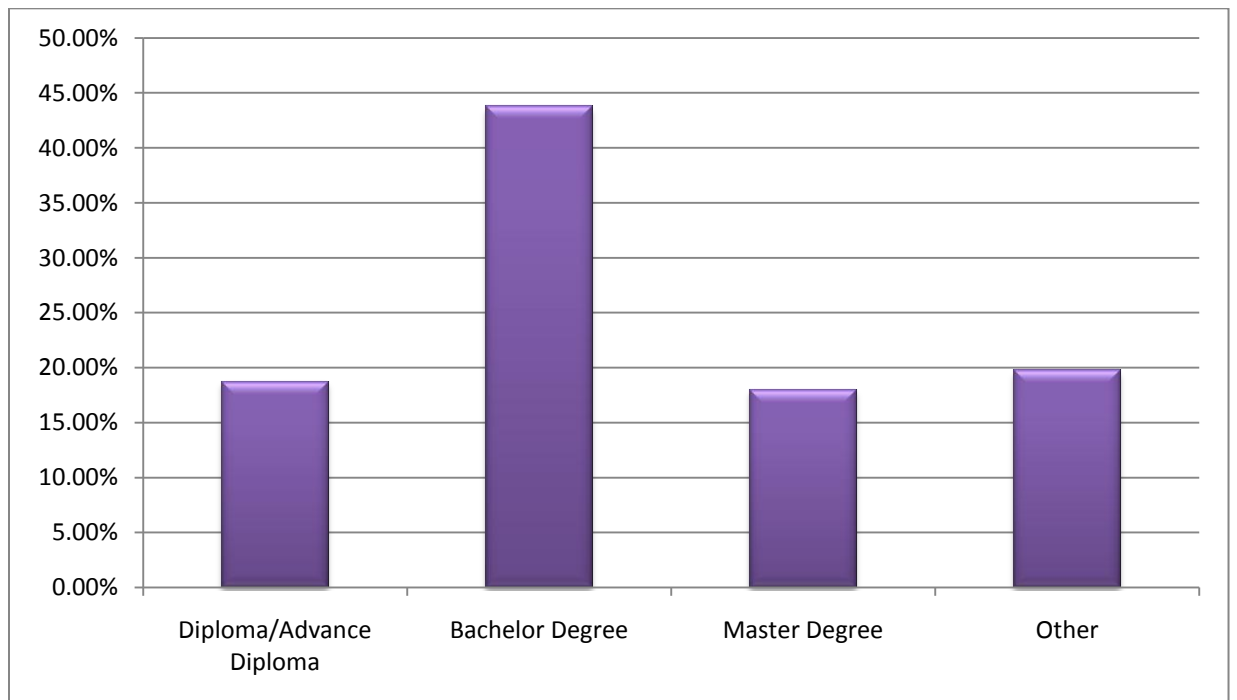
4.1.1.3 Education Level of Respondents

Table 4.1.3 Education Level of Respondents

	Frequency	Percent
Valid Diploma/Advance Diploma	56	18.7
Bachelor Degree	131	43.7
Master Degree	54	18.0
Other	59	19.7
Total	300	100.0

Source: SPSS, version 16.0

Figure 4.3 Education Level of Respondents



Source: SPSS, version 16.0

Based on the Table 4.1.3 and Figure 4.3 above show the highest percentage of education level is Bachelor Degree holder which is 43.7% (131 respondents) while for Diploma/advance Diploma holder and Master Degree holder which are consist 18.7% (56 respondents) and 18% (54 respondents). In this research, some respondents who are hold UPSR certificate, PMR certificate, SPM certificate, or STPM certificate will be category to other group and which consist 19.7% (59 respondents) of total respondents.

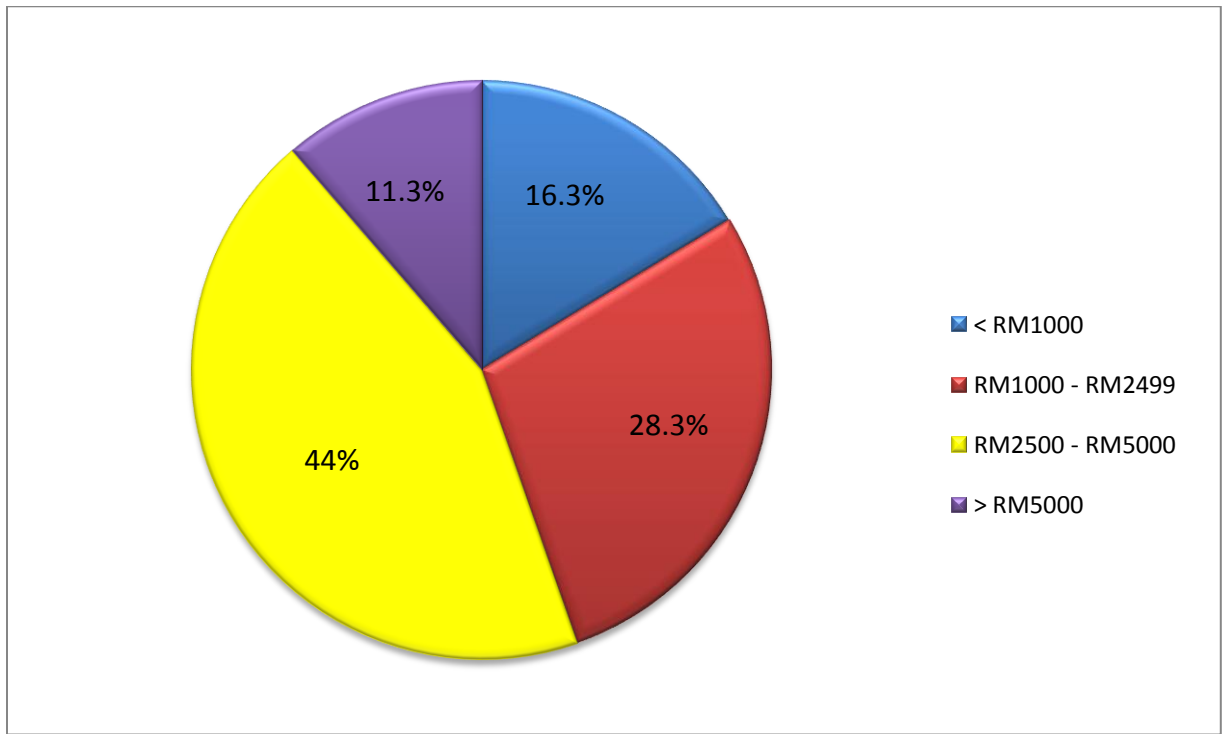
4.1.1.4 Monthly Income Level

Table 4.1.4 Frequency distribution of respondents' monthly income level

	Frequency	Percent
Valid < RM 1000	49	16.3
RM1000 – RM2499	85	28.3
RM2500 – RM5000	132	44.0
> RM5000	34	11.3
Total	300	100.0

Source: SPSS, version 16.0

Figure 4.4 Respondents' Monthly Income Level



Source: SPSS, version 16.0

According to Figure 4.4, most of the respondents fall under monthly income level range of RM2500 to RM5000 which occupied 44% out of the total number of respondents. Besides, respondents which have monthly income level of RM1000 to RM2499 consist of 28.3% or in other words, there are 85 respondents which are in this range of income level. Meanwhile, the least group of respondents which consist only 11.3% fall under monthly income level range of RM5000 and above which are less than the group of respondents that having monthly income level less than RM1000 by 5% out of the total respondents.

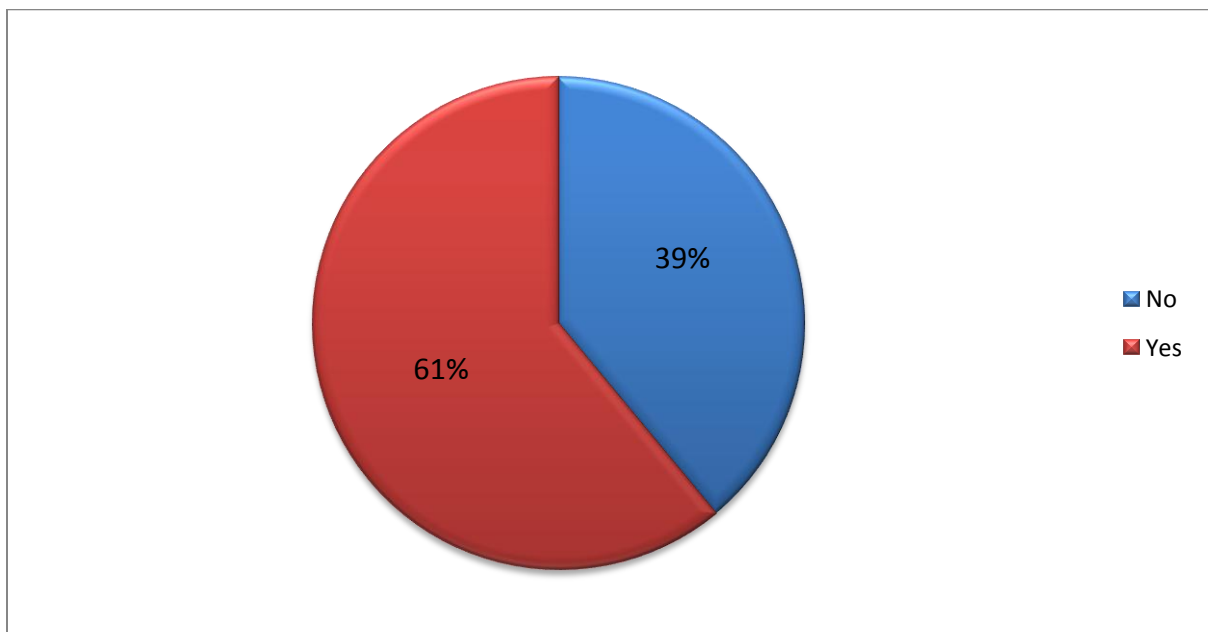
4.1.1.5 Purchasing of Life Insurance

Table 4.1.5 Purchasing of Life Insurance of Respondents

	Frequency	Percent
Valid No	115	38.3
Yes	185	61.7
Total	300	100.0

Source: SPSS, version 16.0

Figure 4.5 Purchasing of Life Insurance of Respondents



Source: SPSS, version 16.0

The table and pie chart above show the information regarding to the purchasing of life insurance by respondents. Based on the figure, there are about 62% out of the total respondents purchased or owned a life insurance whereas 115 of respondents did not purchase any life insurance

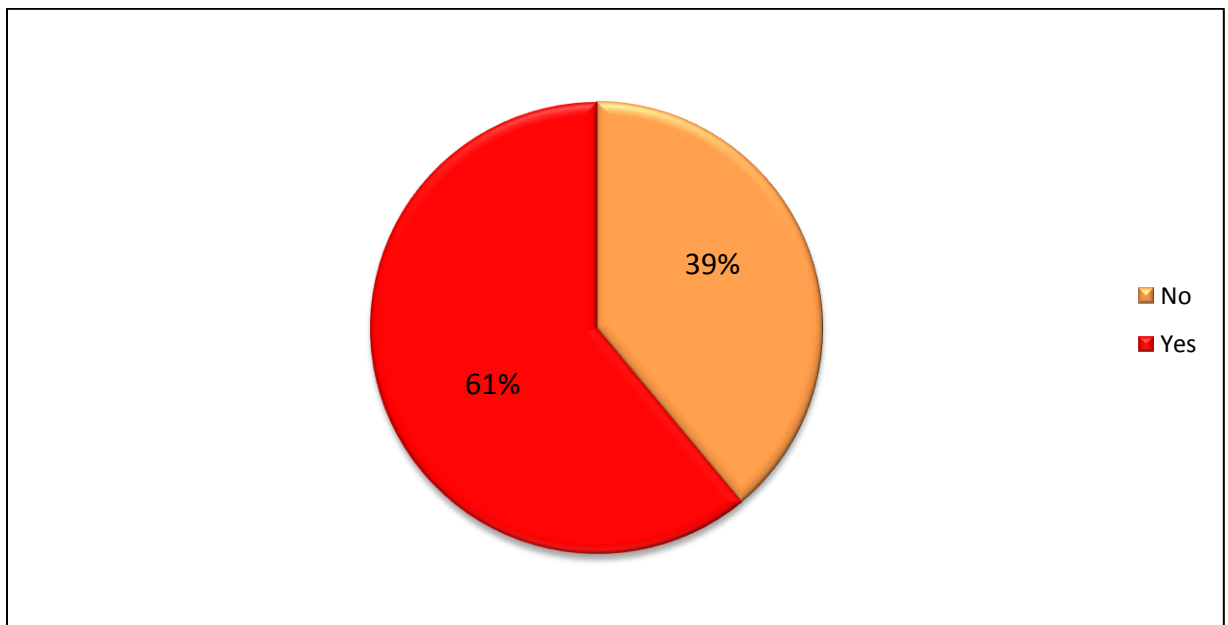
4.1.1.6 Purchasing of Health Insurance

Table 4.1.6 Purchasing of Health Insurance of Respondents

		Frequency	Percent
Valid	No	117	39.0
	Yes	183	61.0
	Total	300	100.0

Source: SPSS, version 16.0

Figure 4.6 Purchasing of Health Insurance of Respondents



Source: SPSS, version 16.0

There are 183 respondents or 61% out of total respondents that purchased or owned a health insurance as shown in the figure above. However, based on the research result, 39% of the respondent did not purchased health insurance.

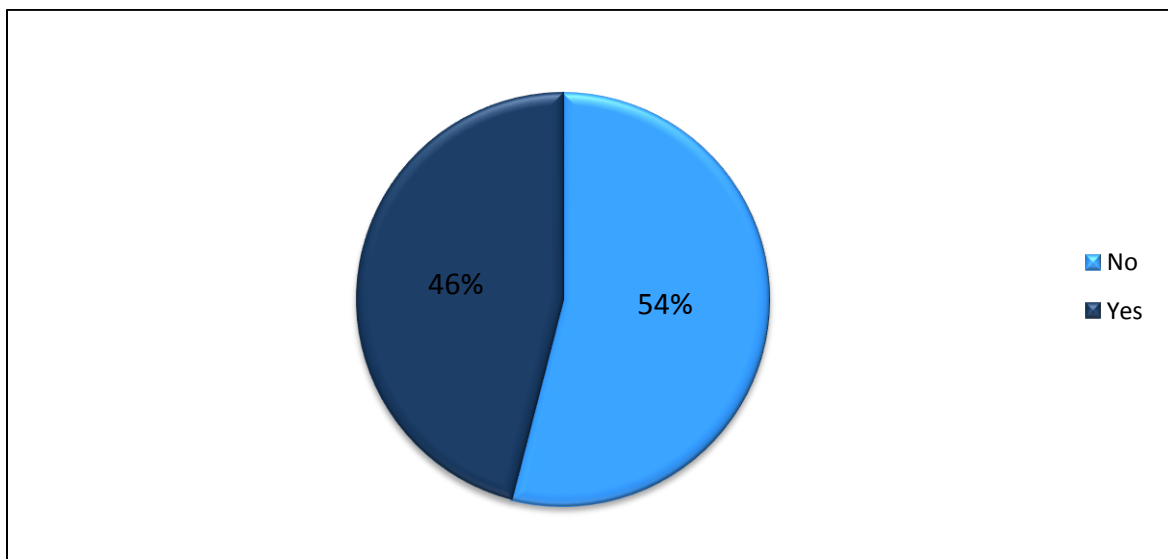
4.1.1.7 Purchasing of Personal Accident (PA) Insurance

Table 4.1.7 Purchasing of Personal Accident (PA) Insurance of Respondents

	Frequency	Percent
Valid No	162	54.0
Yes	138	46.0
Total	300	100.0

Source: SPSS, version 16.0

Figure 4.7 Purchasing of Personal Accident (PA) Insurance of Respondents



Source: SPSS, version 16.0

Based on the result above, there are lesser respondents who owned or purchased personal accident (PA) insurance compared to other insurance policies as the percentage of respondents that did not purchased PA insurance are 54% out of total respondents. This shows that there is 8% of difference between the amount of respondents who owned the PA insurance and those that did not owned any PA insurance.

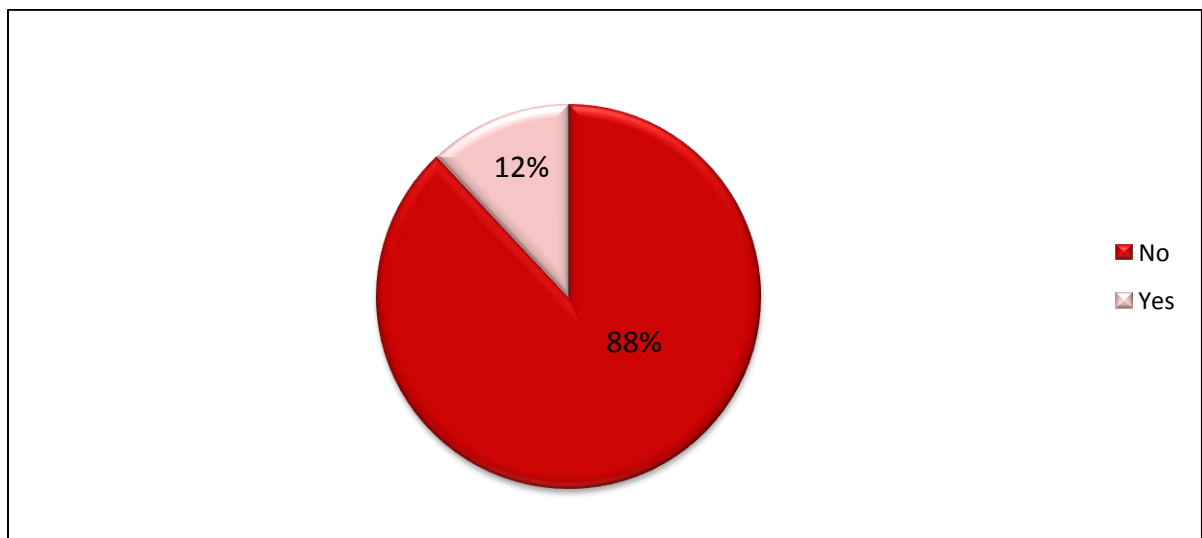
4.1.1.8 Purchasing of Other Types of Insurance

Table 4.1.8 Purchasing of Other Types of Insurance of Respondents

	Frequency	Percent
Valid No	264	88.0
Yes	36	12.0
Total	300	100.0

Source: SPSS, version 16.0

Figure 4.8 Purchasing of Other Types of Insurance of Respondents



Source: SPSS, version 16.0

The table and figure above show the information of the respondents that purchased other types of insurance policies such as automobile insurance policies, property insurance policies, and travel insurance policies. Based on the pie chart, the result show that there are not much respondents purchased these type of insurance as the percentage shown is only 12% out of the total

respondents while there are about 88% of respondents that did not purchased the mentioned insurance policies.

4.1.2 Central tendencies measurement of construct

Central tendencies measurement of construct is to measure the statement of the dependent variable and the independent variables value by their respective means and ranking. The purpose using central tendency is to measure the single value to describe and evaluate each of the dependent and independent variables.

Table 4.1.9 Customer Satisfaction

	Statement	Mean	Ranking
CS5	Overall, I feel comfortable and secured with the insurance services provided.	3.5600	1
CS1	Services provided by insurance company meet my expectations.	3.4167	2
CS4	I will recommend my insurance company to my friends or family members.	3.3633	3
CS2	I will purchase another insurance from the insurance company.	3.1233	4
CS3	I have the intention of switching the insurance to another company in future.	2.9567	5

Source: SPSS, version 16.0

Table 4.1.9 shows the ranking and measurement of the central tendency of the dependent variables of the research which is customer satisfaction. There are 5 statements in this category of variable. The highest mean value in the statement of customer satisfaction variable which is “comfortable and secured with the services provided” and the mean value are 3.5600. The second ranking statement is “services provided meet expectation” and the mean value is 3.4167. The third ranking and fourth ranking statement are “will recommend to friends or family members” and purchase another from another company”. Both of the mean values are 3.3633 and 3.1233. The last ranking statement is “will switching to another company in the future” and the mean value is 2.9567.

Table 4.1.10 Service Quality

	Statement	Mean	Ranking
SQ4	The insurance company’s staffs are consistently courteous.	3.4700	1
SQ1	The insurance company provides access to information on products or services offered.	3.4533	2
SQ2	The insurance company performs the services as promised.	3.4067	3
SQ5	The insurance company provides individual attention (caring and empathetic nature regarding claim).	3.3167	4
SQ3	The insurance company provides short waiting time when offering the products.	3.1967	5

Source: SPSS, version 16.0

Table 4.1.10 above shows that the ranking and mean value of statement for the first independent variable which is service quality. The first ranking statement in this category which is “staffs are courteous” and the mean value is 3.4700. Following the second and third ranking statement are “provide access to information” and “performs the services as promised” and the mean value are 3.4533 and 3.4067. Next the statement is “company provides individual attention” and the mean value is 3.3167. While the last ranking statement is “provide short waiting” and the mean value is 3.1967.

Table 4.1.11 Perceived Value

	Statement	Mean	Ranking
PV4	I am generally aware about the value of insurance product that I had purchased.	3.5700	1
PV5	The company’s insurance policy consider to be a good buy.	3.4667	2
PV3	The insurance coverage meets my expectation.	3.4500	3
PV2	The company’s insurance policy provides flexibility. (Combination of protection, savings and investment)	3.3700	4
PV1	The company’s insurance policy provides additional benefits. (No claims bonus, choice to change coinsurance option, etc)	3.2433	5

Source: SPSS, version 16.0

Table 4.1.11 above shows that there is a measurement of central tendency mean and its respective ranking of the second independent variables which is perceived value. “Aware about the value of insurance product” is the highest

mean value of statement in this category which is 3.5700. While for second and third ranking statements are “insurance policy considers to be a good buy” and “insurance coverage meets expectation” and both of the statements’ mean value are 3.4667 and 3.4500. By followed the fourth and last ranking statements are “insurance policy provides flexibility” and “insurance policy provides additional benefits”. The mean value for the last two ranking statements is 3.3700 and 3.2433.

Table 4.1.12 Corporate Image

	Statement	Mean	Ranking
CI4	The insurance company provides various services to customers. (For example: personal, financial and insurance plan advising)	3.5733	1
CI5	The insurance company's staffs have good attitudes. (For example: friendly, polite and well-trained).	3.5533	2
CI1	The insurance company frequently appears in media channels. (Example: newspaper, television and other media channels)	3.4400	3
CI2	The insurance company has good reputation since it always involve in corporate social responsibility (CSR) activities.	3.4133	4
CI3	It is convenient to reach the insurance company's branch office since it located around the residential area.	3.3633	5

Source: SPSS, version 16.0

The table shows the measurement of central tendency for the third independent variable of the research which is corporate image. There are five statements which are used to test for corporate image variable. Based on the

table, the statement “insurance company provides various services” shows the highest ranking with a mean value of 3.5733 followed by “insurance company’s staffs have good attitudes” with 3.5533 mean value. Next ranking goes to “insurance company frequently appears in media channels” statement and “insurance company has good reputation” with mean value of 3.4400 and 3.4133 respectively. The lowest mean value and ranking is the statement of “conveniences to reach insurance company’s branch office) which only 3.3633 mean value.

Table 4.1.13 Complaint Behaviour

	Statement	Mean	Ranking
CB2	There are various channels offered by the insurance company in handling the complaints.	3.2866	1
CB4	The insurance company able to handle the complaints systematically.	3.2100	2
CB1	It is convenient to send in complaint to an insurance company.	3.2066	3
CB3	The insurance company respond in due course to the complaints.	3.1600	4
CB5	It is a waste of time to file a complaint to the insurance company.	2.9333	5

Source: SPSS, version 16.0

Table 4.1.13 shows the 5 statements for the fourth independent variable. The first ranking of statement is “there are various channels offered by insurance company in handling the complaints” which has mean value of 3.2866 while the second ranking is the statement of “insurance company able to handle the complaints systematically” with mean value 3.2100. The statement

“convenient to send in complaint to insurance company” stands out as third ranking with mean value 3.2066 followed by “insurance company respond in due course to the complaints” as fourth ranking and “waste of time to file a complaint” as the last ranking with each recorded mean value 3.1600 and 2.9333 respectively.

Table 4.1.14 Role of Agent

	Statement	Mean	Ranking
RA1	The agent of insurance company is able to communicate efficiently.	3.6500	1
RA4	The agent is easy to contact.	3.6366	2
RA2	The agent explained the information regarding the insurance products well.	3.4500	3
RA3	The agent is knowledgeable in diagnosing problems or doubts related to insurance policy.	3.4366	4
RA5	The agent provides updates of the insurance products.	3.4033	5

Source: SPSS, version 16.0

The table above shows the measurement of central tendency for the last independent variable which is the role of agent. There are a total of 5 statements for the variable. Among the statements, the statement “agent of insurance company is able to communicate efficiently” with mean value of 3.6500 placed the first ranking followed by mean of 3.6366 and 3.4500 as third and fourth ranking. Statement of “agent is easy to contact” falls under second ranking. The third ranking statement is “agent explained the information regarding the insurance products well” while the fourth ranking is “agent is knowledgeable in diagnosing problems or doubts” with mean value 3.4366. The last ranking of statement is “agent provides updates of insurance products” which recorded only 3.4033 mean value.

4.2 Scale Measurement

4.2.1 Internal Reliability Test

Table 4.2: Reliability test for Substantive Study

Variable	Constructs	Cronbach's Alpha	No. of Items
IV1	Service Quality	0.760	5
IV2	Perceived Value	0.827	5
IV3	Corporate Image	0.757	5
IV4	Complaint Behaviour	0.700	5
IV5	Role of Agent	0.898	5
DV	Customer Satisfaction	0.778	5

Source: SPSS, version 16.0

The research was tested for its reliability and the result is shown in Table 4.2. There are total of 30 items measured in this study. Each variable are measured with 5 items. Based on the result, Role of Agent has achieved the highest Cronbach's Alpha value at 0.898 whereas Complaint Behaviour obtains the lowest Cronbach's Alpha value at 0.700. Perceived Value ($\alpha = 0.827$) and Role of Agent ($\alpha = 0.898$), are determined as having a very good reliability (DeVellis, 1991; Hair et al., 2003). Meanwhile, Service Quality ($\alpha = 0.760$), Corporate Image ($\alpha = 0.757$), Complaint Behavior ($\alpha = 0.700$) and Customer Satisfaction ($\alpha = 0.778$) are considered as good reliability as their Cronbach's Alpha value have exceed 0.7 (Hair et al., 2003).

Overall, the result of the constructed Cronbach's Alpha are ranged between 0.7 and 0.898, which have exceeded the lower limit of 0.7 that accepted by majority of authors. Thus, the constructed study are reliable and measure consistently (George & Malley, 2005; Hair et al., 2009; Nunnally, 1978; Tavakol & Dennick, 2011).

4.3 Inferential Analyses

4.3.1 Pearson's Correlation Coefficient

Table 4.3: Correlation Matrix between Independent Variables (Service Quality, Perceived Value, Corporate Image, Complaint Behaviour, Role of Agent) and Dependent Variable (Customer Satisfaction)

	CS	SQ	PV	CI	CB	ROA
CS Pearson Correlation	1	.531**	.476**	.455**	.400**	.451**
Sig. (2-tailed)		.000	.000	.000	.000	.000
N	300	300	300	300	300	300

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS, version 16.0

Pearson Correlation is used identify the linear relationship between dependent variables to each independent variable. Based on the table 4.3 shows that all of the items for each construct are significant at 0.01 levels and there are all positively associated. Therefore, all the constructs are valid because it resulted all the related items are significantly positive correlation, which satisfy the rule of thumb of convergent validity (Campbell & Fiske, 1959; Zikmund, Babin, Carr, & Griffin 2013).

Table 4.3 shows the correlation matrix between the five independent variables (service quality, perceived value, corporate image, complaint behavior and role of agent) and a dependent variable which is customer satisfaction. The value of correlation coefficient for all the constructs is ranged from 0.4 to 0.531. This indicate that there is no multicollinearity problem in this research due to all the correlation coefficient value does not exceed the rule of thumb for detecting multicollinearity which is 0.8 (Gujarati & Porter, 2009).

The fourth independent variables of perceived value ($r = 0.476$), corporate image ($r = 0.455$), complaint behavior ($r = 0.400$) and role of agent ($r = 0.451$) has a weak positive relationships with customer satisfaction as their correlation coefficient value ranged from +0.40 to +0.50 (Hinkle, Wiersma, & Jurs, 2003). Meanwhile, for service quality ($r = 0.531$), it has value higher than +0.50, which mean among the five independent variables, it has the strongest relationship with customer satisfaction.

In general, the result shows that all the five independent variables are significant and positively related with customer satisfaction individually. This is due to all the values for correlation coefficient are positive and the p-value are all less than 0.01. The positive sign indicate that customer satisfaction will

increase if every independent variables is increased, holding others variables constants. Hence, nomological validity is achieved and the study is able to demonstrate the relationship based on previous research as all of the independent variable are positive correlated with customer satisfaction as expected (Smith & Albaum, 2005; Hair et al., 2009).

Table 4.3.1: Correlation between Customer Satisfaction and Service Quality

	CS	SQ
CS Pearson Correlation	1	.531
Sig. (2-tailed)		.000
N	300	300

Source: SPSS, version 16.0

H_0 : Service quality insignificantly affects customer satisfaction towards conventional insurance services

H_1 : Service quality significantly affects customer satisfaction towards conventional insurance services

If p-value less than 0.01, it will reject H_0 . Based on the table above, the p-value (0.000) is less than 0.01. Therefore, reject H_0 . As a result, the conclusion is the service quality significantly affects customer satisfaction towards conventional insurance services.

Table 4.3.2: Correlation between Customer Satisfaction and Perceived Value

	CS	PV
CS Pearson Correlation	1	.476
Sig. (2-tailed)		.000
N	300	300

Source: SPSS, version 16.0

H_0 : Perceived value insignificantly affect customer satisfaction towards conventional insurance services.

H_1 : Perceived value significantly affect customer satisfaction towards conventional insurance services.

If p-value less than 0.01, it will reject H_0 . Based on the table above, the p-value (0.000) is less than 0.01. Therefore, reject H_0 . As a result, the conclusion is perceived value significantly affect customer satisfaction towards conventional insurance services.

Table 4.3.3: Correlation between Customer Satisfaction and Corporate Image

	CS	CI
CS Pearson Correlation	1	.455
Sig. (2-tailed)		.000
N	300	300

Source: SPSS, version 16.0

H_0 : Corporate image insignificantly affect customer satisfaction towards conventional insurance services.

H_1 : Corporate image significantly affect customer satisfaction towards conventional insurance services.

If p-value less than 0.01, it will reject H_0 . Based on the table above, the p-value (0.000) is less than 0.01. Therefore, reject H_0 . As a result, the conclusion is the corporate image significantly affects customer satisfaction towards conventional insurance services.

Table 4.3.4: Correlation between Customer Satisfaction and Complaint Behavior

	CS	CB
CS Pearson Correlation	1	.400
Sig. (2-tailed)		.000
N	300	300

Source: SPSS, version 16.0

H_0 : Complaint behavior insignificantly affects customer satisfaction towards conventional insurance services.

H_1 : Complaint behavior significantly affects customer satisfaction towards conventional insurance services.

If p-value less than 0.01, it will reject H_0 . Based on the table above, the p-value (0.000) is less than 0.01. Therefore, reject H_0 . As a result, the conclusion is complaint behavior significantly affect customer satisfaction towards conventional insurance services.

Table 4.3.5: Correlation between Customer Satisfaction and Role of Agent

	CS	ROA
CS Pearson Correlation	1	.400
Sig. (2-tailed)		.000
N	300	300

Source: SPSS, version 16.0

H_0 : Role of agent insignificantly affects customer satisfaction towards conventional insurance services.

H_1 : Role of agent significantly affects customer satisfaction towards conventional insurance services.

If p-value less than 0.01, it will reject H_0 . Based on the table above, the p-value (0.000) is less than 0.01. Therefore, reject H_0 . As a result, the conclusion is the role of agent significantly affects customer satisfaction towards conventional insurance services.

4.3.2 Multiple Regression Equation

$$\text{Customer satisfaction} = 1.063 + 0.252\text{SQ} + 0.191\text{PV} + 0.062\text{CI} + 0.125\text{CB} + 0.031\text{RA}$$

SQ = Service Quality

PV = Perceived Value

CI = Corporate Image

CB = Complaint Behavior

RA = Role of Agent

Table 4.3.6: Model Summary of Multiple Regression Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.602 ^a	.362	.351	.36802

Source: SPSS, version 16.0

a. Predictors: (Constant), Role Of Agent, Perceived Value, Complaint Behavior, Service Quality, Corporate Image

Table 4.3.7: ANOVA of Multiple Regression Model

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	22.623	5	4.525	33.406	.000 ^b
1 Residual	39.820	294	.135		
Total	62.443	299			

Source: SPSS, version 16.0

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Role Of Agent, Perceived Value, Complaint Behavior, Service Quality, Corporate Image

Table 4.3.8: Coefficients of Multiple Regression Model

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
(Constant)	1.063	.183		5.826	.000	
1						
SQ	.252	.053	.300	4.712	.000	1.869
PV	.191	.052	.219	3.658	.000	1.656
CI	.062	.060	.068	1.026	.306	2.041
CB	.125	.059	.123	2.096	.037	1.6
ROA	.031	.052	.041	.596	.551	2.136

Source: SPSS, version 16.0

There are 3 tables which are table 4.3.6, table 4.3.7 and table 4.3.8 show that the summary of multiple regression model that about the relationship between dependent variable and independent variables. As the table 4.3.6 shows that the coefficient of correlation value (R) is 0.602, it is meaning that it has the moderate correlation between dependent variable and independent variables. Besides that, the coefficient of correlation equal to 0.602 indicate that there is positive relationship between dependent variable and independent variables.

The coefficient of determination value (R^2) is equal to 0.362. It is meaning that it has 36.2% variation of the customer satisfaction can be explained by these 5 independent variables. On the other side, it indicates that got 63.8% variation of the customer satisfaction is explained by other variables which are excludes these 5 independent variables. In table 4.3.8, these 3 independent variables which is service quality, perceived value and corporate image are still consider as significant to this study even though the coefficient of determination is low.

Referring to Table 4.3.7, the F-value is 33.406 with a p-value which is 0.000. As the p-value of ANOVA is less than the significance level which is 0.01, it is meaning that all the independent variables which are service quality, perceived value, complaint behavior, corporate image and role of agent have a significant relationship to the dependent variable which is customer satisfaction. According to the F-test result is significant and all the Beta of independent variables has the correct direction, the model is reliable and fit to determine the relationship between customer satisfaction and the five independent variables (Gujarati & Porter, 2009).

Besides that, the multicollinearity problem does not exist in this study due to the Variance Inflation Factor for these five independent variables are between 1.6 and 2.136 which is below 10.

Based on table 4.3.8, service quality is the most significant to the customer satisfaction due to the highest Beta of unstandardized coefficient which is 0.252 among the independent variables. The second will be the perceived value that has 0.191 Beta of unstandardized coefficient. The third will be the complaint behavior that has 0.125 Beta of unstandardized coefficient. However, it shows that corporate image and role of agent is not significant individually to the customer satisfaction due to the p-value is more than 0.1 significant level whereas the p-value of corporate image is 0.306 and the p-value of role of agent is 0.551.

4.3.3 One Way ANOVA

Table 4.3.9 One Way ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
SQ	Between Groups	27.650	15	1.843	8.619	.000
	Within Groups	60.736	284	.214		
	Total	88.385	299			
PV	Between Groups	21.500	15	1.433	6.715	.000
	Within Groups	60.620	284	.213		
	Total	82.120	299			
CI	Between Groups	18.608	15	1.241	6.158	.000
	Within Groups	57.217	284	.201		
	Total	75.825	299			
CB	Between Groups	14.278	15	.952	5.759	.000
	Within Groups	46.946	284	.165		
	Total	61.224	299			
ROA	Between Groups	27.049	15	1.803	6.373	.000
	Within Groups	80.360	284	.283		
	Total	107.409	299			

Source: SPSS, version 16.0

- H₀: There is no significant difference between independent variables (Service Quality, Perceived Value, Corporate Image, Complain Behavior, and Role of Agent) and dependent variable (Customer Satisfaction).
- H₁: There is a significant difference between independent variables (Service Quality, Perceived Value, Corporate Image, Complain Behavior, and Role of Agent) and dependent variable (Customer Satisfaction).

Table 4.3.9 shown the ANOVA p-value for all independent variables (Service Quality, Perceived Value, Corporate Image, Complain Behavior, and Role of Agent) are approximately 0, which is smaller than the level of significant 0.05, thus, H₀ is rejected and there are sufficient evidence to conclude that all these independent variables have significant difference with dependent variable (Customer Satisfaction), which indicate that independent variables are manipulated the dependent variable.

CHAPTER 5: DISCUSSION, IMPLICATION AND CONCLUSION

5.0 Introduction

Chapter five which is also the last section of the research consists of five major areas. They are summary of descriptive and inferential analyses from previous chapter, the major findings, implications and limitations of the research as well as the recommendations which may be helpful for future researchers to take in consideration when doing the research. Last but not least, the overall conclusion of the entire study also included in this chapter.

5.1 Summary of Descriptive and Inferential Analyses

Base on this research study, there are a total of 300 respondents that contributed in the research survey. Based on the respondents' demographic profiles which are presented in chapter four, most of the respondents are female and almost half of the total respondents are from the age group of 20 to 29 years old. Besides, most of the respondents hold a Bachelor's Degree and most of them have an income level between RM2500 – RM5000.

Other than that, regarding on which insurance policies those respondents most preferred, life insurance and health insurance are the most popular policies chosen by majority of the respondents. Another option of insurance policy which is the personal accident (PA) insurance is less likely to be chosen as the number of respondents

which do not own the PA insurance is more than the percentage of those that own the insurance. It is obvious too that the number of respondents filled the questionnaires with other types of insurance policies such as property, automobile or travel insurance is very less.

Based on the central tendency of measurement which is constructed in chapter four, the statement “The insurance company’s staffs are consistently courteous” set the highest mean in service quality independent variable central tendency of measurement whereas the statement “The insurance company provides short waiting time when offering the products” has the lowest mean.

On the other hand, the central tendency of measurement for perceived value, the statement “I am generally aware about the value of insurance product that I had purchased” has the highest mean while the lowest mean statement is “The company’s insurance policy provides additional benefits (No claims bonus, choice to change coinsurance option, etc.)”.

As in the case for corporate image, the central tendency of measurement with lowest mean is the statement “It is convenient to reach the insurance company’s branch office since it located around the residential area”. The highest mean statement falls to “The insurance company provides various services to customers. (For example: personal, financial and insurance plan advising)”.

Moreover, statement “There are various channels offered by the insurance company in handling the complaints” has the highest mean for complaint behavior variable. The lowest mean statement is “It is a waste of time to file a complaint to the insurance company”.

The highest mean statement in role of agent central tendency of measurement is “The agent of insurance company is able to communicate efficiently” whereas the

statement “The agent provides updates of the insurance products” produced the lowest mean out of the five statements.

For customer satisfaction central tendency of measurement, the statement “Overall, I feel comfortable and secured with the insurance services provided” has the highest mean whereas the statement “I have the intention of switching the insurance to another company in future” has the lowest mean.

As a conclusion, all the independent variables which are service quality, perceived value, corporate image, complaint behavior and role of agent has a positive relationship with the dependent variable which is customer satisfaction.

5.2 Discussion of Major Findings

Hypotheses	Supported	Not Supported
H1: Service quality significantly affects customer satisfaction towards conventional insurance services.	✓	
H2: Perceived value significantly affect customer satisfaction towards conventional insurance services.	✓	
H3: Corporate image significantly affect customer satisfaction towards conventional insurance services.	✓	
H4: Complaint behavior significantly affects customer satisfaction towards conventional insurance services.	✓	
H5: Role of agent significantly affects customer satisfaction towards conventional insurance services.	✓	

5.2.1 Relationship between service quality and customer satisfaction

In this paper, the findings show that service quality has a p-value of 0.000 (less than $\alpha = 0.01$) and coefficient value of 0.252 represent that service quality has a significant positive relationship towards customer satisfaction. Therefore, a high quality of service provided will give positive impacts to customer's satisfaction in conventional insurance services. Indirectly, it will create customer's loyalty which plays a vital role in insurance industry that offered homogeneous products and services. Thus, allow the conventional insurance to stay competitive in the market.

5.2.2 Relationship between perceived value and customer satisfaction

Based on this paper, the findings show that perceived value has a p-value of 0.000 (less than $\alpha = 0.01$) and coefficient value of 0.0191 represent that perceived value has a significant positive relationship towards customer satisfaction. Perceived value basically is how the customers' thought and viewed the products and services value that they being offered to. Therefore, it depends on the particular conventional insurance company on their ability to offer powerful products and services in order to satisfy customers' need. So, a positive opinion from a customer can be meant that the customer is satisfied with the products or services offered. It is important to gain a positive feedback from customer as it may affect other customers' opinions too.

5.2.3 Relationship between corporate image and customer satisfaction

Next, this paper highlighted that the corporate image and customer satisfaction has a positive relationship with a p-value of 0.000 (less than $\alpha = 0.01$) and coefficient value of 0.062. Reputation of a conventional insurance company represents its corporate image. A corporate reputation usually affected by rumors that will dropped customers' confident. As a result, a conventional insurance company need to build up positive and healthy corporate image in order to increase customers' confident and leads to higher satisfaction.

5.2.4 Relationship between complaint behavior and customer satisfaction

According to the findings in the paper, complaint behavior has a p-value of 0.000 (less than $\alpha = 0.01$) and a coefficient value of 0.125 which indicate that complaint behavior positively affect customer satisfaction. Complaint behavior is the respond given by customer towards the products and services offered. So, if the customer is showing his or hers dissatisfied responses, a firm will be acknowledged and able to offer solution to satisfy their customers. Thus, a responsive complaint behavior can leads to a higher customer satisfaction.

5.2.5 Relationship between role of agent and customer satisfaction

Based on the findings, it shows that the role of agent and customer satisfaction has a positive relationship with a p-value of 0.000 (less than $\alpha = 0.01$) and coefficient value of 0.031. An insurance agent also acts as the front line employee that represents the firm to serve customer. They are responsible to find new customer and sell insurance policies, and make sure the policies are benefit to their customers. Thus, if an insurance agent is responsible, knowledgeable and serves a customer well and cordially, it will positively influences the customer satisfaction.

5.3 Implication of the Study

Throughout this study, few managerial implications have been formed for the management of the insurance companies to improve the customer satisfaction in the conventional insurance sector.

5.3.1 Managerial Implications

According to the result of this study, the independent variables have been ranked by following the order of their importance of determinant on customer satisfaction. The most important determinant is service quality ($\beta = 0.252$), then the second important determinant is perceived value ($\beta = 0.191$), followed by complaint behavior ($\beta = 0.125$), after that, the second less important determinant is company image ($\beta = 0.062$) and the least important determinant is the role of agent ($\beta = 0.031$). This ranking shows that the insurance

companies' employees play the most important role on the improvement of the customer satisfaction by enhancing the service quality offered to the customers.

The above ranking shown that the most effective way for the management of the insurance company to improve the customer satisfaction is to enhance the efficiency and effectiveness of service in order to make sure the service quality of the insurance company is maintain at high level. To achieve a high efficiency and effectiveness service standard, the insurance companies' managements must enhance the performance of their employees. No matter they are from front office or back office, the insurance companies can apply the award system, for example, give a certain percentage of salary as bonus to the employee who achieved the required performance which set by the managements, in order to encourage all employees to serve the customer as best as they could. Besides, managements need to learn more advanced technologies and apply the useful technologies into the insurance company to improve the efficiency and effectiveness of service.

On the other hand, the improvement of the perceived value also can help the insurance companies to improve the customer satisfaction. The managements should always evaluate the helpfulness of the insurance products to the customers and update any outdated clauses to create customers' confidence that they are under the protection by the insurance policies they are purchasing. The insurance companies' managements also can show their concern towards customers such as giving away a celebration card to every customer during the festive seasons and perhaps giving a small surprise birthday present to the customers during their birthday can make the customers feel warm when they are purchasing the insurance products from the particular insurance companies.

Furthermore, the insurance companies' managements should set up an easy way for customers to make a complaint since the complaint behavior found positively influence customer satisfaction in this study. The insurance companies' managements can improve the complaining system such as increasing the number of counters to handle complaints, provide free of charge complaining hotline, and introduce simple online feedback websites to allow customers make complaint easily when they feel dissatisfy towards the policies, staffs' attitudes, or any other inconvenience that company brought. This also can help insurance companies' managements to detect the problems immediately and then enable the managements to solve them before the problems getting serious.

Besides, as this study shown corporate image positively influence customer satisfaction, therefore, insurance companies' managements need to take effort to build up a positive corporate image to customers in order to further improve customer satisfaction. The managements can involve or organize charity events that can bring benefits to public such as donate money to hospital and school to help them improve their facilities where this meaningful action will improve the reputation of the insurance company. Moreover, the insurance companies' managements must comply with the laws to avoid any lawsuit that will negatively influence company's reputation.

Although role of agent contribute lesser in influencing the customer satisfaction in this study, but insurance companies' managements should not overlook this element as it still positively influence customer satisfaction. The managements can give free lecture to their agents to update their knowledge about companies' insurance policies, to help them improve their skills to communicate and contact with customers, and to help them learn about the principles of agent and their responsibility. This can improve the agents' capacity to obtain new customers and maintain good relationship with customers.

5.4 Limitation of study

There are a few limitations that had been found in this study. The first limitation is the samples size might dominate into one insurance company only. Since the survey forms do not specify the names of insurance company, those respondents might buy several insurance products or policies in same company. Thus, the results found might be dominated by only one company. For example, 200 respondents out of the total respondents eventually purchased insurance policies from Allianz company while the remaining 100 respondents purchased Great Eastern's insurance policies, hence, the results will only dominated by these two insurance company which is more popular instead of other company which are not that popular. Consequently, the results unable to represent the whole conventional insurance sectors in Malaysia as the samples are being centralized instead of standardizing or spread evenly around Malaysia.

The second limitation is the independent variables which are corporate image and role of agent is not significant in this study although they individually influence the customer satisfaction in a positive relationship. Since the insurance agents represent the first image of the insurance companies, the role of agents should affect the customer satisfaction in the highest degree. However, in this study, there is lack of accuracy due to the role of agent is not significant to the customer satisfaction. On the other hand, corporate image considered as the reputation of the insurance company. When the reputation of the company is good, eventually customers who visit the insurance company will increase. Thus, corporate image should be significant to customer satisfaction but the result shown in this study has the opposite findings.

The third limitation is the distribution of the survey form. The data obtained from the survey forms, which are distributed to 300 respondents with face to face interview method was centralized in few cities only. Although few main cities in Malaysia such as Kuala Lumpur, Ipoh, and Penang are covered in the survey, but there is still a lack

of persuasion as the research is about the case in Malaysia. Besides that, the respondents that involved in the survey are mostly from West of Malaysia but none of them are from the East of Malaysia. Thus, the result can be said barely represent the whole Malaysia. This is because there might be different opinions or responds between the East Malaysian and West Malaysian.

Furthermore, there is a language barrier within respondents. This is because when the survey is in progress, some respondents may choose an unreliable option due to unable to fully understand the questions in the survey form. The reasons for such situation to occur perhaps due to the respondents that come from different education level and background, so some of them might poor in comprehends to English Language. Thus, the result from survey forms may not be all accurate and reliable.

The last limitation of this research is the lack of journals of the same topic studied by previous researchers, thus the regression model may not be the best model in evaluating the customer satisfaction of the conventional insurance industry in Malaysia. Although all the independent variables used in this research are supported by journals, but there are few independent variables which are used by previous researchers which are not included in this research study.

5.5 Recommendations for Future Study

There are few limitations in the research process for this project and there are some suggestions and recommendations to overcome the limitation of this study. First, the samples sizes are not standardized and causing the result to be not accurate. So the future researchers should be specific in choosing the group of respondents and in designing the survey forms. Thus, the design of survey form must be more specific in demographic part's questions and the survey form should be distributed to suitable respondents regarding on the targeted groups of respondents of the research. For example, respondents who did not buy the insurance policies before are not suitable to fill in the survey forms as they do not have any related information and knowledge regarding to insurance industry. Other than that, approaching non-suitable respondents to fill up the survey forms may result in inaccuracy findings which will then affect the data analysis of the research.

Another limitation is the sample size is not strong enough to support the data analysis. The suggestion for future researchers is that they should distribute more survey forms around the country, and not only in few states of the particular country. For instance, they can distribute the survey forms for those who stay in rural or urban areas in order to get a wider geographical spread of samples. Therefore, the result will be more accurate and more meaningful.

Next, it is recommended that the future researchers to apply another method which is Cluster Sampling Method while doing the research which is related to this study. By using this method, it can help to generates about certain populations where researchers need to divide the population into few different groups and then a simple random sample of cluster is selected from the population. The cluster sampling method is better than the random sampling method because it is cheaper in terms of travel expenses and administration costs (Answers Corporation, 2013). The cluster sampling method also can help to gauge some information more accurately

(Conjecture Corporation, 2003). Therefore, with a small group of sample size, cluster sampling method can be used to represent a large population with a more accurate result as used in big voting nights.

In addition, the questionnaires are suggested to be in multi-languages so that all the respondents able to understand the questions clearly and to avoid any misunderstanding towards the questionnaire by the respondents. “Besides, more variation in demographic questions should be included inside the questionnaires so that the data obtained related to the respondents can be diversified clearly”.

On the other hand, the limitation stated that the result of corporate image and role of agent are not significant in the study, and this will happen maybe the data analysis is not accuracy or the independent variables are overlapping in the model. If the independent variables are overlapping, the result will not precise.

Lastly, future researchers can include other relevant variables which may be the other determinants of customer satisfaction in conventional insurance sector services so that the research would be more precise and accurate in finding the determinants of customer satisfaction.

5.6 Conclusion

In a nutshell, all the five independent variables which are service quality, perceived value, corporate image, complaint behavior and role of agent have a positive relationship to customer satisfaction which is the dependent variable of the research. Based on this research, perhaps, insurance companies in the insurance industry can be more alert when providing services to the customers as the service quality may affect the profitability and customers' loyalty towards the particular insurance company. Thus, intensive training courses should be given to all the staff members of the companies especially the insurance sales agents that play a vital role between the customer and insurance company relationship.

Adding on, the result from the training courses may change the customers' perceived value towards the insurance company. In this case, different types of marketing strategy which customized according to customers' perceived value may generate a competitive opportunity among the insurance companies in the industry. It is important to maintain and improve the corporate image as it may affect the customers' impression and satisfaction towards the insurance company. So, by handling the customers' complaints effectively and fulfilling the customers' needs eventually will improve the corporate image and the customer satisfaction as well. Hence, based on the above recommendations, perhaps future researchers may have more options and guidelines to carry out the insurance industry research to be even better in the future.

References

- Abidin E.A (2011), *Evolution of Malaysia Insurance Industry*, Retrieved from http://fstep.org.my/media/File/Overview%20Week%20Notes/En%20Eddy_Evolution%20of%20Malaysian%20Insurance%20Industry_150411_Lonpac.pdf
- Allua, S and Thompson, C B (2009). *Inferential Statistics*. Basic of Research Part 15. Air Medical Journal, 28:4.
- Anderson, E., and Fornell, C. (1994). A customer satisfaction research prospectus. In R. Rust, & R. Oliver (Eds.), *Service quality: New directions in theory and practice*. (pp. 241-269). Thousand Oaks, CA: SAGE Publications, Inc.
- Andreassen, T.W. and Lindestad, B. (1998), "Customer loyalty and complex services", *International Journal of Service Industry Management*, 9(1) 7-23.
- Andreassen.T.W & Bodil.L. (1998). Customer loyalty and complex services. The impact of corporate image on quality, customer satisfaction and loyalty for customers with varying degrees of service expertise. *International Journal of Service Industry Management* 9.1: 7-23
- Belmore, S.M., 1985. Reading computer-presented text. *Bulletin of the Psychonomic Society*, 23, 12–14.
- Bewick, V., Cheek, L. and Ball, J (2004). Statistics review 9: One-way analysis of variance. *Critical Care* 2004, 8:130-136 (DOI 10.1186/cc2836).
- Bitner, M.J. and Hubbert, A.R. (1994), "Encounter satisfaction versus overall satisfaction versus service quality: the consumer's voice", in Rust, R.T. and Oliver, R.L. (Eds), *Service Quality: New Directions in Theory and Practice*, Sage Publications, Thousand Oaks, CA.

- Bougie, R., Pieters, R., & Zeelenberg, M., (2003). *Angry customers don't come back, they get back: The experience and behavioral implications of anger and dissatisfaction in services*. *Journal of Academy of Marketing Science*. 33(4). 377-393.
- Boyle, E. (1997). An experiment in changing corporate image in the financial services industry in the UK. *Journal of Service Marketing*, 10(4), 56-69.
- Bravo, R., Montaner, T. and Pina, J. M. (2009), "The role of bank image for customers versus non-customers", *Internatinal Journal of Bank Marketing*, Vol. 27(4), 2009, 315-334.
- Carr, C. (1990) *Front-Line Customer Service: 15 keys to customer satisfaction*, Wiley, New York, NY.
- Castillo, J. J. (2009). Convenience sampling. Retrieved from EXPLORABLE: <http://explorable.com/convenience-sampling>
- Cherry, K. (2013). Reliability- *What is reliability?* .Retrieved from <http://psychology.about.com/od/researchmethods/f/reliabilitydef.htm>
- Creswell, J. W. (2005). *Educational research: Planning, conducting and evaluating quantitative and qualitative research* (2nd ed.). Upper Saddle River, NJ: Pearson Education.
- Cronin, J. J. Jr, Brady, M. K. and Hult, G. T. M. (2000). "Assessing the effects of quality, value, and customer satisfaction on consumer behavioral intentions in service environments", *Journal of Retailing*, 76(2), 193-218.
- Crosby, L.A. and Stephens, N. (1987), "Effects of relationship marketing on satisfaction, retention, and prices in the life insurance industry", *Journal of Marketing Research*, 24(4), 404 – 11.

- Denscombe, M. (2007). *The Good Research Guide*. England: McGraw-Hill International.
- Der-Jang, C. (2007). The development of a model of the sales agent's role in service industries. *International Journal of Management*, 24(1), 117-129. Retrieved from <http://search.proquest.com/docview/233229155?accountid=50207>
- Devellis, R. (1991). *Scale Development: Theory and Applications*. Newbury Park, CA: SAGE.
- Dodds, W.R., Monroe, K.B. and Grewal, D. (1991), "Effects of price, brand and store information on buyers' product evaluations", *Journal of Marketing Research*, 28, 307 – 19.
- Doney, P. M., & Cannon, J. P. (1997). An examination of the nature of trust in buyer-seller relationships. *Journal of Marketing*, 61(2), 35-51. Retrieved from <http://search.proquest.com/docview/227830804?accountid=50207>
- Duodu, F. K. and Amankwah, T. (2011). An analysis and assessment of customer satisfaction with service quality in insurance industry in Ghana, Lulea University of Technology.
- Eggert, A. & Ulaga, W. (2002). Customer perceived value: a substitute for satisfaction in business markets?, *Journal of Business and Industrial Marketing*, 17(2/3), 107-118.
- Egghe, L and Leydesdorff, L (n.d). The relation between Pearson's correlation coefficient r and Salton's cosine measure. *Journal of the American Society for Information Science & Technology*.
- Fitzpatrick, J. J. (2006). *Encyclopedia of Nursing Research* (3rd ed.). New York: Springer Publishing Company.

- Fombrun, C. J. (1996) *Reputation: Realizing value from the corporate image*. Boston, MA: *Harvard Business School Press*.
- Fornell, C., Johnson, M.D., Anderson, E.W., Cha, J. and Bryant, B.E. (1996), "The American customer satisfaction index: nature, purpose, and findings", *Journal of Marketing*, 60(4), 7-18.
- Forshaw, M. (2000). Retrieved from Research Methods Server in the Division of Social Sciences, School of Law and Social Sciences: http://socialscience.stow.ac.uk/psychology/psych_A/george/primary_secondary.htm
- Gale, B. T. (1994). "Managing Customer Value", New York: Free Press Lundstrom,
- George, D., Mallery, P. (2005). *SPSS for windows step-by-step: A simple guide and reference 11.0 update* (4th ed.). Boston: Allyn and Bacon.
- Gera, R. (2011). Modelling the service antecedents of favourable and unfavourable behaviour intentions in life insurance services in India. *International Journal of Quality and Service Sciences*, 3(2), 225-242. doi:<http://dx.doi.org/10.1108/17566691111146113>
- Gorji M. and Sargolzaee S. (2011), "The study of the relation between service quality and customer satisfaction the based on SERVQUAL model". Proceedings of the 2012 *International Conference on Economics, Business Innovation, IPEDR* 25, 191-196
- Granbois, D. (1981), "An integrated view of the store choice/patronage process", in Monroe, K.B. (Ed.), *Advances in Consumer Research*, Vol. 8, Association for Consumer Research, Ann Arbor, MI, pp. 693-5
- Gravetter, F. J., & Forzano, L.-A. B. (2009). *Research methods for the behavioural sciences* (3rd ed.). Wadsworth, USA: Cengage Learning.

- Green, S. B. (1991). How many subjects does it take to do a regression analysis? *Multivariate Behavioral Research*, 26(3), 499-510.
- Gronroos, C. (1997). "Value-driven relational marketing: from products to resources and components", *Journal of Marketing Management*, 13(5), 407-19.
- Grougiou, V. & Pettigrew, S., (2009). Seniors' attitudes to voicing complaints: A qualitative study. *Journal of Marketing Management*. 25(9-10). 987-1001. doi: 10.1362/026725709X479336.
- Gujarati, D. N., & Porter, D. C. (2009). *Basic econometrics* (5th ed.). New York: McGraw Hill.
- Gull, S. & Iftikhar, S., (2012). Behavioral response of angry and dissatisfied customers- An experience of service sector of Pakistan. *International Journal of Business and Social Science*, 3(21).
- Gunwant S. and Dash M. (n.d). A study on impact of service quality on customer satisfaction in the indian insurance industry. Retrieved from <http://ssrn.com/abstract=2190075>
- Hair, J. F., Bush, R. P., & Ortinan, D. J. (2006). *Marketing research within a changing information environment* (3rd ed.). New York : McGraw-Hill/Irwin.
- Hair, J. F., Celsi, M. W., Money, A. H., Samouel, P., & Page, M. J. (2003). *Essential of business research methods*. New York: Leyn Publishing.
- Harris, L. A. (2005). *CliffsAP psychology*. Hoboken, NJ : Wiley Publishing.
- Hart.A.E & Rosenberger.P.J (2004). The Effect of Corporate Image in the Formation of Customer Loyalty: An Australian Replication. *Australasian Marketing Journal* 12 (3): 88-96

- Haverilla, M. & Naumann, E., (2010). Customer complaint behavior and satisfaction in a B2B context: A longitudinal analysis. *Journal of Service Research*, 10(2).
- Heskett, J.L., Sasser, W.E. Jr and Hart, C.W.L. (1990), *Service Breakthroughs Changing the Rules of the Game*, The Free Press, New York, NY.
- Hinkle, D. E., Wiersma, W., & Jurs, S. G. (2003). *Applied statistics for the behavioral sciences* (5th ed.). USA: Houghton Mifflin.
- Hishamuddin.I & Asiah.A. (2001). The important of company image toward customer satisfaction. *Allied Academies International Conference. Academy of Marketing Studies. Proceedings* 6.1: 28-31
<http://ssrn.com/abstract=2190075>
- Hui-Chen, C. (2006). Integrating the role of sales agent into the branding model in the insurance industry. *Journal of American Academy of Business, Cambridge*, 8(2), 278-285. Retrieved from <http://search.proquest.com/docview/222871378?accountid=50207>
- Jackson, S. L. (2011). *Research methods and statistics: A critical thinking approach*. Wdsworth, USA: Cengage Learning.
- Jajae, S.M. and Sheikh Ahmad, B.F. (2012), “*Evaluating the Relationship between Service Quality and Customer Satisfaction in the Australian Car Insurance Industry*”, *Proceedings of the 2012 International Conference on Economics, Business Innovation, IPEDR* vol.38, pp. 219-233 (2012) © (2012) IACSIT Press, Singapore
- Jap, S. D. (2001). The strategic role of the salesforce in developing customer satisfaction across the relationship lifecycle. *The Journal of Personal Selling & Sales Management*, 21(2), 95-108. Retrieved from <http://search.proquest.com/docview/216749889?accountid=50207>

- Jiang, D., Tang, C and Zhang, A (n.d). *Cluster Analysis for Gene Expression Data : A Survey*. Unpublished manuscript, Department of Computer Science and Engineering State University of New York at Buffalo.
- Johri G. (2009) Customer satisfaction in general insurance industry 9- A step towards competitiveness, *Journal of Risk & Insurance Pravartak*, vol IV Issue 3, March 2009
- Kaur, P., & Negi, M. (2010). A study of customer satisfaction with life insurance in chandigarh tricity. *Paradigm*, 14(2), E1-E39. Retrieved from <http://search.proquest.com/docview/1021834958?accountid=50207>
- Keller K.L. and Aaker D.A. (1992), “The Effect of Sequential Introduction of Brand Extensions”, *Journal of Marketing Research*, 29 (February), pp. 35-50.
- Kothari, C. R. (2004). *Research methodology: methods and techniques*. (2nd ed.). New Age International.
- Kothari, C. R. (2009). *Research methodology: Methods and techniques*. Delhi. India: New Age International.
- Kumar, R. (2010). *Research methodology: A step-by-step guide for beginners*. London: SAGE.
- Kumar, R. (2011). Performance evaluation of general insurance companies: A study of post-perform period. Retrieved from http://shodhganga.inflibnet.ac.in/bitstream/10603/2352/17/17_appendices.pdf
- Launstein, H. C. (1959). The agent’s responsibility for developing sound insurance programs. *Journal of Risk and Insurance (Pre1986)*, 26(3), 61. Retrieved from <http://search.proquest.com/docview/235085230?accountid=50207>

- Liljander, V. and Strandvik, T. (1995), "The nature of customer relationships in services", in Swartz, T.A., Brown, D.E. and Brown, S.W. (Eds), *Advances in Services Marketing and Management*, Vol. 4, JAI Press, Greenwich, CT, pp. 141-67.
- Lohr, S. L. (2009). *Sampling: design and analysis* (2nd ed.). United States of America: Cengage Learning, Inc.
- Lund, A. L., (2013). Cronbach's alpha (α) using SPSS. Retrieved from Laerd Statistics: <http://statistics.laerd.com/spss-tutorials/cronbachs-alpha-using-spss-statistics.php>
- Malik.M.E, Ghafoor.M.M, &Iqbal.H.K (2012). Impact of brand image, service quality and price on customer satisfaction in Pakistan telecommunication sector. *International Journal of Business and Social Science*, Vol. 3 No. 23: 123-129
- Mano, H. and Oliver, R. L.(1993). " Assessing the dimensionality and structure of the consumption experience-evaluation, feeling and satisfaction", *Journal of Consumer Research*, Vol. 20 No.3, pp. 451-66.
- Marshall, G and Jonker, L (2011). *An introduction to inferential statistics: A review and practical guide*. *Radiography*, 17 (1). e1-e6. ISSN 1078-8174 DOI /10.1016/j.radi.2009.12.006
- McDonald, A. S., Newton, P. E., & Whetton, C. (2001). *A pilot of aptitude testing for university entrance*. Slough: NFER.
- McDougall, G.H.G. and Levesque, T. (2000), "Customer satisfaction with services: putting perceived value into the equation", *Journal of Services Marketing*, Vol. 14(5), 392-410.

- Mohamed.A.E.S.E, Yehia.S.A, & Tawfik.E.N. (2013) The impact of corporate image and reputation on service quality, customer satisfaction and customer loyalty: testing the mediating role. Case analysis in an international service company. *The Business & Management Review* 3.2: 177-196
- Monroe, K. B. (1990). "Pricing: Making Profitable Decisions", New York: McGraw-Hill.
- Neill, J. (2003). Analysis of professional literature class 5: Quantitative research design: sampling and measurement. Retrieved from Wilderdom:<http://www.wilderdom.com/OEcourses/PROFLIT/Class5QuantitativeResearchDesignSamplingMeasurement.htm>
- Normann, R. and Ramí' rez, R. (1993), "From value chain to value constellation: designing interactive strategy", *Harvard Business Review*, 71(4), 65-77.
- Nunnally, J. C. (1978). *Psychometric theory*. New York: McGraw-Hill.
- Nykiel, R. A. (2007). *Handbook of marketing research methodologies for hospitality and tourism*. New York: The Haworth Press.
- Panneerselvam, R. (2004). *Research Methodology*. New Dehli: Prentice –Hall.
- Parasuraman A, Zeithaml V and Berry L.L (1988), 'SERVQUAL: A Multi-Item Scale for Measuring Consumer Perceptions of Quality', *Journal of Retailing*. Spring 1988, p.12-38
- Parasuraman, A.(1997). Reflections on gaining competitive advantage through customer value. *Academy of Marketing Science Journal* 25(2), 154-161.
- Patterson, P.G. and Spreng, R.A. (1997), "Modelling the relationship between perceived value, satisfaction and repurchase intentions in a business-to-business, services context: an empirical examination", *International Journal of Service Industry Management*, 8 (5), 414-34.

- Peck, R., Olsen, C., & Devore, J. L. (2011). *Introduction to statistics and data analysis*. Wadsworth, USA: Cengage Learning
- Petrick, J. F. (2002). "Development of a multi-dimensional scale for measuring the perceived value of a service". *Journal of Leisure Research*, 34(2), 119-134.
- Potluri, R. M., Mangnale, V. S., Dist, K., & Pradesh, A., (2011). Critical factors of customer satisfaction in Ethiopian service sector. *Asian Journal of Business Management*. 3(1).
- Ravald, A. and Gronroos, C. (1996), "The value concept and relationship marketing", *European Journal of Marketing*, 30 (2), 19-30.
- Reynolds, K. E., & Beatty, S. E. (1999). Customer benefits and company consequences of customer-salesperson relationships in retailing. *Journal of Retailing*, 75(1), 11-32. Retrieved from <http://search.proquest.com/docview/228616457?accountid=50207>
- Rosen, D.E. and Surprenant, C. (1998), "Evaluating relationships: are satisfaction and quality enough?", *International Journal of Service Industry Management*, Vol. 9(2), 103-25.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research methods for business*. Harlow, England: Prentice Hall.
- Sekaran, U. (2003). *Research methods for business: A skill building approach* (4thed.). New York: John Wiley and Sons, Inc.
- Selltiz, C., Wrightsman, L. S., & Cook, S.W. (1976). *Research methods in social relations*. New York: Holt, Rinehart and Winston.

- Siddiqui, M. H., & Sharma, T. G. (2010). Analyzing customer satisfaction with service quality in life insurance services. *Journal of Targeting, Measurement and Analysis for Marketing*, 18(3-4), 221-238. doi:<http://dx.doi.org/10.1057/jt.2010.17>
- Singh, J. and Widing, R.E. II (1991), “ What occurs once consumers complain? A theoretical model for understanding satisfaction/dissatisfaction outcomes of complaint responses”, *European Journal of Marketing*, 25(5), 30-46.
- Stone, G. K., (1966). A trend in complaints processed by state in insurance departments. *Journal of Risk and Insurance*.
- Storbacka, K., Strandvik, T. and Gro'nroos, C. (1994), “Managing customer relationships for profit: the dynamics of relationship quality”, *International Journal of Service Industry Management*, Vol. 5(5), 21-38.
- Sweeney, J.C., Soutar, G.N. and Johson, L. W. (1999) “The role of perceived risk in the quality-value relationship: A study in a retail environment,” *Journal of Retailing* 75(1), 77-105
- Tariq, A. N. and Moussaoui, N. (2009), “The main antecedents of customer loyalty in Moroccan banking industry” *International Journal of Business and Management Science* 2(2), 101-115
- Tavakol, M., & Dennick, R. (2011). Making sense of Cronbach's alpha. *International Journal of Medical Education*, 2, 53-55
- Ulaga, W. and Charcour, S. (2001) “Measuring Customer Perceived Value in Business Markets: A Prerequisite for Marketing Strategy Development and Implementation”, *Industrial Marketing Management* 30(6): 525-40.

- Upadhyaya, D., and Badlani, M. (2011). “*Service Quality Perception and Customer Satisfaction in Life Insurance Companies in India.*” Paper presented at the International Conference on Technology and Business Management, March 28-30, 2011, pp.1011-1024.
- Voss, G.B., Parasuraman, A. and Grewal, D. (1998), “The roles of price, performance, and Expectations in determining satisfaction in service exchanges”, *Journal of Marketing*, 62 (4), 46-61.
- W.J. and Lamont, L.M. (1976). “The development of a scale to measure consumer discontent”, *Journal of Market Research*, 13, 373-81.
- Wood, M., & Ross-Kerr, J. C. (2010). *Basic steps in planning nursing research: From question to proposal*. Sudbury, MA: Jones & Bartlett Learning.
- Woodruff, R. B. (1997). “Customer value: the next source for competitive advantage”, *Journal of the Academy of Marketing Science*, 25 (2), 139-53.
- Worcester, R. M. (1997) ‘Managing the image of your bank: the glue that binds’, *International Journal of bank marketing*, 15(5), 146-152.
- Wu, I. L., (2012). The antecedents of customer satisfaction and its link to complaint intentions in online shopping: An integration of justice, technology, and trust. *International Journal of Information Management*. 166-176.
- Young, H., K. & Dan, J., K. & Kathy, W. (2013). A study of mobile users engagement (MoEN): Engagement motivations, perceived value, satisfaction and continued engagement intention. *Decision Support Systems* 56: 361-370.
- Zeithaml, V.A. (1988) “Customer Perceptions of Price, Quality, and Value: A Means-end Model and Synthesis of Evidence”, *Journal of Marketing* 52(3): 2-22.

Zikmund, W. G. (2003). *“Exploring Marketing Research”*. United States: Thomson
South Western.

Zikmund, W. G. (2003). *Business research methods* (7th ed.). United States:
Thomson South Western.

Appendix A



**UNIVERSITY TUNKU ABDUL RAHMAN
FACULTY OF BUSINESS AND FINANCE
BACHELOR OF BUSINESS ADMINISTRATION (HONS)
BANKING AND FINANCE
QUESTIONNAIRE
RESEARCH TITLE**

**Determinants of Customer Satisfaction in Conventional Insurance Services:
The Case of Malaysia**

Dear Respondent,

We are Banking and Finance student from University Tunku Abdul Rahman. We are doing our Final Year Project titled “Determinants of Customer Satisfaction in Conventional Insurance Services: The Case of Malaysia.”

The purpose of this survey is to examine the determinants in conventional insurance services available in Malaysia which affect the customer satisfaction towards insurance industry. Besides, this survey to determine the customer satisfaction towards the conventional insurance services so that insurance industry able to improve their services.

Please answer all questions to the best of your knowledge. All responses are completely confidential.

Thank you for your participation.

Name	Student ID	Email Address
Choi Cheng Keong	11ABB03666	raizchoi901221@gmail.com
Chua Chiau Xiang	10ABB00020	bearbearccx@hotmail.com
Katrin Koh Sze Yee	11ABB02981	katrin_k99@live.com
Lai Mei Hsien	11ABB00383	meihsien8290@gmail.com
Tan Wen Pei	11ABB00501	yurica_wints07@hotmail.com

Instructions:

- 1) There are **TWO (2)** sections in this questionnaire. Answer **ALL** questions.
- 2) It will take you approximately **20 minutes**.
- 3) The contents of this questionnaire will be kept **strictly and confidential**.

Section A: Demographic Profile

In this section, we are interested in your background in brief. Please TICK (✓) your answer in the grid.

1. Gender
 - Male
 - Female

2. Age group
 - 19 years and below
 - 20-29 years old
 - 30-39 years old
 - 40-49 years old
 - 50 years old and above

3. Highest education
 - Diploma / Advance Diploma
 - Bachelor Degree
 - Master Degree
 - Other _____

4. Income level (per month)
 - <1000
 - 1000 - 2499
 - 2500 – 5000
 - >5000

5. What type of insurance policy that you own? (may tick more than one answer)
 - Life insurance
 - Health insurance
 - Personal Accident (PA) insurance
 - Other _____

Section B: Determinants of customer satisfaction toward conventional insurance services in Malaysia

This section is seeking your opinion regarding the factors that influence customers' satisfaction toward conventional insurance services in Malaysia. Please indicate the extent you agree or disagree with the following statements by circling one number per line on the 5-point likert scale:

{(1) = strongly disagree; (2) = disagree; (3) = neutral; (4) = agree; and (5) = strongly agree.}

No	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
DV	Customer Satisfaction					
CS1	Services provided by insurance company meet my expectations.	1	2	3	4	5
CS2	I will purchase another insurance from the insurance company.	1	2	3	4	5
CS3	I have the intention of switching the insurance to another company in future.	1	2	3	4	5
CS4	I will recommend my insurance company to my friends or family members.	1	2	3	4	5
CS5	Overall, I feel comfortable and secured with the insurance services provided.	1	2	3	4	5

No	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
IV1	Service Quality					
SQ1	The insurance company provides access to information on products or services offered.	1	2	3	4	5
SQ2	The insurance company performs the services as promised.	1	2	3	4	5
SQ3	The insurance company provides short waiting time when offering the products.	1	2	3	4	5
SQ4	The insurance company's staff are consistently courteous.	1	2	3	4	5
SQ5	The insurance company provides individual attention (caring and empathetic nature regarding claim).	1	2	3	4	5

No	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
IV2	Perceived Value					
PV1	The company's insurance policy provides additional benefits. (No claims bonus, choice to change coinsurance option, etc.)	1	2	3	4	5
PV2	The company's insurance policy provides flexibility. (Combination of protection, savings and investment)	1	2	3	4	5
PV3	The insurance coverage meets my expectation.	1	2	3	4	5
PV4	I am generally aware about the value of insurance product that I had purchased.	1	2	3	4	5
PV5	The company's insurance policy consider to be a good buy.	1	2	3	4	5

No	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
IV3	Corporate Image					
CI1	The insurance company frequently appears in media channels. (Example: newspaper, television, and other media channels.)	1	2	3	4	5
CI2	The insurance company has good reputation since it always involve in corporate social responsibility (CSR) activities.	1	2	3	4	5
CI3	It is convenient to reach the insurance company's branch office since it located around the residential area.	1	2	3	4	5
CI4	The insurance company provides various services to customers. (For example: personal, financial and insurance plan advising)	1	2	3	4	5
CI5	The insurance company's staffs have good attitudes. (For example: friendly, polite and well-trained).	1	2	3	4	5

No	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
IV4	Complaint Behaviour					
CB1	It is convenient to send in complaint to an insurance company.	1	2	3	4	5
CB2	There are various channels offered by the insurance company in handling the complaints.	1	2	3	4	5
CB3	The insurance company respond in due course to the complaints.	1	2	3	4	5
CB4	The insurance company able to handle the complaints systematically.	1	2	3	4	5
CB5	It is a waste of time to file a complaint to the insurance company.	1	2	3	4	5

No	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
IV5	Role of Agent					
RA1	The agent of insurance company is able to communicate efficiently.	1	2	3	4	5
RA2	The agent explained the information regarding the insurance products well.	1	2	3	4	5
RA3	The agent is knowledgeable in diagnosing problems or doubts related to insurance policy.	1	2	3	4	5
RA4	The agent is easy to contact.	1	2	3	4	5
RA5	The agent provides updates of the insurance products.	1	2	3	4	5

Thank you for your time and response.

~ The End ~