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Service Quality Assessment in Insurance Sector: A Comparative Study between Indian and Chinese Customers

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Abstract

Globalisation and open market system have created the complex competitive environment not only for the manufacturing sector but also for the service sector. Recent developments in global economy have led the service companies especially the insurance companies to plan and execute their strategies towards increasing customer satisfaction and loyalty through improved service quality. The present study focuses on developing a valid and reliable instrument to measure customer perceived service quality and comparing these between Indian and Chinese Insurance companies. The resulting validated instrument comprised of six dimensions: assurance, personalized financial planning, competence, corporate image, tangibles and technology. The study finds that although both the countries are operating in similar service environment but the responses to these service quality components differ from customers of one country to another.

Keywords: Service Quality, Cross Cultural, Insurance, GAP analysis,

1. Introduction:

In recent years, there has been a resurgence of interest in services due to their ever-increasing importance in both developed and developing countries (Hubner, 1997; Hunerberg and Mann, 1997; Keegan and Schlegelmilch, 2001; Muhlbacher et al., 1999). Over the past decades, the share of GDP attributable to services has continued to grow in many countries and accounts for more than 60 percent of the world output today (Kotabe and Helsen, 2004). This trend is bound to continue in the future.
Services also represent a major driving force of international trade. Over the past years, the share of services in total cross-border exports has risen constantly. As a consequence, service marketers are dealing with an increasingly globalized environment, confronting new opportunities for profit while facing world-class competitors. Liberalization and internationalization has impacted in the way as service quality across the sectors has now become an important means of differentiation and path to achieve business success. Such differentiation based on service quality can be a key source of competitiveness for insurance companies and hence have implication for leadership in such organizations. The trend of insurance companies shifting from a product-focused view to a customer-focused one has been developing recently as insurance products become increasingly hard to differentiate in fiercely competitive markets. It is becoming desirable for insurance companies to develop a customer centric approach for future survival and growth. The awareness has already dawned that prompt, efficient and speedy service alone will tempt the existing customers to continue and induce new customers to try the services of the company. In Asia there are two large

economies which are grown in past one decade after implementing economic reforms this study focuses on these two major economies of the Asia i.e. India and China.
China's insurance industry is one of the fastest growing insurance industries across the globe. While most of the countries worldwide are still witnessing brisk growth amid recovery, Chinese insurance industry has already started growing by leaps and bounds, ending 2010 with a growth of around 33%. Life insurance products including health and personal accidents resulted in maximum growth, accounting for a lion's share of total insurance premium written in the country. The Chinese insurance industry is expected to grow at a CAGR of over 24% during 2011-2014.General insurance premium are also growing at a rapid pace with burgeoning demand in various sub-segments. The report attempts to assess market potential in each of the sub segments namely motor (auto), property, agriculture, liability, cargo, and short-term personal accident insurance. Motor insurance accounts for a major share of general insurance premium and is a key driver for future. The market will also witness new and innovative insurance products in future to further increase penetration of the industry in the country.
However, the insurance market in China still remains largely untapped. With insurance penetration (in terms of GDP) at mere 3.4% at the end of 2009, China stands far behind than the global average penetration of over 7%. Thus, the future of industry looks certainly promising with ever strengthening distribution network, development of new channels for sales, and positive indicators for foreign players. (Table1)
India was ranked 9th among 156 countries in the life insurance business as per data published by Swiss Re. During the year 2009, life insurance premiums in India grew by 10.1 per cent (inflation adjusted), while the global life insurance industry contracted by 2 per cent. The share of Indian life insurance sector in the global market was 2.45 per cent during 2009, as against 1.98 per cent in 2008.Since opening up of the Insurance sector in 1999, 40 private companies have been granted license by 30th September 2010 to conduct business in Life Insurance and General Insurance. Of the 40, 22 are in the Life Insurance and 18 in General Insurance. After the opening up of the sector, the average annual growth of first year's premium in the Life segment worked out of 47.06% and in the Non-Life segment it was 16.87%.
Today, hardly 20 per cent of the population in India is insured and insurance premium (life as well as non-life) account for just 2 per cent of the GDP as against the G-7 average of 9.2 per cent. A burgeoning middle class, high per capita savings and low penetration of insurance are some of the key factors responsible for the tremendous interest foreign insurance companies are showing in the Indian insurance industry. An insurance survey by LIC and KPMG revealed that he annual growth in the average insurance premium in India has been 8.2 per cent compared with the global average of 3-4 per cent. Per capita insurance premium in India is a mere US $6, one of the lowest in the world. In South Korea, the corresponding figure is US $ 1,338, in US it is $22,550 and in UK it is $1,589. Insurance premium in India accounts for a mere 2 per cent of GDP compared to the world average of 7.8 per cent and G-7 average of 9.2 per cent. Insurance premium as a percentage of savings is barely 5.95 per cent in India compared to 52.5 per cent in UK. With the entry of private players, the market has been flooded with new products and customer service has improved. The following table brings out the low insurance penetration in India as compared to other countries, which is an indicator of the high potential for growth
There are many researches that present the different dimensions to measure the service quality across service sectors. To measure service quality and identify the dimensions that customers consider in evaluating bank services, the most commonly used research instrument is SERVQUAL (Parasuraman et al., 1988). This SERVQUAL scale for measuring service quality in a variety of service sectors is used in most studies of bank service quality (Arasli et al., 2005b; Chi Cui et al., 2003; Lam, 2002; Mels et al., 1997; Othman and Owen, 2001; Zhou, 2004; Zhou et al., 2002). In addition to the SERVQUAL scale, alternative instruments are available for specific use in the banking sector (Avkiran, 1994; Bahia and Nantel, 2000; Aldlaigan and Buttle, 2002; Jabnoun and Al-Tamimi, 2003; Karapte et al., 2005; Guo et al., 2008), but they have not been used as extensively as SERVQUAL.

2. Literature Review

Over the past few years, there has been a considerable research on different aspects of service quality leading to a sound conceptual base for both practioners and researchers. Authors (Parasuraman *et al*., 1988; 1991; Carman, 1990) agree that service quality is an abstract concept, difficult to define and measure. Some of the contemporary definitions of service quality are summarized in Table 1. On service quality modeling, Gronroos (1984) divides the customer's perceptions of any particular service into two dimensions, namely technical and functional quality. Parasuraman *et al.* (1985) proposed the gap model of service quality that operationalised service quality as the gap between expectation and performance perception of the customer.

Later on, service quality has also been defined broadly as "consumers' assessment of the overall excellence or superiority of the service" (Zeithaml *et al*., 1993). It is viewed as an attitude or global judgment about the overall excellence of a service, with comparison of expectations and performance as the measuring tools. Researchers have tried to operationalised service quality from different perspectives for different service applications. Based on their conceptual and empirical studies, researchers derived and proposed different service quality dimensions for various service applications, as illustrated in Table 2.

However, SERVQUAL (Parasuraman *et al*., 1988; Boulding *et al*., 1993) and SERVPERF (Cronin and Taylor, 1992) are the most widely used service quality measurement tools. SERVQUAL scale measures service quality, based on difference between expectation and performance perception of customers using 22 items and five-dimensional structure. In the SERVPERF scale, service quality is operationalised through performance only score based on the same 22 items and five dimensional structure of SERVQUAL.

The insurance companies offer services that are acceptance products with very few cues to signal quality. It has been suggested that consumers usually rely on extrinsic cues like brand image to ascertain and perceive service quality (Gronroos, 1984). This factor is especially true for a "pure" service such as insurance, which has minor tangible representations of its quality and is highly relational during most transactions. There is also a lack of price signal in the market due to specialized customer needs and difficulty in comparing prices; thus consumers cannot rely solely on price as an extrinsic cue to signal quality.

The life insurance purchase output are often delayed, and thus do not allow immediate post-purchase valuation. As such, overall satisfaction can't be immediately measured through an reaction towards purchase. This situation is more apparent as the future benefits of the "product" purchased are difficult to foresee and take a long time to "prove" its effects (Crosby and Stephens, 1987). Infrequent purchase and "usage" of such credence products by consumers would mean an inability or difficulty in forming service expectations due to limited understanding of and familiarity with the service (Johnston *et al*., 1984). At the same time, because of the amount of money that is typically invested in an insurance policy, customers seek long-term relationships with their insurance companies and respective agents in order to reduce risks and uncertainties (Berry, 1995). Pure services like insurance may, therefore, conjure different expectations than that of services that include tangible products (Toran, 1993). An insurance policy is almost always sold by an agent who, in 80% of the cases, is the customer's only contact (Richard and Allaway, 1993; Clow and Vorhies, 1993; Crosby and Cowles, 1986). Customers are, therefore, likely to place a high value on their agent's integrity and advise

(Zeithaml *et al*., 1993) The quality of the agent's service and his/her relationship with the customer serves to either alleviate or exaggerate the perceived risk in purchasing the life insurance product. Putting the customer first, and, exhibiting trust and integrity have found to be essential in selling insurance (Slattery, 1989). Sherden (1987) laments that high quality service (defined as exceeding "customers' expectations") is rare in the life insurance industry but increasingly demanded by customers. Toran (1993) points out that quality should be at the core of what the insurance industry does. Customer surveys by Prudential have identified that customer want more responsive agents with better contact, personalized communications from the insurer, accurate transactions, and quickly solved problems (Pointek, 1992). A different study by the National Association of Life Underwriters found other important factors such as financial stability of the company, reputation of the insurer, agent integrity and the quality of information and guidance from the agent (King, 1992). Clearly, understanding consumers' expectations of life insurance agent's service is crucial as

expectations serve as standards or reference points against which service performance is assessed (Walker and Baker, 2000).Technology has also become an important factor in how the agent operates in the field including other functions such as distribution, claim costs and administration (Anonymous, 2004).
Research has shown that the quality of services and the achievement of customer satisfaction and loyalty are fundamental for the survival of insurers. The quality of after sales services, in particular, can lead to very positive results through customer loyalty, positive WOM, repetitive sales and cross-selling (Taylor, 2001).However, many insurers appear unwilling to take the necessary actions to improve their image. This creates problems for them as the market is extremely competitive and continuously becomes more so (Taylor, 2001). Previous studies, notably those of Wells and Stafford (1995), the Quality Insurance Congress (QIC) and the Risk and Insurance Management Society (RIMS) (Friedman, 2001a, 2001b), and the Chartered Property Casualty Underwriters (CPCU) longitudinal studies (Cooper and Frank, 2001), have confirmed widespread customer dissatisfaction in the insurance industry, stemming from poor service design and delivery. Ignorance of customers' insurance needs (the inability to match customers perceptions with expectations), and inferior quality of services largely account for this. The American Customer Satisfaction Index shows that, between 1994 and 2002, the average customer satisfaction had gone down by 2.5% for life insurance and 6.1% for personal property insurance respectively (www.theacsi.org). In Greece, for example, 48% of consumers consider that the industry as a whole is characterized by lack of professionalism.
It is therefore not surprising that measurement of service quality has generated, and continues to generate, a lot of interest in the industry (Wells and Stafford, 1995). Several metrics have been used to gauge service quality. In the United States, for example, the industry and state regulators have used "complaint ratios" in this respect (www.ins.state.ny.us). The "Quality Score Card", developed by QIC and RIMS, has also been used. However, both the complaints ratios and the quality scorecards have been found to be deficient in measuring service quality and so a more robust metric is needed. Although service quality structure is found rich in empirical studies on different service sectors, service quality modeling in life insurance services is not adequately investigated. Further, for service quality modeling, a set of dimensions is required, but there seems to be no universal dimension; it needs to be modified as per the service in consideration. Thus, the dimensions issue of service quality requires reexamination in context of life insurance services.
There are several studies conducted in a various countries, including: China (Bahia and Nantel, 2000); the United Arab Emirates (Jabnoun and Al-Tamimi, 2003); China (Lam, 2002; Guo et al., 2008); South Africa (Mels et al., 1997); Cyprus (Karapte et al., 2005); the UK (Aldlaigan and Buttle, 2002); Nigeria (Ehigie, 2006); South Korea (Chi Cui et al., 2003); Kuwait (Othman and Owen, 2001); Australia (Avkiran, 1994; Baumann et al., 2007); and Malaysia (Amin and Isa, 2008), to name just a few. These studies reflect service quality assessment on individual countries and further to these studies some more studies have been done to compare service quality among different countries, (Dash et al., 2009; Glaveli et al., 2006; Lewis, 1991; Malhotra et al., 2005). Most of these studies are particularly limited between developed and developing countries. However, cross-cultural service quality studies have become increasingly relevant as international business flourishes along with a more integrated global service environment (Arasli et al., 2005a; Dash et al., 2009).

3. Objectives of the Study

Although several researchers have made theoretical and empirical contribution to the study of service quality in various industries, (like banking, healthcare, education etc) the area of life insurance is not adequately researched. Some previous studies in this area focused exclusively on relational qualities (Crosby and Stephens, 1987) and on the generic SERVQUAL format of quality measurement (Parasuraman *et al*., 1994).
Following objectives were structured for the purpose of this study:

- To investigate service quality structure for Insurance in India and China.
- To study the level at which services are being well delivered i.e. up-to what level performances are meeting the expectations.

- To study the impact of different dimensions on service quality offered in Indian and Chinese Insurance Companies.
- To assess service quality in the Insurance as perceived by Indian and Chinese service users.

A review of literature revealed that the earlier studies on measurement of customer perceived service quality were very few for the life insurance sector world wide. The topic therefore needs to be investigated.

4. Research Methodology

In order to develop a reliable and valid service quality measurement scale, an empirical study was undertaken based on methodology .We have used Conclusive Cross-Cultural Descriptive Research Design to study the service quality structure and its key dimensions in life insurance sector. The survey instrument was a SERVQUAL type questionnaire relevant to insurance industry. The questionnaire was divided into two sections. In the first part information related to different socioeconomic and demographic criteria like income, age, profession, educational qualification, etc was collected. In the second part, respondents were asked to evaluate parameters on service quality relevant to insurance industry (on a 5 point scale anchored at "strongly agree" and "strongly disagree").

This part consists of 22 statements for both expectations and perception scores, regarding various aspects of service quality. These service quality aspects were identified by a detailed exploratory identification process. This included eight focus group discussions (with 40 life insurance policyholders); eight in-depth interviews (three with branch managers and five with agents of various life insurance companies).Content analysis of focus group discussions and depth interviews was performed. In content analysis, the responses (oral as well as written) were categorized and classified. Then they are coded for tabulation purpose. Thereafter the frequency counts (of different categories) were compared. These responses were augmented from current literature in order to draw a wider and more in-depth inventory of service quality items in life insurance context. Finally, 22 attributes of service quality in life insurance sector were identified after the process.

4.1.Sample and data collection

Data were gathered through email from customers in China and India. Self-administered questionnaires were distributed to a convenience sample of customers. Research assistants at mall entrances asked potential respondents to complete a survey dealing with service quality. The questionnaire was initially written in English and translated to local languages in respective countries to post their appropriate responses. In India the survey was conducted in both English and Hindi and in China most of the customers responded to Chinese language accurately and positively. Total 176 completed questionnaires were collected in China out of which 31 were incomplete and eliminated, leaving 145 valid questionnaires for further analysis. In India, 278 completed questionnaires were collected, out of which 36 were incomplete which were left from the study making 242 questionnaires for further analysis in the Indian sample.

Customer Profile

The Customer profile was further tabulated in **Table 3**. In the Chinese sample, the majority of respondents were below 40 yrs of age (83%) and ratio of male and female respondents was 61:39 34 percent of Chinese respondents belonged to middle income group. The middle income group ranged from 1, 00,000-3, 00, 00 Chinese Yuan. In terms of education, 83 percent of the respondents had a university degree, 15 percent had any professional qualification other than university degree and 16 percent had a secondary school education. In the Indian sample, a majority of the respondents were male (63 percent). In terms of income, 53 percent of the respondents were from middle income group which ranges from 4,00,000- 8,00,000 INR. These Chinese and Indian income bands were chosen because they are broadly comparable in terms of standard of living in the two countries. In terms of education, 67 percent of the respondents had a university degree, 13 percent had any professional qualification other than university degree and 19 percent had a secondary school education.

4.1.2. Data Analysis

The views of the sample respondents regarding the services offered by the Companies under study are presented in Table 4. Referring to Table 4; the comparison of expectations and perceptions of Indian and Chinese Customers, it is observed that the sample customers have very similar opinion as indicated from the mean values of different dimensions.

The gap (P - E) as shown in Fig. 1 and Fig. 2, is positive for first two factors (i.e. tangibles and competence) of Indian respondents indicating satisfaction of the customers. In the rest four factors (i.e. Corporate Image, Technology, personalized financial planning and assurance) the gap is negative indicating dissatisfaction of the customers, which are also statistically significant as indicated from the t–values. Further, component wise analysis indicates that the higher level of dissatisfactions are observed in factors like; i) Adequate numbers of branches; ii) Simple & Less time consuming Procedure for purchasing a policy, iii) Financially stable company, iv) Value for money; in all components of Technology, Personalized financial planning and assurance except Understanding intimately specific needs & Complaint handling should be prompt, online.

This indicates the major reasons of dissatisfaction of customers in Indian Customers are staff related.

There are only three components where the customer's satisfaction is statistically significant (i.e. accessible location of the branch, Prompt & Efficient Grievance handling mechanism, prompt and hassle free claims settlement. A comparison between opinion of respondents for perceptions and expectations exhibits that out of the six dimensions of service quality gaps, two are positive indicating customers' satisfaction and rest four are negative indicating customer dissatisfaction. The levels of satisfaction with Chinese Customers are significant for Competence dimension, where as they are dissatisfied with assurance dimension (significant at 5 % level). Further component-wise analysis indicates highest level of satisfaction is associated with Prompt & Efficient Grievance handling mechanism (0.905) while highest level of dissatisfaction with Availability of flexible product solution and Trust & Clarity in explaining policy's terms and conditions.

The results of SERVQUAL items show similar trend in responses of customers of Indian and Chinese Companies. The mean scores for both expectation and perception of customers are in the middle range indicating not very-high levels of expectations from the customers. Figure 1 and 2 present the mean scores of expectations and perceptions of respondents of Indian and Chinese customers respectively. In exact variations, the quality gap is significant for Chinese sample but not for the Indian sample is competence (2.011**); while for Indian Customers but not for Chinese sample is assurance (- 3.099*). Higher differences for mean scores are observed for Indian Customers, compared to that of Chinese. Principal component analysis (PCA) was used to interpret the 22 components of service quality for expectations and perceptions to compare with the initial findings. The findings of the initial models were six dimensions, as compared with seven dimensions extracted for expectations and perceptions of the respondents from Chinese Sample. The results of the factor analysis for Chinese sample are given in Table 6.

For customers' expectation in Chinese samples, the KMO measures of sampling adequacy is 0.637 and approximate Chi-Square significant at 1 % level, indicating the applicability of factor analysis.

Similarly, KMO measures 0.698 and significance level of Bartlett's test of sphericity at 0.000, suggests the need for factor analysis of performance of Chinese samples as viewed by the respondents. Total variances explained by the first seven factors are 75.106 %, and 74.321 % in the analysis of customers' expectation and perceptions respectively. The solutions for 5 – components suggested by Zeithmal et al are compared with the sample results indicating validity of the scales and suggesting the basis in Table 3 for Chinese customers' expectations and perception. The KMO measures of sampling adequacy is 0.590 and c2 is significant at 0.000 level indicates the suitability of PCA method for identifying the important components of expectations of Indian customers. Eight factors have been extracted by the method

explaining 76.848 percent of the variances in customers' expectations, taking the cut off point in the eigen value as '1' (see Table 4). Similarly, the analysis of perception of Indian respondents suggests five factors extracted through PCA explain 66.582 percent variations taking the cut off point of eigen value as '1'. Further, 1st and 2nd factors combined explain 40.456 % of the variations. Here, the first factor comprised of nine out of the 22 items of service quality and second factor has clubbed seven items. Again, the content of the five factors extracted is different from the initial dimensions suggested in the model.

5. Conclusion

These findings emphasize the continuing importance of the employee in providing services which was supported in research of Dash (2009) for another sector in service industry that was on Chinese banks . Despite technological automation customers apparently continue to value person-to-person contact (Molina et al., 2007) that is the reason for negative response in technological dimensions in both the countries. Despite the changing environment, customers still assess service quality primarily in terms of the personal support they receive from employees, rather than technical innovations (Arasli et al., 2005a). According to Molina et al. (2007), customers expect certain benefits if they are to maintain a long-term relationship with a particular company. These benefits include first-rate service, personal recognition and friendly interactions, and a sense of confidence and trust. The findings of the present study, especially with respect to the Chinese sample of respondents, are in accordance with this view

Although this study focuses on life insurance industry, however the results can be used for investigating service quality improvements of life insurance industries of other countries as well. This can be performed by incorporating necessary changes in service quality aspects in accordance with socio-economic environment of that nation.

There are, some scope for further research. Future studies in this area should also measure changes in service quality expectations over time in order to have a better understanding of how perceptions about service quality relate to satisfaction and loyalty. This is because service expectations and perceptions are known to be affected by customers' immediate reaction to specific service encounters.

The results of this study support the claims of Malhotra et al. (2005) that perceptions of service quality vary by nationality due to differences in economic, social, and cultural environments. Researchers are encouraged to replicate this study in different countries. Considering the debate in the literature about the significance of using country or nationality as surrogate variables for culture (e.g. Craig and Douglas, 2006), researchers should examine these differences using a more elaborate conceptualization of culture (e.g. cultural values orientations). In addition, future research should consider globalization effects (e.g. Craig and Douglas, 2006) and how they accelerate the emergence of a "global consumer" (e.g. Cleveland and Laroche, 2007). Previous studies confirm the existence of homogeneous consumer segments, sharing similar needs and preferences that transcend countries.

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Table 1

	Premium Volume(in Millions USD)			Change in %(Nominal)		Change in %(adjusted inflation)	
Country	2010	2009	2008	2010	2009	2010	2009
China	224919	172425	151473	30.4	13.8	26.2	14.6
India	80521	68528	57434	17.5	19.3	4.9	7.6

Source: Swiss Re.

Table 2 Service quality Dimensions according to usage

Authors	**Application Areas**	**Service Quality Dimensions**
Parasuraman, Zeithaml and Berry	Telephone,brokerage,banks and repair and maintenance	Reliability
		Responsiveness
		Assurance
		Empathy
		Tangibility
Lehtinen	Restaurants,Hotels,Pubs,Food Junctions	Corporate Quality
		Physical Quality
		Interactive
		Process

		Output
Rosen and Karwan	Health care, Teaching	Reliability
		Responsiveness
		Assurance
		Knowing the customers
		Tangibility
		Access
Siu and Cheung	Retail Stores, Departmental Stores/Chains	Personal Interaction
		Policy
		Problem Solving
		Physical Appearance
		Promises
		Problem Solving
		Convenience
Mehta and Lobo	Life Insurance	Tangibles
		Competence
		Corporate image
		Technology
		Personalized financial planning
		Assurance

Table 3 Customer Profile

Parameters		Chinese		Indian		Total	
		F	% age	F	%age	f	%age
Age	Below 30	86	59.31	112	46.28	199	100
	30-40	34	23.45	76	31.40	134	100
	41-50	19	13.10	34	14.05	68	100
	51-60	6	4.14	20	8.26	39	100
Education	upto XIth	24	16.55	46	19.01	66	100
	Graduate	64	44.14	98	40.50	208	100
	Post Graduate	35	24.14	62	25.62	130	100

	Professional	22	15.17	36	14.88	68	100
Gender	Male	89	61.38	152	62.81	282	100
	Female	56	38.62	90	37.19	190	100
Occupation	Salaried	76	52.41	106	43.80	180	100
	self employed	36	24.83	83	34.30	133	100
	House wife	21	14.48	32	13.22	53	100
	Retired	12	8.28	21	8.68	40	100
Income	Higher Income Group	56	38.62	54	22.31	130	100
	Middle Income Group	48	33.10	126	52.07	224	100
	Lower Income Group	41	28.28	62	25.62	118	100

Table 4 Comparison of Means of Customers Expectation and Performance Indian and Chinese Samples

		Indian				Chinese			
	Component	**Performance**	**Expectation**	**Gap**	**t-value**	**Performance**	**Expectation**	**Gap**	**t-value**
Tangibles	Adequate No. of branches	5.182	5.595	-0.413	-2.447**	5.274	5.568	-0.295	-1.188
	Accessible location of the branch	5.008	4.831	0.177	1.148	4.832	4.800	0.032	0.152
	Good ambience of the branch	5.095	4.926	0.169	1.124	4.947	4.747	0.200	0.876
Competence	Staff dependable in handling customer's problems	5.095	4.570	0.525	4.164	4.705	4.442	0.263	1.204

	Efficient Staff	4.983	4.736	0.247	1.729	4.884	4.484	0.400	2.001
	Prompt & Efficient Grievance handling mechanism	5.087	4.364	0.723	4.763*	5.137	4.232	0.905	4.115*
	Prompt and hassle free claims settlement	5.017	4.678	0.339	2.073**	4.768	4.589	0.179	0.808
Corporate image	Innovativeness in introducing new products	4.843	4.616	0.227	1.482	5.200	4.663	0.537	2.238**
	Simple & Less time consuming Procedure for purchasing a policy	5.116	5.884	-0.768	-5.122*	5.274	5.853	-0.579	-2.732*
	Financially stable company	3.488	4.000	-0.512	-2.888*	3.516	3.768	-0.252	-1.009
	Value for money	3.901	4.273	-0.372	-2.232**	3.811	4.074	-0.263	-1.210
Technology	Easy online transaction	4.178	4.835	-0.657	-4.093*	4.316	4.737	-0.421	-1.620
	Complaint handling should be prompt, online	4.475	4.087	0.388	2.643*	4.737	4.284	0.453	2.151**
	Proactive information through e-mail or SMS	4.186	4.860	-0.674	-4.377*	4.579	4.737	-0.158	-0.818
Personalized financial planning	Availability of flexible product solution	4.388	5.545	-1.157	-7.708*	4.800	5.453	-0.653	-2.922*
	Provisions for Convertibility of products	4.847	5.202	-0.355	-2.704*	4.874	5.042	-0.168	-0.911
	Supplementary services	5.116	5.211	-0.095	-0.734	4.989	5.021	-0.032	-0.179
	Provision of Flexible payment schedule	3.988	4.103	-0.115	-0.675	4.147	4.032	0.115	0.454
Assurance	Trained and well-informed agents	4.112	4.496	-0.38	-2.525*	3.863	4.505	-0.64	-2.687

			4	*			2	*
Approaching from customer's point of view	4.070	4.744	-0.674	-4.399*	4.189	4.589	-0.400	-1.784
Trust & Clarity in explaining policy's terms and conditions	3.872	4.686	-0.814	-5.443*	3.863	4.495	-0.632	-2.826*
Understanding intimately specific needs	4.851	4.616	0.235	1.591	4.800	4.716	0.084	0.397

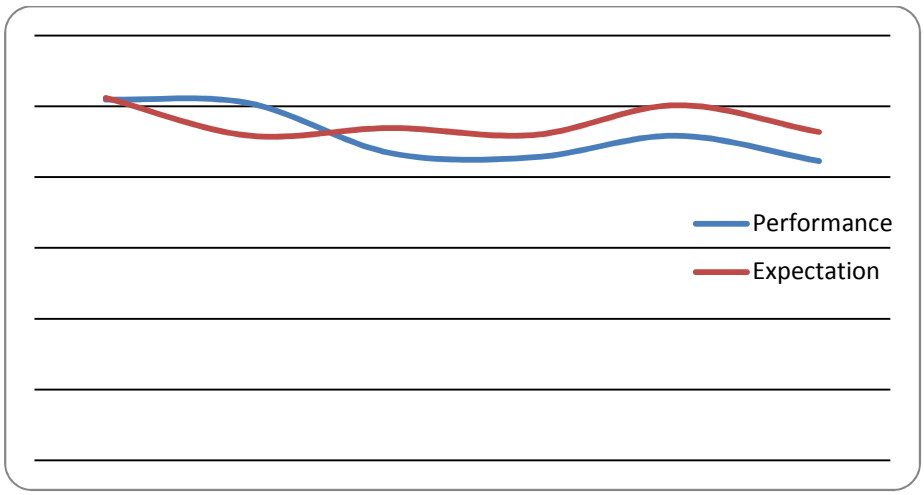

Fig 1. Indian Samples

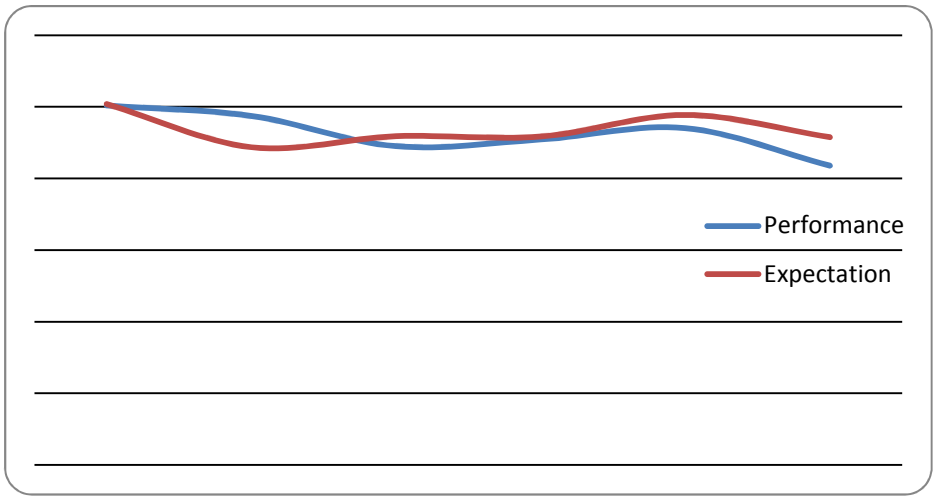

Fig 2. Chinese Samples

Table 5 Factor Analysis(Indian)

Expectation				
Factors	Variables	Components	Loading	Variance explained
Factor-1	Prompt and hassle free claims settlement	Competence/ Corporate Image/Personalised Financial planning/Assurance	0.51	18.33%
	Financially stable company		0.689	
	Value for money		0.631	
	Provision of Flexible payment schedule		0.863	
	Trained and well-informed agents		0.804	
	Approaching from customer's point of view		0.721	
	Understanding intimately specific needs		0.621	
Factor-2	Accessible location of the branch	Competence/ Tangibles/ Corporate Image/Technology	0.468	15.81%
	Staff dependable in handling customer's problems		0.766	
	Efficient Staff		0.846	
	Prompt & Efficient Grievance handling mechanism		0.681	
	Innovativeness in introducing new products		0.794	
	Provisions for Convertibility of products		0.609	
Factor-3	Simple & Less time consuming Procedure for purchasing a policy	Corporate Image/Technology	0.736	9.69%
	Proactive information through e-mail or SMS		0.745	
Factor-4	Adequate No. of branches	Tangibles	0.856	8.31%
	Good ambience of the branch		0.7	
Factor-5	Easy online transaction	Personalised Financial planning/Assurance	0.621	8.19%
	Availability of flexible product solution		0.738	
Factor-6	Complaint handling should be prompt, online	Technology	0.808	7.95%
Factor-7	Supplementary services	Personalised Financial planning/Assurance	0.567	6.83%
	Trust & Clarity in explaining policy's terms and conditions		0.755	
Perceptions				
Factors	Variables	Components	Loading	Variance explained
Factor-1	Efficient Staff	Competence/ Corporate Image/Personalised Financial planning/Technology	0.737	17.43%
	Prompt & Efficient Grievance handling mechanism		0.555	
	Innovativeness in introducing new products		0.593	
	Simple & Less time consuming Procedure for		0.585	

	purchasing a policy			
	Proactive information through e-mail or SMS		0.833	
	Availability of flexible product solution		0.865	
	Provisions for Convertibility of products		0.718	
Factror-2	Financially stable company	Corporate Image/ Technology/ Assurance	0.715	16.01%
	Easy online transaction		0.673	
	Complaint handling should be prompt, online		0.522	
	Approaching from customer's point of view		0.822	
	Trust & Clarity in explaining policy's terms and conditions		0.766	
Factor-3	Adequate No. of branches	Tangibles	0.816	12.28%
	Accessible location of the branch		0.773	
Factor-4	Provision of Flexible payment schedule	Personalised Financial planning/Assurance	0.824	8.24%
	Trained and well-informed agents		0.766	
Factor-5	Good ambience of the branch	Tangibles/Competence	0.578	7.57%
	Staff dependable in handling customer's problems		0.875	
Factor-6	Prompt and hassle free claims settlement	Competence/ Corporate Image	0.774	6.62%
	Value for money		0.505	
Factor-7	Supplementary services	Personalised Financial planning/Assurance	0.713	6.17%
	Understanding intimately specific needs		-0.607	

Table-6 Factor Analysis(Chinese)

Expectation				
Factors	Variables	Components	Loading	Variance explained
Factor-1	Efficient Staff	Competence/Corporate Image	0.839	12.74%
	Prompt & Efficient Grievance handling mechanism		0.84	
	Innovativeness in introducing new products		0.704	
Factor-2	Proactive information through e-mail or SMS	Technology/ Personalised Financial Planning	0.486	12.55%
	Availability of flexible product solution		0.913	
	Provisions for Convertibility of		0.683	

	products			
	Supplementary services		0.74	
Factor-3	Provision of Flexible payment schedule	Personalised Financial Planning/Assurance	0.857	10.07%
	Trained and well-informed agents		0.83	
Factor -4	Approaching from customer's point of view	Assurance	0.757	9.88%
	Trust & Clarity in explaining policy's terms and conditions		0.844	
	Understanding intimately specific needs		0.633	
Factor-5	Accessible location of the branch	Tangibles/ Competence	0.577	8.86%
	Good ambience of the branch		0.866	
	Staff dependable in handling customer's problems		0.616	
Factor-6	Value for money	Corporate image/Technology	0.589	8.69%
	Easy online transaction		0.699	
	Complaint handling should be prompt, online		0.737	
Factor-7	Adequate No. of branches	Competence/ Corporate Image/Tangibles	0.501	7.42%
	Prompt and hassle free claims settlement		0.802	
	Financially stable company		0.516	
Factor-8	Simple & Less time consuming Procedure for purchasing a policy	Corporate image	0.99	6.64%
Perceptions				
Factors	Variables	Components	Loading	Variance explained
Factor-1	Financially stable company	Technology/ Corporate Image/Personalised Financial planning/Assurance	0.722	22.08%
	Value for money		0.679	
	Easy online transaction		0.768	
	Complaint handling should be prompt, online		0.629	
	Provision of Flexible payment schedule		0.622	
	Trained and well-informed agents		0.746	
	Approaching from customer's point of view		0.825	

	Trust & Clarity in explaining policy's terms and conditions		0.772	
	Understanding intimately specific needs		0.681	
Factor-2	Adequate No. of branches	Tangibles/Competence/ Corporate Image	0.723	18.38%
	Accessible location of the branch		0.734	
	Good ambience of the branch		0.807	
	Staff dependable in handling customer's problems		0.742	
	Efficient Staff		0.609	
	Innovativeness in introducing new products		0.573	
	Simple & Less time consuming Procedure for purchasing a policy		0.625	
Factor-3	Proactive information through e-mail or SMS	Technology/ Personalised Financial planning	0.774	12.10%
	Availability of flexible product solution		0.898	
	Provisions for Convertibility of products		0.539	
Factor-4	Prompt & Efficient Grievance handling mechanism	Competence	0.459	7.45%
	Prompt and hassle free claims settlement		0.826	
Factor-5	Supplementary services	Personalised Financial Planning	0.696	6.56%