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RELATIONSHIP MANAGEMENT ON CUSTOMER SATISFACTION IN SOME SELECTED INSURANCE COMPANIES IN NIGERIA

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ABSTRACT

Customer relationship management measures adopted by various insurance companies such as shared values, trust and communication aimed at influencing consumer's interest are still not satisfied with the activities of the insurance companies. This study therefore try to investigate the impact of relationship management on consumer satisfaction using survey research design method and Kruskal-Wallis as the statistical tool for testing the hypothesis. A structured questionnaires were administered to 277 customers of the insurance companies to generate data for the study. Findings from the study revealed that trust has a significant impact on customer satisfaction of insurance services. Communication was found to have no significant impact on customer satisfaction of insurance service. Shared value was also found to have a positive and significant impact on customer satisfaction of insurance services. Based on these findings, the study recommends that insurance companies should enhance the process and procedures of communicating directly with their customers which can foster relationship management and customer satisfaction. This would help sustain the trust customers have with the services of insurance companies. In order to enhance customer satisfaction and decreasing customer loss, the companies should focus on sustaining an effective communication that aim to seek, gather and store the right information, validate and share it to its entire organization in order to create unique experience and deliver quality services. There is the need for organizations especially insurance companies to have a sustainable and effective shared value services with their customers so as to sustain their satisfaction with the company's services and obtain competitive advantage over their competitors.

KEYWORDS: Communication, customer satisfaction, customer relationship management, shared value, trust

INTRODUCTION

In today's competitive environment, companies are facing the toughest competition in this 21st century



and in order to win customers and encourage them to stay loyal and patronize the product or service, most of the companies have resorted to meeting and satisfying their customers' needs not only by being active in meeting the needs but by also being proactive. Companies are also being interested in finding new ways and means of satisfying their customers. Most of the companies are aiming for good customer relationship which means better service to the customers thereby preventing the customer from being snatch away by its competitor (Chen & Popovich, 2013). Most companies are not just attracting customers but are also working at building a long-term relationship with their customers both at local, national and international level. In today's highly competitive environment, business need to have a better understanding of their customers. This understanding are of different channels of which one is customer relationship management (CRM) which help companies to the needs of their customers, manage these relationships more intelligently to help predict the future (Dominic, 2010).

Customer relationship management (CRM) is a concept for managing a company's interactions with customer's clients and sales prospects through trust, shared values, communications, empathy and bonding (Long, 2013). Parvatiyar and Sheth (2012) sees customer relationship management (CRM) as a comprehensive strategy that includes the process of acquiring certain customers, keeping them and cooperating with them through bonding, empathy, shared values, communicating and trust to create a distinguished value for both the company and the customers. To maintain CRM, many organizations use some tools, technologies and procedures to support the relationship with the customer to enhance their sales. Customer satisfaction is a business philosophy which tends to the creation of value for customers, anticipating and managing their expectations and demonstrating at their ability and responsibility to satisfy the customer needs (Dominici and Guzzo, 2010).

Qualities of service and customers satisfaction are critical factors for the success of any business organization and enterprises exist because they have a customer to serve. The key to achieving sustainable advantage lies in delivering high quality service that will results in satisfying customers. In recent times, insurance companies have had different diverse relationship management strategies due to increased competition posed by the emergence and growth of new financial institutions in Nigeria and the changing needs of customers. Others include; the changing economic and business environment that followed the expansion of business; the high percentage of money outside the banking system and the low level of public awareness. Effective relationship management is thus becoming important in the insurance industry because if an insurance company develops and sustains a long-term relationship with its customers, its competitors cannot easily snatch them. This therefore offers sustained competitive advantage (Gruen et al. 2015).

Nowadays Nigerian insurance firms are also re-strategizing to meet current customers' expectations



and where possible exceed such expectations through robust customer relationship management (CRM) policies and programs to remain in business. However, despite all the relationship management measures utilized by various insurance firms such as empathy, responsiveness, shared values, communication and trust aimed at influencing customer interest, they are still not satisfied with the activities of the insurance firms. Studies conducted by Kolis and Jirinova (2013) on relationship management and customer satisfaction. Vasiliu (2012), Feinberg and Kadan (2002), Wang et al. (2004) only dwelt manufacturing industry and baking industries where they failed to pay attention on how relationship management influences consumer satisfaction in the insurance industry through shared value, trust and communication. Therefore, it is against this background that this study tries to fill the gap by looking at impact of customer relationship management (CRM) on customer satisfaction in Nigeria using some selected insurance companies.

Objective of the Study

The broad objective of this study is the impact of relationship management on customer satisfaction in some selected insurance companies in Nigeria, while the specific objectives are to:

- i. examine the impact of trust on customer satisfaction;
- ii. assess the impact of communication on customer satisfaction;
- iii. evaluate the impact of shared value on customer satisfaction

Based on the objective of the study, the following research questions were raised:

- i. What impact does trust have on customer satisfaction?
- ii. How does communication impact on customer satisfaction?
- iii. How does shared values impact on customer satisfaction?

Hypothesis of the Study

Ho₁: Trust has no significant impact on customer satisfaction

Ho₂: Communication has no significant impact on customer satisfaction

Ho₃: Shared values has no significant impact on customer satisfaction

LITERATURE REVIEW

Concept of Customer Satisfaction

Satisfaction is derived from the Latin Satis (enough) and facere (to do or make). Thus, satisfying products and services have the capacity to provide what is being sought to the point of being enough which the consumer will benefit and make a re-purchase again.

Two related words are satiation which loosely means enough up to the point of excess and satisfy, which means too much of enough, as if to say that too much is necessarily undesirable. These terms explain the point that satisfaction implies a filling or fulfillment (Masrujeh, 2009). Consumer satisfaction is a statement is a statement to the buyer of the products or services about the



appropriateness of the reward received in exchange for the service experienced. Every company tries to fulfill customers' needs, desires, wants, aims and expectations as customer is always the king in the purchasing cycle. Therefore, production and marketing department are always satisfying their customers. Customer satisfaction is generally understood as the pleasure of using product and service that meet their expectation. Customer satisfaction is the voice of customer that will differ from one person to another. It is an assessment of how products and services of a company meet up or exceed customer's expectation which is achieved through findings by the company from the customers' needs and wants at affordable price and at the door step of the customer. Customer satisfaction can also help any company identify opportunities for product and service innovation and also serve as a basis for assessing company's performance and reward system. According to (Lo, 2012), it can also serve as the basis for a customer satisfaction surveying program that can be measured to ensure that quality improvement efforts are properly focused on issues that are most important to the customer.

Jamal and Naser (2013) opined that if customers were satisfied with the service of the company, they are more likely to give more credit to the company compared to those company's they were not satisfied with, hence less likely to engage in repeat purchases. Similarly, if the customers are satisfied with the services of a company, then they will be more likely to give more credit to the company compared to those companies they were not satisfied with, hence less likely to engage in repeat purchases. Similarly, if the customers are satisfied with the services of a company, then they will be more willing to engage in repeat purchases and develop their relationship with that company. However, satisfying customers is not enough to retain them because even satisfied customers switch to another company at a high rate in many industries, therefore, companies must be ready to go extra mile to maintain and keep their customers in order to retain their share in the market.

Customers' behavior is mainly shaped by their needs, wants and expectations. The desired outcome of expectations is getting what one anticipates from a service encounter as a consumer. Needs focus on obtaining what one seeks from life as a person, therefore, the company should understand that people strive to satisfy core needs in life at a level more fundamental and compelling than meeting their expectations as consumers.

Kotler (2009), defined satisfaction as a person feeling of pleasure or disappointment resulting from comparing a product perceived performance or outcome in relation to his or her expectation. Tse (2016), also defined satisfaction as "the consumer's response to and evaluation of the perceived discrepancy between prior expectation and the actual performance of the product as perceived after its consumption. This means that if services provided is better than what is expected, the customer is satisfied. However, if services provided did not meet customer's expectation, the customer is unsatisfied. Westbrook and Reilly (2019) defined satisfaction as not just a response but "an emotional



response to the experiences provided that is associated with particular products or services purchased, retail outlet, or even patterns of behavior such as shopping and buyer behavior, as well as the overall market place". Kumar (2016) defined consumer satisfaction as the summary of the psychological resulting into the emotional surrounding of the consumer coupled with the feelings about the consumption experience. The concepts of customer satisfaction are a pleasurable fulfillment response, while dissatisfaction is an unpleasable fulfillment response.

The most common way of operationalizing satisfaction is to compare the customer's perception of an experience, or some part of it with their expectation. This is known as, the expectation disconfirmation model of customer satisfaction. The model suggests that if customers perceive their expectation to be met, they are satisfied if their expectation is not met, this is negative disconfirmation and they will be dissatisfied. Positive disconfirmation occurs when perception exceeds expectation; the customers may be surprised or even delighted. The model of customer satisfaction assumes that customers have expectations and that they are able to judge performance.

Customer satisfaction means a sense of mind that a customer has about a company's product when these expectations have been met or exceeded over the life time of the product or service. The greatest achievement of a customer satisfaction may lead to company loyalty and product repurchase by the customer over time. However, customers who are just satisfied at the first stage, they can easily switch to other company's products or services. Most at times, customers range from being moderately satisfied and moderately dissatisfied, which means that most customers are essentially not conscious in their loyalty to a particular business. These customers are likely to switch to another product such as getting a better price or finding a more convenient location (Masrujeh, 2009).

Company can make calls to her customers pretending to be another company by trying to convince the customer to switch to their products or services. If the customer insists on not switching, then the company will know that they are still winning the loyalty of their customers. The company needs to launch various campaigns to have more communication with their customers and provide services that can reach their expectation which can make the relationship to move to the next level and reach customers loyalty which consequently lead to more business performance.

Kotler (2009) pointed out that it is important to measure customer's satisfaction. He said this is because companies may think that they are getting a sense of customer satisfaction through customers' complaints. However, in reality, 90 percent of dissatisfied customers do not make any complaints, they just leave. As a result of this, it is important for companies to make it easy for the customers to complain. About 60 to 80 percent of dissatisfied customers who usually explain will continue to do business again with the organization if their complaints are taken care of and resolved and even be 90



percent if the complaints receive quick response and action (Kotler, 2009).

Unfulfilling customer's expectation may be reflected to customer's unwillingness to pay which can lead to insufficient revenue to the company which will make it difficult to cover monthly expenses. Therefore, reaching customer's satisfaction is considered to be the cornerstone for implementing customer acquisition and retention strategies. The study thus utilizes the working definitions of consumer satisfaction given by Parvatiyar and Sheth (2012) which can be interpreted as an overall evaluation of service quality attributes which includes bonding, trust, communication, shared value and empathy.

Concept of Customer Relationship Management (CRM)

The concept relationship management has been brought to attention in the last nineties, especially management has been brought to attention in the last nineties, especially among the academician and practitioners (Chen & Popovich, 2013). The new concept has directed attention towards various vital aspects including the necessity of direct relationship between customers and markets, the important of keeping current customer, as well as the inevitability of building long-term relationship with customers, instead of the customer-oriented transaction method in order to augment the profitability of the companies especially in today's increasingly competitive economy (Jayachandran, 2015). Therefore, companies have directed their attention to CRM by investing in the necessary infrastructure, with special concern on the advancement of information technology. Some companies can improve their performance through directing more attention to CRM (Malmi, 2014). Customer relationship management is considered as one of the most important targets in about 70% of the projects around the world. With great advancement in technology, it will help to better divide market territories, therefore enhancing communications with customers by providing an environment rich with information so as to contribute in improving efficient strategies to deal with customers.

Parvatiyar and Sheth (2012) said that CRM is a comprehensive strategy that includes the process of acquiring certain customers, keeping them and cooperating with them to create a distinguished value for both the company and the customer. From the definition therefore, CRM is regarded as a strategy with the main goal of delivering a distinguished value to the customers through improving the marketing productivity and satisfaction.

Payne and Frow (2016), stated that there are various points of view related to the concept of CRM. Whereas, some points of view were in favour of CRM as correspondence in direct mail, a diagram for customer satisfaction and loyalty programs or databases, other points of view regarded it as an assistant office work or a call center. Still, some considered it data storage or taking care of data search and processing and also some considered it as gaining the systems that make it possible to perform e-



commerce. Payne and Frow (2016) mentioned that the obvious lack of accepted and appropriate definition of CRM may lead to the failure of the project of CRM, particularly if companies adopt the limited point of view, which is related to specific technology. Therefore, the views of the two researchers tried to put a more comprehensive definition which pay more attention to the strategy point of view.

Lindgrin (2015) defined CRM as a strategic method related to creating a distinguished value for the contributors through improving good relationships with the main customers categories, as CRM seeks to unify the strategies of marketing using relationships and information technology to create profitable, long-term relationship with customers and other parties. This value is created through providing good chances to use data information technology to understand customers and provide them with value. Also, this requires the integration of customers, individuals and management abilities, which can only happen through information, technology and applications.

Kumar and Reinartz (2016) agree with the definition given by Lingrin (2015) that CRM is a mere strategic process by which the institutions most profitable customers are chosen, and interactions between these institutions and customers are determined, in order to achieve the goal of maximizing the present and future values for customers. Ramaseshan (2016) defined CRM from the employment point of view as a process of reaching agreement with each customer or their own, using all the available means to know the quantitative expected response of their customer as a result of practicing marketing activities to the degree that maximize the general profitability of the company.

Brink (2016) defined CRM as a systematic marketing activity by which the institution prepares its customers to use its resources to produce and market a valuable product for them. Also, CRM is aimed at two goals: supporting the cause and improving the marketing performance. In order to summarize the concept of CRM, Zablah (2014) stated that there are six proxies for CRM and they are trust, bonding, empathy, communication, responsiveness and shared values.

EMPIRICAL STUDIES

Gilaninia (2011) studied the CRM application effect on customer satisfaction in financial and credit institutions. He used descriptive method of study with analytical and causal analysis on customer financial and credit institutions in Iran and questionnaire was used as the measurement tools. Regression analysis was run and it was found that the elements of CRM that is quality of service, service features and service availability and system compains have an effect on customer satisfaction. Using Chi-square statistical techniques, Srinivasm and Moorman (2015) conducted a study on how investment in CRM influence customer satisfaction and the result of their study showed that if firm was strategically committed to CRM, impact of the investment would prove to be positive on customer



satisfaction.

Minghetti (2013) in her study on hospitality industry supports the fact that deep knowledge of customers' needs, behavior and preferences and its proper management stimulates customer loyalty toward a company.

Sofi, Bhat and rather (2013) in their study using multiple regression analysis and found out that improvements in CRM technology can positively have an influence on customer satisfaction in tourism industry. Their study also takes into consideration CRM only as technology and failed to recognize another dimension of CRM.

Lien (2010) examined the relationship shared values, guest satisfaction and guest behavioural intentions. The respondents were guests who stayed in hotels in Ho Chi Minh City, Vietnam. He proposed a model which analyzed the effect of service quality factors in hotel industry on perceived service quality using correlation analysis as the statistical tool used and the result showed that shared values have a positive and significant relationship between guest satisfaction and guest behavioral intentions.

Vasiliu (2012) conducted a study on customer relationship management strategies which include marketing, operations, sales, customer service, human resources, finance and information technology and implementing CRM as strategic concept is a necessity as in recent times the country's economy is "customer centric" where the success of any company is based on customer relationship. The authority provided by the company to the customer to decide and also the personal experience of the customer with the company. Thus, Customer Relationship Management (CRM) as a strategy is aimed at satisfying and building a long-time relationship with clients or customers. The study further found out that through regular communications, customers will be more satisfied with their purchase and this strategy will help to generate sales by contributing good service quality as expected by the customers.

Kaura, Datta and Vyas (2012) in their study on how customers relationship management have an effect on customer satisfaction, they used regression analysis in analyzing CRM support in customizing their offerings for each customer by gathering information from customer interactions with the firm. Following, trust application, firms customize their offers to match the individual tastes of their customers. These trust applications improve the perceived quality of products and services from a customer's perspective. Since perceived quality is a determinant of customer satisfaction, it continues to point out that trust applications directly influence customer satisfaction through their impact on perceived quality.



Croteau and Li (2013) conducted a study on the context of manufacturing, transportation and communication, retail, finance, insurance and service in Canada and find out a positive impact of Customer Knowledge Management (CKM) capability on customer satisfaction. This is based on the rationale that CKM capability helps to achieve a comprehensive view of the customer internally and provides a unified face to customer externally.

Jayachandran (2015), carried out a study on goods and services companies in business to business and business to customer markets in United States of America, declared that CKM capabilities has a positive association with customer satisfaction and customer retention. By integrating and sharing customer knowledge throughout the organizations, companies are more likely to provide consumption related fulfillment and quick and effective responses to customers' specific needs and complains. Similarly, Campbell (2013) find out that financial service industry in Canada showed that the gaps between customer requirements and the companies offering can be closed, it companies can effectively acquire customer knowledge, convert it into useful form and apply it.

Yim (2014) carried out a study on financial service company in Hong-Kong where he uses multiple egression and survey research design and the result of the study showed that customer knowledge capability exhibits a significant and direct impact on customer satisfaction. Sin (2015) conducted research on service firms in Hog Kong's financial industry where the result revealed that by interacting with customers in a satisfactory manner, firms can provide right offering to meet customers' changing needs and thus gain the increase in customer satisfaction.

THEORETICAL FRAMEWORK

Commitment-Trust Theory

The Commitment-Trust Theory was developed by Morgan and Hunt (2004). The theory asserts that relationship marketing involves establishing, developing and maintaining successful relational exchanges. The theory constitutes a major paradigm shift from marketing theory and practice. The authors conceptualized relationship management and its ten forms, which are: reliability, responsiveness, tangibility, courtesy, access, communication, security and understanding of customers. The scholars theorized that successful relationship marketing requires relationship commitment and trust. They modeled relationship marketing and trust as a crucial mediating variable. They tested this model and compared it with rivals that do not allow relationship commitment and trust to function as mediating variables.

Commitment-Trust Theory was founded on political economy paradigm (Thorelli, 2000). It was sated that power is the central concept in network analysis since its mere existence can condition others.



Also, it was argued that since most strategic alliances are outright failures (Sherman, 1992), what ought to be central to understanding relationship marketing is whatever that distinguishes productive, effective, relational exchanges from those that are unproductive and ineffective. It was also posited that thought there are no doubt many contextual factors that contribute to the success or failure of specific relationship management efforts, the presence of relationship commitment and trust is theorized to be central to successful relationship management, not power and its ability to condition others.

Commitment and trust are noted to be key because they encourage marketers to work at preserving relationship investments by cooperating with exchange partners, resist attractive short-term alternatives in favour of the expressed long-term benefits of staying with existing partners and view potentially high-risk actions as being product because of the belief that their partners will not act opportunistically. Therefore, when both commitment and trust, not just one or the other are present, they produce outcomes that promote efficiency, productivity and effectiveness. In other words, commitment and trust lead directly to cooperative behaviour that are conducive to relationship marketing success (Morgan and Hunt, 2004).

Theory of Services

Services include intangible duties that satisfy the needs of consumers or commercial users of product or services. In other words, services and products can be assumed on two end of a continuum, as most cases are a combination of these two features (Nasehifar & Haghbayan, 2009). Most authors have pointed out five fundamental principles that distinguish service activities from non-service ones. These five principles include: intangibility, instability, heterogeneity, inseparability and non-possessiveness of the services (Mousari & Rezaeian, 2007). Here, it needs to be pointed out that a complaining customer is not an enemy to the organization. Those customers who complain about specifications of a product or services provided by the Company are more likely to come back, as compared to those customers who never express any complain about the organizations. That is to say an appropriate response to the complaining customers will make them 50% faithful to the organization; otherwise, they will go to the rival company (John, 2006). Thus, complaints should be addressed as opportunities to improve relationships with the customers. They should be used as instruments for satisfying the changeable demands of the customers (Ranjbaran, 2012).

The studies showed that only 10% of the personnel in the industrial sectors are directly in contact with the customers. However, this increases to 90% or even 100% for the service-providers (Nasehifar & Haghbayan, 2009).

From the two theories discussed, it showed that this study adopts the Commitment-Trust Theory



propounded by Morgan and Hunt (2004). The choice for this theory is that it captures the aspect of relationship marketing which involves establishing, developing and maintaining successful relational exchanges between a company and a customer.

METHODOLOGY

The research design adopted for the study is the survey method. Survey research is one in which a group of people or item is studied and by collecting and analyzing data from only a few people or items which is the sample of the entire population and is considered to be true representation of the entire group or population. A survey research method was used because it deals mainly with opinions of respondents; it is also the opinion of respondents or a phenomenal and also because it is widely used in management and social sciences research due to the complex relationship that exist between variables. This design permits the collection of original data meant for describing large population with individual or unit of analysis.

The population of this study are the customers of Leadway Insurance, NICON Insurance Plc, Shelter Insurance Company branches located in Maiduguri, Borno State. The population for the study is 898 customers of the Insurance Companies.

The study adopted convenient sampling technique. Convenience sampling is one in which the researcher selects a sample consisting of only those sampling units which are conveniently available. Mugenda and Mugenda (2003) advises that to use convenience sampling, one must first decide on the criteria under which the population should fall.

Yamane (1967) sampling size formular technique was used to estimate a sample of 277 customers out of the population of 898 customers as shown below:

$$n = \frac{N}{1+Ne^2}$$

Margin error = 5%

Where:

- N = population
- 2 = is constant
- e = is margin of error (5%)
- n = $\frac{898}{1+898(0.05)^2}$
- n = $\frac{898}{1+898(0.0025)}$

$$n = \frac{898}{3.24}$$
$$n = 277$$

The data was collected through primary sources which involved the use of questionnaires. According to Kothari (2006), the information obtained from questionnaires is free from bias and researcher’s influence and thus accurate and valid data was gathered. The questionnaire employed contained close-ended structured questions in a Five-Likert scale format ranging from Strongly Agree to Strongly Disagree.

The preliminary analysis of this study shows that the instrument is reliable for further analysis as shown in Table 1.

Table 1: Result of Reliability Test

Variable	Alpha
Customer Satisfaction	0.8422
Trust	0.7013
Share Value	0.9855
Communication	0.8842
Test of Scale	0.8452

Source: Field Survey, 2023

In this study, the levels of alpha for each of the variable is above 0.60 typically accepted level, demonstrating a high level of internal consistency. A shown in Table 1, the alpha levels for the different indicators averaged alpha coefficient of 0.8452 is greater than 0.60, fully supporting the reliability of the constructs. The completed questionnaire were sorted, checked and edited for completeness and consistency. The data was then coded to enable the responses to be grouped into various categories. The estimation was carried out using the Kruskal-Wallis (KW) test statistic.

The KW test statistics is given y:

$$K = \frac{12}{N(N+1)} \sum_{i=1}^g ni \left[T_i - \frac{N+1}{2} \right]^2$$

Where:

ni is the number of observations in group i: Tij is the rank (among all observations) of observations j from group 1; Na is the total number of observations across all groups and $\bar{T} = \frac{1}{2} (N+)$ is the average of all the Tij.

RESULTS AND DISCUSSION

With the help of the statistical research for the study, the three hypotheses formulated in this study were tested with the aid of KW test statistics. The decision rule for accepting or rejecting the null hypothesis for any of these tests will be based on the probability value (PV). If the PV is less than 0.05 (that is $PV < 0.05$), it means the variable in question is statistically significant at 5% level, whereas if it is more than 0.05 (that is $PV > 0.05$) it means the variable is not significant at that level.

Test of Hypotheses One

H₀₁: Trust has no significant impact on customer satisfaction with insurance services

Table 2: Kruskal Wallis result on trust and customer satisfaction of insurance services

Kruskal Wallis (KW) Test Statistic			
	Value	Df	Probability Value (PV)
Kruskal Wallis (KW) Test Value	7.115 ^a	4	0.0004
Likelihood Ratio	4.466	4	0.0021
Linear-by-linear Association	3.167	2	0.0001
N of valid Cases	277		

Source: Author’s Computation (2023), SPSS 24

From the regression result in Table 2, the calculated Kruskal Wallis (KW) value for the impact of trust on customer satisfaction with insurance services is 7.11, with an associated p-value of 0.004. Since the p-value of 0.0004 is less than 0.05 which was used as the level of significance, the study rejects the null hypothesis (H₀₁) and conclude that trust has a significant impact on customer satisfaction with insurance services.

Test of Hypothesis Two

H₀₂: Communication has no significant impact on customer satisfaction with insurance services

Table 3: Kruskal Wallis Result on communication and customer satisfaction insurance services

Kruskal Wallis (KW) Test Statistic			
	Value	Df	Probability Value (PV)
Kruskal Wallis (KW) Test Value	2.246 ^a	4	0.2418
Likelihood Ratio	1.125	4	0.3160
Linear-by-linear Association	1.194	0	0.2125
N of valid Cases	277		

Source: Author’s Computation (2023), SPSS 24

The Kruskal Wallis result presented in table 3 showed the test value was found to be 2.246, with an associated probability value of 0.2418. Since the probability value of 0.2418 is greater than the alpha value of 0.05 under 5% confidence level, the study accepts the null hypothesis which concluded that communication has no significant impact on customer satisfaction in the insurance services.

Test of Hypothesis Three

H₀₃: Shared values has no significant impact on customer satisfaction with insurance services

Table 4: Kruskal Wallis Result on Shared values and Customer Satisfaction of Insurance Services

Kruskal Wallis (KW) Test Statistic			
	Value	Df	Probability Value (PV)
Kruskal Wallis (KW) Test Value	5.358 ^a	4	0.0012
Likelihood Ratio	4.115	4	0.0034
Linear-by-linear Association	3.748	1	0.0048
N of valid Cases	2.77		

Source: Author’s Computation (2023), SPSS 24

From the kruskal Wallis presented in table 4, the Kruskal Wallis test value was 5.358, with an associated probability value of 0.012. The probability value of 0.0012 is less than the alpha value of 0.05 under 5% confidence level, the study therefore reject the null hypothesis and accept the alternative hypothesis which conclude that shared values has a significant impact on customer satisfaction of insurance services.

DISCUSSION OF FINDINGS

From the study, the findings revealed that trust has a significant impact on customer satisfaction of insurance services. The implication of this finding means that the greater the trust insurance provides give to their customers, the more loyal and satisfied they are to the insurance company. The finding of this study is consistent with the findings of earlier studies which had positively correlated trust with customer satisfaction in banks and retail industries (Kaura, Datta and Vyas, 2012).

Communication was found to have a positive and significant impact on customer satisfaction of insurance services. The findings from this study showed that most customer’s complaints, queries and suggestion are usually well circulated to the concerned department at the right time and which do not take long during processing the complaints. This is in agreement with the findings of Jayachandran



(2015) whose study showed that ineffective communications about services provided by several financial institutions to their customers have often left them dissatisfied.

Shared value was found to have a positive and significant impact on customer satisfaction of insurance services. As the relationships are considerably strengthened by the means of common values, customers are considerably satisfied. Shared value has long been considered as an important component in building buyer-seller relationships. This is in line with the findings of Esposito, Kapoor and Goyal (2012) who found that when institutions want to focus on shared value that involves creating economic value, it led to intrinsic goal of value creation for society with addressing its needs and challenges.

CONCLUSION

Insurance companies should be viewed as a source of providing value-added services which is developed based on customer needs and wants and not only to consider customer relationship management (CRM) as customer record only. Since there is very high competition in the industry, financial institutions should give greater importance to CRM as a tool to gain competitive advantage through customer satisfaction. Therefore, it can be concluded that customer relationship management has a positive and significant impact on customer satisfaction of insurance services.

RECOMMENDATIONS

Based on the findings of the study, the following recommendations were made:

- The management of insurance companies should enhance the process and procedures of solving customer complaints and problems directly which can foster CRM and customer satisfaction. This will help sustain the trust customers have with the service of insurance companies.
- Insurance companies should focus on adopting and implementing communication strategies that aim to seek, gather and store the right information, validate and share it to the entire organization in order to enhance customer satisfaction and decrease loss of customers. They should try to deliver high quality service especially during post sales service, for instance, like survey of insured properties and claims payment. The insurance companies are encouraged to develop its organizational structure, in a way that ensure the full support from the various technical and administrative departments to the customer service department so as to ensure that the customers complaints, queries and suggestion will be circulated to the concerned department in the right time and no delay will take place during processing the complaints.
- There is also the need for organizations especially insurance companies to have a sustainable and effective share value services with their customers so as to sustain their satisfaction with



the company's services and obtain competitive advantage by producing the right product at the right place with the right price (premium) and the right promotion.

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