*IOSR Journal of Business and Management (IOSR-JBM)*
*e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 18, Issue 5 .Ver. I (May. 2016), PP 78-90*
*www.iosrjournals.org*

# Effects of The Strategies For Customer Satisfaction On The Performance Of Insurance Firms In Enugu Metropolis

Nebo, Gerald N. , Okolo, Victor O.
*Department of Marketing, Enugu State University of Science and Technology, Enugu State, Nigeria.*
*Department of Marketing, University of Nigeria Nsukka, Enugu Campus, Nigeria.*

***Abstract:*** *Amidst double barrel reforms of the insurance sector by government of Nigeria, the sector still suffers dwindling customer patronage and poor image. This paper is an assessment of the "Effects of the Strategies for Customer Satisfaction on the Performance of Selected Insurance Firms in Enugu Metropolis". The objectives of the study were to determine the strategies mostly adopted by insurance firms in Nigeria for customer satisfaction, to assess how each of the strategies adopted contributes to the performance of the insurance industry in Nigeria and to ascertain the overall effects of these strategies on the performance of the insurance industry in Nigeria. Survey research design was adopted for the study, 20 out of the 49 insurance firms quoted in the Nigerian Stock Exchange (NSE) were selected for study. Convenience sampling method was used for the selection. Data was collected from 20 managers, and 128 customers who have been with the insurance company for over three years. Questionnaire was used for data collection. Chronbach's Alpha method was used for assessing the internal consistency of the questionnaire and the reliability test of the instrument shows 0.83 standard alpha. Principal Component and Multiple Linear Regression tools were used to test the hypotheses formulated for the study. Findings show that out of the 15 strategies studied, ten (10) were mostly adopted for customer satisfaction. Second, out of the ten (10) factors adopted 7 had significant influence on the insurance industry's performance. These are: prompt settlement of claims, quality insurance products, fair premium, prompt attendance to customer complaints, timely communication of policy renewal notices, thorough explanation of policies, explanation of product benefits and understandable policy documents. Third, the strategies used by insurance firms had a significant influence on the performance of the insurance firms ($R^2$=0.766, $P < 0.001$ at 5% significance level). The study recommends that managers should capitalize on those seven strategies that have strong positive influence on customer satisfaction to improve the seemingly battered image and performance of the insurance industry in Nigeria while deemphasizing expenditures in money, time and human resources on the less important variables.*

***Keywords:*** *Customer Satisfaction, Insurance, Performance, Insurance Firms, Premium.*

## I. Background Of The Study

Insurance is a contract between two parties (insurer/assurer and insured/assured) where the assurer in exchange of the payment of premium by the assured pledges in advance to pay a certain sum to either the assured or his beneficiary when the assured dies or survives the term of the insurance contract). In other words, it is a policy designed to indemnify the insured against all sums for which the insurer is legally liable upon receipt of premium by the insurer in the occurrence of the peril insured against.

In an insurance contract, one party, the insured, pays a specified amount of money, called a premium, to another party, the insurer. The insurer, in turn, agrees to compensate the insured for specific future losses. The losses covered are listed in the contract and the contract is called a policy. When an insured suffers a loss or damage that is insured in the policy, the insured can collect on the proceeds of the policy by filing a claim with the insurance company. The company then decides whether or not to pay the claim. The recipient of any proceeds from the policy is called the beneficiary who may be the insured person or other persons designated by the insured. Insurance companies collect premiums for a certain type of policy and use them to pay the few individuals who suffer losses that are insured by that type of policy when a claim occurs (Nwite, 2004; Akintayo, 2004)

The insurance sector is expected to be a major composite of the financial sector in Nigeria. The sector is supposed to mitigate or provide a relief to the effects of exogenous variables such as illness, accident, death, fire, natural disaster, burglary for which we have no control. Because it manages, diversifies and absorbs the risks of individuals and companies, insurance in Nigeria is supposed to be a precondition for the development of other productive activities such as agriculture, manufacturing, construction, building, commerce, transportation and services. The aggregate impact of insurance in a society is to level consumption pattern as a result of its contribution to the financial and social stability of individuals and companies.

It is expected to be complementary to the banking sector by offering easier access to credit channelling savings into long-term investments and providing greater transparency and liquidity to the financial markets.

Contrary to these expectations, the insurance sector has not performed as expected. It has witnessed persistent turbulent periods since its evolution in Nigeria; showing that Nigerians and even the regulatory body are yet to come to terms with the sector's problems. In fact empirical evidence shows that the insurance sector in Nigeria is characterized by its inability to attract sufficient businesses both locally and internationally. The sector is very weak in retaining a significant proportion of risk emanating from assets domiciled in Nigeria. Premium flight was another key challenge of the sector as the underwriting capability of the existing insurance firms was low compared to the available risks (Ighomirenghian, 2010; Johri, 2009)

In order to provide solutions to the seemingly problems of the insurance industry, the federal government of Nigeria has undertaken some measures to strengthen the sector. First, it empowers the National Insurance Commission (NAICOM) through the National Insurance Commission Act of 1997 and the Insurance Act of 2003 to regulate the activities of all insurance companies in Nigeria by issuing of laws, policies, rules and sanctions that guide actions in the industry. In fact, no insurance firm is authorized to do business in Nigeria unless fully registered and licensed by NAICOM.

Secondly, the industry has undergone two rounds of recapitalization over the past thirteen (13) years. The first was in 2003 when the insurance industry were required to raise their capital bases from N20 million to N150 million for life businesses, N70 million to N300 million for non-life businesses and N150 million to N350 million for reinsurance businesses. Prior to this recapitalization exercises in December, 2002, there were 117 insurance companies of which 14 were liquidated after the recapitalization exercise as they were unable to scale through the requirement for the exercise. The second recapitalization exercise was in September, 2005. The capital base of the operators was increased from N150 million to N2 billion for Life Insurance businesses. N300 million to N3 billion for Non-Life businesses and N350 million to N10 billion for the Re-insurance companies. After the recapitalization exercise the industry witness a sharp drop in the number of insurance firms by 52.4% from 103 in 2003 to 49 companies in 2005 (Obasi, 2010; Ogbonna , 2013). Thus the double recapitalization exercises were expected to significantly reduce the number of operators, increase competition and standard among existing players in the industry.

Based on the audited financial results, the number of insurance firms as at December, 2014 stood at 60; made up of 16 Specialist Life Insurance companies, 7 Composite Insurance firms, 31 Specialist General Insurance companies, and 2 Re-insurance companies. Despite the reforms by the federal government of Nigeria, the ratio of premium income to the country's GDP is just 1% as at 2013. In spite of its growing population and as the giant of Africa, it is still lagging behind seriously in the world's global ranking. Nigeria occupies the 6th position in Africa and 65th in the global insurance market (UNDP, 2003, Tajudeen 2009; Thomas, 2010) which is a far cry from its potentials.

The argument for the persistent poor performance of the sector still weaves around poor developed distribution channels as a result of brokers interference, poor public perception, unwillingness to pay claims as at when due, lack of requisite skills to participate in highly specialized transactions, inability to attract and retain skilled talents, inability to adjust to new information and communication technology, low investment and asset management capabilities and poor regulatory oversight (Igbomirenghian, 2010). Others are existence of many fringe operators, unethical practices, dearth of professional human capital and technology; poor asset quality, non-enforcement of compulsory insurance; corporate governance issues, insurance premium flight, lack of innovation in product development; high level of consumer's ignorance of the advantages of insurance products.

Customer satisfaction is a sure way for the insurance industry to regain its position. Marketing scholars, academicians and scientists assert that businesses that increase its customer satisfaction will improve its market performance (Narver and Stanly, 1990; Kotler; 2003, Levitt 1960, Webster; 1994). One of the major reasons for the low industry performance is the industry's inability to isolate those factors that relate to customers' satisfaction and concretely apply them in insurance service delivery. Given the above scenario, this study tries to determine those customers' satisfaction dimensions that may likely improve performance of the insurance industry.

### 1.1 Statement of Problem

Insurance industry is generally seen as the backbone of any country's risk management system, since it ensures financial security, serves as an important component in the financial intermediation chain, and offers a ready source of long term capital for infrastructural projects. Omar (2005) argues that the insurance industry "mitigates the impacts of risks and positively correlates to growth as entrepreneurs cover their exposures, otherwise risk-taking abilities are hampered". Insurance also promotes the growth of small-scale and large-scale firms as it provides stability by allowing large and small businesses operate with a lesser risk of volatility or failure. Insurance is also very important to the financial system. In collecting relatively small premium from the insured in the economy, insurers are able to pull together large funds that could be invested for short and long term periods (Obasi, 2010). Such long-term funding of the economy is very critical for economic growth, and the deepening and broadening of the domestic financial system.

The essence of the 2003 and 2005 insurance sector reforms and consolidation in Nigeria was to ensure a strong, diversified and reliable insurance sector which ensures the safety of insured (clients) premium, play active developmental roles in the Nigerian economy and be competent and competitive player in Africa, regional and global financial system. The Nigeria experience shows that the insurance industry is still not performing as expected amidst the double barred reforms by the federal government of Nigeria.

Many scholars point negative attitude of Nigerians toward insurance companies as major reasons for the low patronage. This poor attitude of consumers developed as a result of high incidence of non-claims settlement by the insurers. This tradition of defaulting in claims translated to some form of bad publicity and significant erosion of public confidence in the industry. Insurance policy documents still carry clauses that breeds distrust with customers (Obasi, 2010).

Marketing professionals suggest that customers use a product or service because they have a need, or because it provides a perceived benefit. For a business to be successful, the products must be built around the needs of the customers. Trying to persuade the consumers to buy products that will not solve their problems is an exercise in futility. As part of the strategies to improve the image, dwindling sales and market share trends faced by the insurance firms in Nigeria, it is imperative to track and measure factors that determine customers' satisfaction in insurance industry. Specifically, we need to find answers to why customers are lethargic to insurance products in Nigeria? What problems do the current, prospective and lapsed customers want insurance firms in Nigeria to solve? What do customers actually like or dislike about insurance products? These questions are the central purport of this study.

### 1.2 Objectives of the Study

The objectives of this study are:

(1) To determine the strategies mostly adopted by insurance firms in Nigeria for customer satisfaction.
(2) To assess how each of the strategies adopted contributes to the performance of the insurance industry in Nigeria.
(3) To ascertain whether the strategies adopted for customer satisfaction have significant effects on the performance of the insurance industry.

### 1.3 Research Questions

The following research questions are raised for the study:-

(1) What significant strategies do insurance firms adopt for customer satisfaction in Nigeria?
(2) What relative effects have each of these strategies on the performance of the insurance industry in Nigeria?
(3) Do the strategies adopted for customer satisfaction have significant effect on the performance of the insurance industry in Nigeria?

### 1.4 Statement Of Hypotheses

The following hypotheses are put forward for the study:-:

(1) Prompt settlement of claim, products offered, premium charged, attendance to customers' complaints, effective communications of renewal notices; explanations of policies before taking them and use of easy understandable policy document are not the principal strategies adopted for customers' satisfaction in the insurance industry in Nigeria
(2) $H_{02}$: The techniques adopted for customer satisfaction have no significant effect on the performance of the insurance industry in Nigeria.

## II. Review Of Related Literature

Review of relevant literature is built into four main parts. These include the conceptualizations, theoretical frameworks, the empirical reviews of the extant related studies and the gaps existing in the literature which this study is designed to fill.

### 2.1 Conceptualizations

Concepts relevant to this study were deconstructed here. First there is a need to conceptualize the notion of customer satisfaction, strategies for customer satisfaction in insurance industry, dimensions of insurance industry performance and the nature of insurance services.

**Customer Satisfaction: Conceptual and Theoretical Underpinnings**

Customers are the business of businesses. Butler (1996) sees a customer as someone who uses purchases or recommends a product to others. Customer satisfaction is a concept that has been described in different ways by different authors. The most widely accepted conceptualization of customer satisfaction is the **expectancy disconfirmation** theory (Barsky, 1992; 2000, Kotler and Armstrong, 2013)). The theory was developed by Oliver (1980) who posits that satisfaction level is determined by the difference between expected and perceived performance. Before a purchase is made, customers form expectations based on past buying experiences, word of mouth, friends and associates' advice, marketers and competitors' information and promises as well as advertising. Customer satisfaction (positive disconfirmation) then occurs when a product performs better than expected. The reverse is the case, when a product performs lower than expected (negative disconfirmation). In general, satisfaction or dissatisfaction is a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance or outcome in relation to the person's expectations. Customer satisfaction then is an evaluative process that contrasts pre-purchase expectations with perceptions of performance during and after the consumption experience. It is used to describe how well a company's products match customers' expectations (Baggozi, 2008; Walker, 2004, Boone and Kurtz, 1999). Ogba (2012) explains that customer satisfaction refers to how well customers' hopes are met in a given transaction and is an important cause of customer loyalty. It is also seen as a fundamental concept that best describes the firm's marketing success in every industry (Hunt et al, 2005).Customer satisfaction is a function of customers' perception, customers' expectations and customers' experience (Hartfield and Huseman, 2002; Anderson and Mittal, 2010; Ahluwalia et al, 2009; Anderson and Sullivan, 2003) which ultimately can lead to customer brand loyalty, firm's improved market share and a differential advantage over competitors (Anderson and Mittal, 2010; Schiffman and Kanuk, 1987). A satisfied customer is likely to be loyal, make repeat purchases and make use of a wide range of services offered by a firm (La Barbera and Mazursky, 1983; Faullant et al, 2008; Roshani, 2009). Satisfied customers add value to the organization and spread a positive word of mouth and help in making good reputation of products and the organization. All these are the phenomenological nature and descriptions of a satisfied customer (Ahluwalia et al; 2009).

**Significance of Customer Satisfaction in Insurance Industry**

Customer satisfaction is important to insurance industry in a number of ways.

**Profitability**: Customer satisfaction has a positive effect on organisation's profitability. It leads to repeat purchase and positive word-of-mouth advertising. Satisfied customers are most likely to share their experiences with other people and dissatisfied customers tell more people their unfortunate experiences. Aaker (1995) asserts that strategic dimension for an organization includes becoming more competitive through customer satisfaction, brand loyalty and product/service quality. Customer satisfaction is not an end in itself but a means to achieving greater profit in firms. For instance, Kotler and Keller (2009) advocate that satisfied customers tend to be less price sensitive, more willing to buy additional products and less influenced by competitors. Satisfied customers generally stay loyal and longer, buy more as firms introduce new products, upgrade existing products, talks favourably to others about the company and its products, offers product ideas to the company and cost less than new customers because transactions can become a routine.

**Cutomer Loyalty and Retention:** The strategic imperatives for building a loyal customer are: focus on key customers, anticipate the needs of customers and respond to them before competitors do, build close ties with customers and create a value perception. As long as customers feel they are receiving better value than they would obtain from another firm, they would increase their loyalty and retention. Customer satisfaction is very important in today's insurance business world because it makes the customers loyal and helps the organization to build long and profitable relationships with their customers.

**Strategies for Customer Satisfaction in Insurance Industry in Nigeria**

Strategy is a means of arriving at a goal. In this study, strategy refers to tools, techniques or means of achieving customer satisfaction in insurance industry. Scholars have different opinion about the means of satisfying customers in insurance industry (Mc Carthy and Perrault; 1991). For example, Nwachukwu (1988) opines that customer satisfaction as an organizational product could be achieved by fulfilling the ethical standard of an organization through each member of the organization who sells such product. It could be achieved through effective communication using empathy, rapport, priority, selective discussion to fix customers' needs and good planning. The motivation to induce a purchase in the insurance company is majorly done by insurance companies' trained marketing executives, agents and brokers and in other organizations by trained marketing professionals where competition is very stiff.

Boella (1988) provides the 'Ps' of the customer care mix in order to determine customer satisfaction in insurance firms as: product quality, excellence process used to deliver the product, attractive pricing and fair payment and having good people interactions.

Skaggs and Carlson (1996) both opine that what determines customer satisfaction in a product is when customer consumption of product purchased result in product comfort, joy, excitement, pure pleasure and satisfaction of his needs; that is why most customers make careful calculations before purchase.

Kermally (1999) opines that producing according to customers' taste creates customer satisfaction. Also, there is great effect of price fairness on customer satisfaction. If insurance premium rates charged are fair and affordable to customers then they are likely to use the services of that firm for longer period of time. Similarly if marketers exhibit good behaviour and timely resolve customer complaints, customers will definitely feel emotional attachment with the firm. When customer complaints are solved promptly and commitments are fulfilled, it provides a sense of belonging to the product.

For insurance companies, Nwite (2004) believes that the issue of prompt claim settlement is paramount to customer satisfaction as this is the sole reason of insurance as far as the insured is concern. He recommends that insurers should pay brokers and their agents' commissions promptly so that they in turn will be happy to render quality services and make timely payments of premium to insurers where they collect same on their behalf which is usually the case. If the insurer gives any discount for making payments within stipulated time to the insured, such discounts should be passed down to the customers, and this will boost the customers' trust and confidence.

He went further to suggest that customers should be made to understand clearly from the onset, on application, that there is no settlement of claims for policies that lapsed in which the customers deliberately refused to renew after many reminders as it is often the case; knowing insurance law or maxim of 'No Premium No Insurance Cover**'**. Customers should be told that these days the National Insurance Commission, NAICOM, the insurance regulatory body in Nigeria, is seriously against any insurer that grants cover without first receiving payment from the customer and is even ready to prosecute and withdraw license to operate as an insurer. Finally, all the terms and conditions of the contract of business between insurers and their customers should be made clear to avoid any dispute in future, when claims occur bearing in mind the contra-proferentum rule whereby ineligible policies will be construed against the insurer.

Ikupolati (2010) is of the opinion that customer satisfaction is linked with the communication of effective products' benefits to customers taking cognizance of both verbal and non-verbal behaviour of the customers such as eye-contact, facial expression, gestures, posture and body orientation and also getting customer feedback to the communication about the product. Onyeke and Nebo (2012) feel that customer satisfaction is achievable by satisfying the consumer buying behavior, consumer or person-centered factors, situation-centered factors, product-centered factors, marketing or seller-centered factors.

Having gone through the above assertions the techniques of customer satisfaction can conveniently be grouped into seven. These are: Pricing, Product, Marketing Promotion, Distribution, People, Process and Physical Evidence.

**Product:** Products is anything that can be offered in a market that satisfies a need (Kotler and Keller, 2009). All the services rendered by insurance firms ranging from marine, fire, burglary, life assurance, children endowment, motor insurance and a host of others are regarded as products. Product is the most important of all the 7P's of marketing because solutions to customers' needs or problems are anchored on the products offered to the markets. Thus quality product offering is one of the variables adopted for customer satisfaction in insurance industry.

**Price:** The price of insurance services is the amount of money a customer has to pay in order to obtain it. It is the value of a commodity or service expressed in monetary terms (Pride and Ferrel, 1995, Ejionueme and Nebo, 2014). In insurance industry price is regarded as premium. The cost of operating the business, the sensitivity of customers to price offerings, the consumer demand, competitors' behavior and government regulations are all factors considered in fixing prices of insurance products. Many studies attribute premium as a strong correlates of customer satisfaction in insurance industry.

**Place (Distribution):** Distribution is concerned with making the insurance products available at the desired time and place **(**Abolaji, 2009)**.** No product or service in an absolute sense is of any value to a customer unless it is made accessible to him. To ensure that services are made available to the customers, insurance firms adopt branch networks, mobile insurance, telephone insurance, internet, salespeople, agents and brokers. Effective and efficient distribution of services affects customer satisfaction

**Promotion/Marketing Communications:** Promotion refers to the marketer's means of communicating product offerings and marketing programmes and activities to actual and potential customers. Through marketing communications, consumers are informed and reminded about the existence of a product and persuaded to buy them. It is therefore a very potent means of educating consumers, creating a good image for a firm and its products and increasing the level of patronage. The means or tools of marketing promotion are personal selling, sales promotion, advertising, public relations, publicity and direct marketing (Nebo; 2015, McCarthy and Perrault, 1991).

Personal selling entails meeting consumers on personal basis and presenting a product to them with the intention of achieving immediate patronage. Sales promotion is concerned with offering short-term incentives to prospects in order to make them buy specific products. Examples of such incentives are free samples, bargain prices, free extra, merchandising support and contest.

Advertising involves any form of non-personal presentation of a product by a marketer. The message may be oral or visual. It is normally paid for by a sponsor. Advertising passes through a medium. The most popular medium for advertising in Nigeria are bill-boards, newspapers, journals, magazines, radio and television and internet. Public relations is any form of deliberate, planned effort by an organization to influence attitude and behaviour by making a positive impression on some specific groups or members of the community. The idea is that if an organization is able to create a good corporate image for itself, it would be able to positively influence the attitude of its public to buy its products.

Direct marketing are those forms of marketing messages from the manufacturer to the consumers without the use of middlemen or non-personal means. Examples are: on-line, podcasts, twitter, face book, telemarketing and direct mails messages. Giving the customers self-service insurance through the use of the web also improves customer satisfaction. The insured can view policy coverage, pay bills, make changes to policies, submit claims and check the status of claim progress. In the health insurance business, providers can use online compliant tools to verify benefits or coverage, automate claims processing, review claims and correct errors. Agents and brokers can more easily obtain online quotes and proposal and plans for customers with different designs and needs. Insurance companies find that policy renewals increase with frequent communications using these means thus leading to increase in the number of products sold per customer. Effective marketing communication is an instrument of customer satisfaction in Nigeria's insurance industry.

**People:** This refers to the staff/employees of insurance firms. For staff to be used for effective and efficient service delivery, emphasis must be placed on staff that possesses sound education and knowledge of the job, respect for the customers, dressing and wardrobe manners, pleasant personality and good social poise. Agents and staff should be well motivated by management in order to give their best. Quality staff brings customer satisfaction in insurance industry.

**Process:** Process here is referred to as a series of activities or steps involved in obtaining a service. It is the gamut of stages, documentation, explanations, procedures, rules to be observed while delivering insurance services. For instance, the process to be followed while taking insurance policy with an insurance firm may require that a customer submits an application letter, pays an application fee, attaches some important documents such as passport-sized photograph, photocopy of driving license and so on. Adoption of modern technology can help to effectively manage complex processes across multiple systems and overcome the restrictions placed on insurance services in Nigeria by paper files and manual processes. Proactive insurance companies can adopt and utilize these technological innovations today to gain greater control of processes, decrease expenses, and streamline operations. By utilizing some of the best practices defined by successful technological initiatives, insurance companies can realize a return on investment (ROI). Simplifying the process of obtaining insurance services can greatly influence customer satisfaction in insurance industry in Nigeria.

**Physical Evidence:** It is hard to think of an institution where image is more important than in financial institutions. Customers judge insurance institutions' reputation from the things they can see. As institution that manages risks, there should be an evidence of good living. Insurance firms with rickety vehicles and shoddy buildings, wretched-looking, poorly-dressed and poorly remunerated staff, obsolete equipment for service delivery, for example, are all evidence of ailing institution. To enhance customers' confidence, therefore, insurance firms should have magnificent and modern building where businesses are done, good wardrobe allowance for staff, good salary package, well-furnished and exotic offices for customer relaxation and cheerful staff who beam broad smiles on customers as they come in for business. Good physical evidences are signs of a healthy institution and are strong correlates of customer satisfaction in insurance industry in Nigeria.

**Dimensions of Insurance Industry Performance**

Firm performance measurement has been described in terms of the extent to which a firm's economic and strategic objectives are achieved in the market place. Strategic objectives are measured in terms of market share and brand awareness while economic objectives are measured in terms of profits, sales volumes, return on investment. High performance is a function of the degree to which the firm has achieved these goals. The performance of the insurance companies can therefore be measured through its market share, sales volume and profitability (Slater and Narver, 1995).

**Market Share:** Kalu (1998) defines market share as the percentage measure of the share obtained by an individual company from the total market available. Market share is used by businesses to determine the strength in a sector as compared to other company in the same sector. It also allows firms to accurately assess their businesses from year to year. Managing market share therefore, is a very important aspect of managing a business.

**Sales Volume:** Kotler and Keller (2009), is of the view that sales volume is the output or total quantity of products sold by the manufacturer at any period of time. Sales volume is one of the indices used to measure performance of an insurance firm.

**Profitability:** Profit is the excess of total income over total expenses during a giving period of time. It is often measured by price to earnings ratio. Profit is financial benefit that is realized when the amount of revenue gained from a business activity exceeds the expenses, costs and taxes needed to sustain the activity. The task of any business is to deliver customer value at a profit (Kotler and Keller, 2009). Profitability is one of the indices used to measure corporate performance.

**Meaning and Nature of Insurance**

The term insurance describes any measure taken for protection against risks and its definition are as many as the insurance professionals themselves. Akintayo (2004), for example, defines insurance as a policy designed to indemnify the insured against all sums for which the insurer is legally liable upon receipt of premium by the insurer in the occurrence of the peril insured against. Epetimehin (2010) views insurance as a financial mechanism which aims at reducing the uncertainty of loss by pooling a large number of uncertainties so that the burden of loss is distributed. Sowden (1989) argues that Life Assurance is a contract whereby a customer agrees to make regular payments (premiums) for a fixed period and the insurance company invest it in shares, land or property and at the end guarantees to pay a lump sum depending on the exact nature of the insurance contract. Irrespective of how the authors put it, one thread is common to all the definitions; insurance is a modern concept for solving risk- related problems depending on the cooperation of a large number of people for its success.

In an insurance contract, one party, the insured, pays a specified amount of money, called a premium, to another party, the insurer. The insurer, in turn, agrees to compensate the insured for specific future losses. The losses covered are listed in the contract and the contract is called a policy. When an insured suffers a loss or damage that is insured in the policy, the insured can collect on the proceeds of the policy by filing a claim with the insurance company. The company then decides whether or not to pay the claim. The recipient of any proceeds from the policy is called the beneficiary who may be the insured person or other persons designated by the insured.

In Nigeria, the National Insurance Commission grants license and fully approve the services of the insurance company either as a Life Assurer, Non-Life insurance insurer, or a composite (insurer who carries out both Life and Non Life Business)Most insurance services in Nigeria are provided by private corporations, but some are provided by the government. For example, in Nigeria, the National Insurance Company of Nigeria (NICON) was established by the federal government to provide insurance services to individuals, banks, establishments and parastatals as well as government-owned insurances; though it has been privatized, yet is still undergoing the same service to the government and general public. Private insurance firms are those currently being studied.

Three main parties are involved in the provision of insurance services: the insurance company (usually called the insurer). The customer (usually called the insured) and the third party are usually the brokers, commission agents, the government, individual, organizations and the general public who may be using the insurance services or are involved in insurance in one way or the other.

The insurance company, is the main service provider of all insurance related needs of her customers and provides a full range of service to its customers e.g., issuance of insurance certificates, issuance of policy document, and physical survey of property insured, claim processing, loss adjusting and settlement of claims. It also offers different types of policies to different categories of customers. Insurance business can be classified into two categories according to Nwite (2004) namely, General Business otherwise known Non-Life insurance business and Life Assurance business for customers who insure their lives for the benefit of another. In support of the above classification of insurance, Akintayo (2004) agrees with Nwite and went further to painstakingly identify various types of General Insurance Business namely: Property Insurance, Pecuniary Insurance, Accident Insurance, Liability Insurance, Motor Vehicle Insurance, Engineering Insurance, Marine Insurance, Aviation Insurance; then Life Assurance.

The Insured is the individual, organization or person who insures his property or asset with the insurance company and pays the premium to the insurance company. In most cases, he is also the one to be compensated in the case of claim occurrence and indemnity settlement whether full, partial or ex-gratia payment. The insured could be the general public, state government, federal government, social club, church, individuals, companies, local government, industry, professional association, commercial companies, and private hospitals etc.

The third parties to the insurance company could be the insurance brokers, insurance agents, individuals and the general public who are connected one way or the other with the subject insured. For instance, Nwite (2004) describes the insurance agents as covering part-time agents, full-time agents, cash agents, credit agents, own case agents etc., whilst the brokers are limited liability companies registered under the Insurance Decree or Act of 2003 to transact insurance broking business and they are independent operators who may be held liable for professional negligence due to their expert knowledge whilst agents are not. It is important to mention here that brokers usually earn brokerage commission for their services to the insurance companies whilst the agents earn commission. The main function of the brokers and agents is to bring the insurer and the insured into a contractual relationship of insurance.

The main purpose of insurance marketing is to meet the needs of the insurance customers and in turn achieves the organizational goal. This is gotten through some key techniques that an insurer utilizes for customers satisfaction. Some of these techniques are prompt claim settlement, efficient service delivery, interaction with customers to solve their problems, distribution of corporate gifts, home delivery of claims and commission cheques to customers, brokers and agents, quality service as well as prompt attendance to customers' complaints, prompt renewal notices sent to customers to avoid embarrassment by government officials in case of motor insurance, issuance of cover notes as temporary insurance before premium payment, etc.

**Benefits of Insurance Industry**

The role of insurance as a social protection mechanism is perhaps what first comes to mind when asked to think about its benefits. Indeed, by mitigating the effects of exogenous events over which we have no control; illness, accident, death, natural disasters; insurance allows individuals to recover from sudden misfortune by relieving or at least limiting the financial burden. In the case of health insurance, it could even mean the difference between life and death.

Insurance, however, has a far wider and more profound impact than this initial perception, though its value to society derives from this primary function. Because it manages, diversifies and absorbs the risks of individuals and companies, insurance is often a precondition for the development of other productive activities, such as buying a home and starting or expanding a business. In turn, these activities fuel demand, facilitate supply and support trade—but are only generally engaged in once the associated external risks are managed through insurance.

Insurance also offers social protection to individuals. An insured person who does not suffer undue financial loss after a sudden misfortune will more easily maintain his purchasing power. The aggregate impact of insurance, therefore, is to level consumption patterns and contribute more widely to financial and social stability. This stabilizing factor is reinforced by the role of insurance as a long term investor in projects and businesses.

Insurance has a real effect on the global economy through the number of people that the sector employs. But it also acts in a complementary fashion with the banking sector, offering easier access to credit, channeling savings into long-term investments and providing greater transparency and liquidity to the markets, thus providing further support and growth to the economy. The ways in which insurance contributes to society and economic growth can be summed up as follows:

It allows different risks to be managed more efficiently; it encourages loss mitigation; it enhances peace of mind and promotes financial stability; it helps relieve the burden on governments for providing all services of social protection to citizens via social security systems; it facilitates trade and commerce; supporting businesses and economic growth; it mobilises domestic savings; and it fosters a more efficient allocation of capital thereby advancing the development of financial services.

Insurance should therefore rightly be perceived not only as a protection and risk management mechanism, which pays out when a catastrophe occurs, but more as a partnership that allows individuals and businesses to spread their wings and go where they might otherwise not have dared to go.

**2.3 Empirical Reviews of Related Studies**

Omar (2005) assesses consumers' attitudes towards life insurance patronage in Nigeria and found that there is lack of trust and confidence in the insurance companies. Other major reason he adduced is lack of knowledge about life insurance products. He called for a renewed marketing communication strategy that should be based on creating awareness and informing the consumers of the benefits inherent in life insurance so as to reinforce the purchasing decision. The weakness of Omar's study is his inability to relate demographic variables such as income and religion on consumers' attitude towards insurance services. Standard of living and religion could be some of the demographic factors that influenced the poor attitude of Nigerians towards insurance services. For example, where income per capita is low, insurance penetration is bound to be low.

Religion historically has provided a strong source of cultural opposition to life insurance as many religious people believe that a reliance on life insurance results from a distrust of God's protecting power. Some scholars are of the opinion that religious antagonism to life insurance still remains in several Islamic countries. For instance, Wasaw and Hill (1986) test the effect of Islam on life insurance consumption. The results of their study indicate that consumers in Islamic nations purchase less life insurance than those in non-Islamic nations.

While reviewing the performance of the insurance industry, Dorfman (1980) observes that even though the life insurance industry engages in product innovation, the market for life insurance appears to have a serious weakness in that not many new improvements have been forthcoming in recent years. Kuhlemeyer and Allen (1999) conducted a study titled "Consumer Satisfaction with Life Insurance: A Benchmarking Survey" and found out that consumer satisfaction with life insurance products is largely accounted for by the trust they repose in the sales agents in contrast to those who purchase direct from the insurance companies. The customers who purchased from sales agents were more satisfied with the insurance companies. This apparently justifies the importance of agents and brokers in the marketing of insurance products. Similarly, Johri (2009) carried out a survey titled "Customer Satisfaction in General Insurance Industry". The result shows that "claim settlement" was the major determinant of customer satisfaction.

**2.4 Gaps in the Literature**

The research work is very unique in that it assessed "The Effects of the Strategies for Customer Satisfaction on the Performance of Selected Insurance Firms in Enugu Metropolis". This area has not yet been done by most of the empirical research works carried out by previous researchers. Johri's (2009) empirical research work was done on 'General Insurance' whilst this work covers both general (Non-life insurance) and life assurance products. Johri opines that customer satisfaction in general insurance is through giving peace of mind to the insured and if claim occur, satisfaction is gotten when a claim is paid. This research work is wider in scope and takes a different approach by examining both customers and managers of General Insurance and Life Assurance companies.

## III. Methodology

The population of the study constitutes all the 49 insurance firms in Nigeria. Twenty (20) out of the forty nine (49) insurance firms that scaled through the 2005 capitalization process were selected for the study. The 20 insurance firms are the firms quoted in Nigerian Stock Exchange as gazetted in 2013. Selection of the sample size of the 20 firms was done using convenience sampling method. Data was collected from 20 managers, one (1) from each firm, and 128 customers residing in Enugu metropolis and who have been with insurance firms for over three years. It is assumed that these categories of respondents are in a better position to yield quality data for the study.

A structured questionnaire worded with a 5-point likert scale was used as data collection instrument. The wordings of the questionnaire particularly the measurements techniques for customer satisfaction in insurance industry was adopted from the extant studies. Cronbach Alpha method was used to ascertain the internal consistency of the scales on the instrument while factor analysis (with principal component analysis method) and multiple linear regression analysis were used to test the hypotheses formulated for the study. The Cronbach Alpha test yielded a reliability coefficient of 0.80% which showed that the test instrument is reliable using a benchmark reliability score of 0.83 (Nunnally and Bernstein, 1994).

## IV. Results And Discussions Of Findings

Out of a total of 154 copies of questionnaire issued to customers of the insurance firms, 128 (83%) were returned, showing 83% of success rate which is significant enough to make valid conclusions about the study.

**Table 1.1: Descriptive Statistics**

| **Customer** | | | | **Managers** | | | |
|---|---|---|---|---|---|---|---|
| Demographics | | Freq. | % | Demographics | | Freq. | % |
| Gender: | Males | 101 | 79 | Gender: | Males | 16 | 80 |
| | Females | 27 | 21 | | Females | 4 | 20 |
| | Total | 128 | 100 | | Total | 20 | 100 |
| Marital status: | Single | 48 | 38 | Marital status: | Single | - | - |
| | Married | 80 | 62 | | Married | 20 | 100 |
| | | 128 | 100 | | | 100 | 100 |
| Edu. Qual: | WAEC | 8 | 6 | Edu. Qual: | WAEC | Nil | |
| | OND/NCE | 2 | 2 | | OND/NCE | Nil | |
| | B.Sc/HND | 110 | 86 | | B.Sc/HND | 8 | 40 |
| | MSC/Ph.D | 8 | 6 | | MSC/Ph.D | 12 | 60 |
| | Total | 128 | 100 | | Total | 20 | 100 |

**Source: Field Survey, 2016**

Table 1.1 presents the demographic characteristics of the insurance customers and managers studied. 79% and 80% of them are male customers and managers respectively. Majority of customers (80%) and managers (100%) are married, 86% of the customers hold B.Sc/HND as the highest qualifications while 60% of the managers hold Masters' Degrees and above as the highest qualifications.

**Hypothesis One**:

**1.** Prompt settlement of claims, products offered, premium charged, attendance to customers' complaints, effective communication of renewal notices, explanations of policies before taking them and use of easy understandable policy document are not significant strategies determining customer satisfaction.

In order to test the hypothesis and answer research questions relating to the strategies adopted for customer satisfaction in insurance industry in Nigeria, a set of fifteen (15) techniques were selected for the present study from secondary (extant studies) and key informant sources such as the insurance managers.

Respondents comprising 128 insurance customers and 20 managers were asked to rate the strategies they feel insurance firms adopt for customer satisfaction on a likert-type scale ranging from strongly disagree (1) to strongly agree (5). These responses were subjected to a multiple factor reduction
analysis using Principal Component Analysis (PCA) method executed by SPSS software. The results are presented below

**Table 1.2: KMO and Bartlet's Test**

| | | |
|---|---|---|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | | .717 |
| Bartlet's Test of Sphericity | Approx. Chi-Square | 457.911 |
| | df | 105 |
| | Sig. | .000 |

KMO and Bartlet's Test was applied to indicate whether factors analysis is appropriate for the data. The Kaiser-Meyer-Olkin measure of sampling adequacy is a statistic that indicates the proportion of variance in the variables that might be caused by underlying factors. A value of 0.717 generally indicates that a factor analysis is appropriate for the data. Bartlet's test of sphericity indicates that the correlation matrix is not an identity matrix (P<0 001), which means that the variables are related and therefore suitable for structure detection.

**Table 1.3: Total Variance Explained**

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | |
|---|---|---|---|---|---|---|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 4.515 | 30.101 | 30.101 | 4.515 | 30.101 | 30.101 |
| 2 | 1.505 | 10.034 | 40.135 | | | |
| 3 | 1.477 | 9.850 | 49.985 | | | |
| 4 | 1.209 | 8.061 | 58.046 | | | |
| 5 | 1.008 | 6.718 | 64.764 | | | |
| 6 | .894 | 5.959 | 70.722 | | | |
| 7 | .822 | 5.482 | 76.204 | | | |
| 8 | .709 | 4.728 | 80.932 | | | |
| 9 | .659 | 4.396 | 85.328 | | | |
| 10 | .561 | 3.737 | 89.066 | | | |
| 11 | .535 | 3.570 | 92.635 | | | |
| 12 | .328 | 2.186 | 94.821 | | | |
| 13 | .311 | 2.071 | 96.892 | | | |
| 14 | .248 | 1.656 | 98.548 | | | |
| 15 | .218 | 1.452 | 100.000 | | | |

Extraction Method: Principal Component Analysis.
Component extracted

The results of the techniques adopted for customer satisfaction in insurance industry in Nigeria are presented on Table 1.3 above. Using an Eigen value greater than 5%, the principal component analysis resulted in seven-factor solution that explained 76.2% of the total variance in customer satisfaction. We consider these seven components (76.2%) sufficient enough to explain the variance in the entire components with only 14.8% loss of information. Subsequent analysis is centered on these seven components. Anchoring our analysis on the above framework, the seven components were further analysed to extract the component matrix. The result is shown below

**Table 1.4: Component Matrix**

| S/N | Technique adopted by Insurance firms in Enugu Metropolis | Loading |
|---|---|---|
| $V_1$ | Prompt settlement of claims | 0.574 |
| $V_2$ | Quality products and services | 0.738 |
| $V_3$ | Fair premium | 0.886 |
| $V_4$ | Prompt attendance to customers' complaints | 0.727 |
| $V_5$ | Customers' advisory services | 0.226 |
| $V_6$ | Staff-client cordial relationship | 0.424 |
| $V_7$ | Use of opinion box/oral communication for customers to air their views | 0.226 |
| $V_8$ | Accommodation of customers' suggestions and opinions | 0.136 |
| $V_9$ | Timely and effective communication of renewal notices | 0.561 |
| $V_{10}$ | Thorough explanation of policies before customers take them | 0.466 |
| $V_{11}$ | Effective marketing communication to explain products benefits | 0.704 |
| $V_{12}$ | Use of corporate gifts | 0.221 |
| $V_{13}$ | Location of insurance branches close to customers | 0.569 |
| $V_{14}$ | Adopted internet in communication of services and sending of policies statements | 0.301 |
| $V_{15}$ | Use of easily understandable policy documents | 0.486 |

SOURCE: Data Analysis, 2016.

Table 1.4 above shows result of one component matrix, the other six were not presented because their coefficients were much less and therefore negligible. This means that the other six can be disregarded from subsequent analysis without much loss of value consequently we selected the first principal components matrix as basis for interpretation.

It would be noted that Kaiser developed a rule of thumb of 0.40 and above as a benchmark for accepting a factor as being influential. The factors identified were: $V_1$ Prompt settlement of claims (0.574), $V_2$ Quality products and services (0.738), $V_3$ Fair premium (0.886), $V_4$ Prompt attendance to customers complaints (0.727), $V_6$ Staff-client cordial relationship (0.424), $V_9$ Timely and effective communication of policy renewal notices (0.561), $V_{10}$ Thorough explanations of the policies before customers take them (0.466), $V_{11}$ Effective marketing communication to explain products benefits (0.704), $V_{13}$ Insurance Offices are located close to customers (0.569) and $V_{15}$ Use of easily understandable policy documents (0.486).

However, those techniques with low loading of less than 0.4 were regarded as being insignificant. They include the following: $V_5$ customers' advisory services (0.226), $V_7$ Use of opinion box/oral communication for customers to air their views (0.226), $V_8$ Accommodation of customers' suggestions and opinions (0.136), $V_{12}$ Use of corporate gifts (0.221) and $V_{14}$, Adoption of internets for communication of services and sending of policies/statement (0.301).

**Test of Hypothesis Two**

**2.** The strategies adopted for customer satisfaction have no significant effect on the performance of insurance industry in Nigeria.

Table 1.5: Model Summary[b]

| Model | R | R Square | Adjusted R Square | Std. Error of The Estimate | Durbin-Wastson |
|---|---|---|---|---|---|
| 1 | .918[a] | .766 | .724 | .38782 | 1.967 |

a. Predictors: (Constant), use of easily understandable policy documents, staff-client cordial relationship, fair premium, insurance offices are located close to customers, thorough explanations of the policies before customers take them, timely and effective communication of renewal notices, quality products and services, prompt settlement of claims, prompt attendance to customers' complaints, effective marketing communication to explain products benefits.

b. Dependent Variable: insurance companies' performance (profits, sales, market share, number of customer retained).

Table 1.6: ANOVA[a]

| Model | Sum of Square | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| 1 | Regression<br>Residual<br>Total | 6.882<br>6.450<br>13.332 | 10<br>95<br>105 | .688<br>.068 | .001[b] |

a. Dependent variable: insurance companies' performance (profits, sales, market share, number of customer retained)

b. Predictors: (Constant), use of easily understandable policy documents, staff-client cordial relationship, fair premium, insurance offices are located close to customers, thorough explanations of the policies before customers take them, timely and effective communication of renewal notices, quality products and services, prompt settlement of claims, prompt attendance to customers' complaints, effective marketing communication to explain products benefits

Table 1.7: Coefficients[a]

| Model | Unstandardized Coefficients | | Standardized Coefficients | t-stat. | P-value |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) | 1.221 | .321 | | 3.807 | .000 |
| Prompt settlement of claims | .013 | .048 | .026 | .279 | .010 |
| Quality products and services | .299 | .059 | .532 | 5.102 | .050 |
| Fair premium | .080 | .063 | .103 | 1.275 | .010 |
| Prompt attendance to customers complaints | .079 | .051 | .148 | 1.550 | .035 |
| Staff-client cordial relationship | .241 | .097 | .193 | 2.473 | .852 |
| Timely and effective communication of renewal notices | .008 | .037 | -.018 | -0.220 | .026 |
| Thorough explanation of policies before customers take them | .305 | .066 | .386 | 4.637 | .050 |
| Effective marketing communication to explain products benefits | -.354 | .082 | -.423 | -4.332 | .632 |
| Insurance offices are located close to customers | -.006 | .148 | -.003 | -0.042 | .966 |
| Use of easily understandable policy documents | .048 | .060 | .063 | .814 | .002 |

Dependent variable: insurance companies' performance (profits, sales, market share, number of customer retained)

The result of multiple regression analysis on the relative effects of the significant strategies adopted on the performance of insurance companies shows a coefficient of multiple determinations $R^2$ of 0.766 or 76 per cent (see table 1.4 above). This shows that about 76 per cent of the change in the insurance companies' performance was influenced by the strategies they adopted for customers satisfaction. This high value of $R^2$ indicates that the strategies adopted in the regression model greatly influenced or had great influence on the performance of insurance firms. The close relation of $R^2$ to adjusted $R^2$ is an indication that the explanatory power of the independent variables cannot be exaggerated. The overall effect of the independent variables on the dependent variable was depicted by F-statistics which was significant at 1 percent level as shown in table 1.6. The low value of the standard error of the estimates indicates that the result is statistically reliable. Thus, a priori, statistical and econometric criteria were met. Out of the ten (10) variables, only seven (7) were statistically significant at various probability levels, while three (3) were negatively related to the dependent variable.

The result shows that prompt settlement of claims ($x_1$) was positively and significantly related to the dependent variable at 1% level of significance. The high level of significance of this variable as well as it positive coefficient indicates that all things being equal, the performance of insurance companies in Nigeria would improve with the company's improvement in prompt settlement of claims.Quality products ($x_2$) bore a positive coefficient and were statistically significant at 5% level of significance. This means that the higher the quality of products provided by insurance firms in the study area, the better their performance.

Also, fair premium charge ($x_3$) showed a positive and significant relationship with the dependent variable at 1% level of significance, meaning that if fair premium is adopted, the performance of the insurance industry will definitely improve.

However, prompt attendance to customers' complaints ($x_4$) had a positive coefficient and was statistically significant at 3.5% level of significance. This shows that quick response to customers' complaints would improve the performance of insurance firms. This is true and conforms to the a priori expectations because the customers whose complaints are given quick response will be retained.Staff-client cordial relationship ($x_5$) bore a positive coefficient and was statistically insignificant at 8.52%. Thus improvement in the relationship between the staff and their customers would insignificantly improve the companies' performance.

Further analysis revealed a positive coefficient between timely and effective communication of renewal notices ($x_6$) and the performance of the company and was statistically significant at 2.6 percent level of significance. It shows that timely and effective communication of renewal notices significantly contributes to the improvement in the performance of the insurance companies.

However, thorough explanation of policies before customers take them ($x_7$) has positive coefficient and is statistically significant at 5 percent level. This means that it contributed much to the performance of the insurance industry.Effective marketing communication to explain products benefits ($x_8$) was negatively related to the dependent variable and statistically insignificant. This deviates from a priori expectations as it shows that effective marketing communication to explain products benefits did not contribute to the improvement in the performance of the companies studied.

In addition, insurance offices located close to customers, bore a negative coefficient and were not statistically significant at 9.66 percent. This shows that office locations have no influence on the performance of insurance companies which is a total deviation from the a priori expectation.

Finally, the use of easily understandable policy documents ($x_{10}$) bore a positive coefficient and was statistically significant at 4.8 % level of significance. This shows that the performance of the insurance firms will improve if the company's policies are well communicated to the actual and potential customers.

The final regression equation is estimated below:

$$Y = 1.221 + 0.013x_1 + 0.299x_2 + 0.080x_3 + 0.079x_4 + 241x_5 + 0.008x_6$$
$$+ 0.305x7 - 0.354x_8 - 0.006x_9 + 0.048x_{10}$$
$$(0.321)\ (0.048)\ (0.059)\ (0.063)(0.051)\ (0.097)(0.037)\ (0.066)\ (0.082)\ (0.148)\ (0.060).$$

## V. Conclusion And Recommendations

In the face of challenging economic times, pressing regulatory changes, and increased competition for market share, insurance companies in Nigeria are struggling to maintain their balance. The industry till date is characterized by low consumer patronage, high incidence of lapsed users, poor perceived sales force turnover and poor settlement of insurance claims. To provide solutions to the problems of the ailing industry, the study investigated the "Effects of the Strategies for Customer Satisfaction on the Performance of Insurance Firms in Enugu Metropolis".

Out of the fifteen factors that are consistently identified in the literature as the strategies for customer satisfaction, ten were most significantly adopted by Nigerian insurance firms for attracting customers. Out of the ten, seven were found to have positive effect on the performance of insurance companies in Nigeria. These are: prompt settlement of claims, quality products, fair premium, prompt attendance to customers' complaint, use of easily understandable policy documents, timely and effective communication of renewal notices and thorough explanations of policies document. Three were found to have negative impact on the performance. These are: Staff-client cordial relationship, effective marketing communications to explain product benefits and insurance offices located close to customers.

The competitive landscape is shifting in the industry and will favor only those who capitalize on those strategies that have strong positive influence on customer satisfaction to improve the seemingly battered image and performance of the industry while deemphasizing expenditures in money, time and human resources on the less important variables.

## References


[1] Aaker, D. A (1995), Strategic Marketing Management, New York: John Wiley.
[2] Abolaji, A. (2009), Marketing of Financial Services, Central Bank of Nigeria Press, Lagos: Nigeria.
[3] Akintayo, L. A (2004), Introduction to General Insurance Underwriting, Lagos: CSS Press.
[4] Ahluwalia, R.H., Rao, U., and Brunkrant, R.E. (2009). Towards Understanding the Value of a Loyal Customer: An Information-processing Perspective, Cambridge, MA: Marketing Science Institute, Report No. 99-116.
[5] Anderson, E.W., and Mittal, V. (2010). Strengthening the Satisfaction–Profit Chain. Journal of Service Research, 3(1): 107–120
[6] Anderson, E.W., and Sullivan, M.W. (2003).The Antecedents and Consequences of Customer Satisfaction for the Firms. Marketing Science, 12(2): 125–143
[7] Baggozi, R.P. (2008). Salesforce Performance and Satisfaction as a Function of Individual Difference, Interpersonal and Situational Factors, Journal of Marketing Research, 5(1): 517 – 531.
[8] Barsky, J. D (1992), Customer Satisfaction in the Hotel Industry: Meaning and Management. Hospitality Research Journal 16 (1): 51-73.
[9] Boella, M. J. (1988), Human Resources Management in the Hospitality Industry, Great Britain Stanley Thrones Publishers Limited.
[10] Boone, L. E, and Kurtz D. L (2004) Contemporary Marketing, U. S. A: South-Western, A Division of Thempson Learning.
[11] Butter, J. (1996) Marketing Relations, London: Pitman Publishing.
[12] Dorfman, M. S. (1980) “A Faculty Views its Retirement Benefit Plan: An Empirical Observation and Analysis” Research in Higher Education, 13 (1), 49-60.
[13] Ejionueme, N. G. and Nebo, G. N (2014) Understanding Agricultural Marketing, Enugu: Immaculate Publications Ltd.
[14] Epetimehin, F. M (2010), Handbook on Agricultural Insurance, Ibadan, Crown F. Publishers.
[15] Faullant, R; Matzler K and Fuller, J. (2008), “The Impact of Satisfaction and Image on Loyalty: The Case of Alpine SKI Resorts”, Managing Service Quality 18 (2), 163-178.
[16] Hartfield, J.D., and Huseman, R.C. (2002). Perceptual Congruence about Communication as Related to Satisfaction: Moderating Effects of Individual Characteristics, Academy of Management Journal, 25 (6): 349 – 358.
[17] Hunt, S., Chonko, L.B., and Wood, V.R. (2005). Organizational Commitment and Marketing, Journal of Marketing, 49(2): 112 – 126.
[18] Ighomirenghian, K. (2010). Experts Suggest ways to Boost Nigerian Insurance Industry, Editorial. Daily Independent Newspaper 15th January.
[19] Ikupolati, P. M (2010), The Secret of Effective Leadership, Lagos: Nkem Chiejina Book Fair Limited.
[20] Johri, G. (2009), Customer Satisfaction in General Insurance Industry, A Journal of Risk and Insurance, Vol IV.
[21] Kalu, S. E. (1998), Marketing Management, Port Harcourt: University of Port Harcourt Press Ltd.
[22] Kotler, P. and Armstrong, G. (2013), Principles of Marketing, England: Pearson Education Limited
[23] Kotler, P. and Keller, K. L. (2009), Marketing Management, 13th edition, New Jersey: Pearson Prentice Hall.
[24] Kotler, P. (2003). Marketing Management (11th ed.). Upper Saddle River, New Jersey: Pearson Education, Inc
[25] Kernally, S. (1999), When Economies Means Business, London: Financial Times Management Publishers.
[26] Kuhlemeyer, G. A and Allen, G. H (1999), Consumer Satisfaction with Life Insurance: A Benchmarking Survey Financial Counseling and Planning, 10 (2), 35-44.
[27] LaBarbera, P. A. and Mazursky, D. (1983), A Longitudinal Assessment of Customer Satisfaction, Dissatisfaction: The Dynamic Aspect of Cognitive Process. Journal of Marketing Research, 20, 393-404.
[28] Levitt, T. (1960). Marketing Myopia. Harvard Business Review, 38(4), 45-56
[29] McCarthy, E. J. and Perrault, W. D (1991), Basic Marketing, Homewood Illinois: Richard D. Irwing.
[30] Narver, J. C., and Stanley, F. S. (1990). The Effects of a Market Orientation on Business Profitability. Journal of Marketing, 54(October), 20-35. http://dx.doi.org/10.2307/1251757
[31] Nebo, G.N. (2015), Marketing in Nigeria,2nd edition, Enugu: Immaculate Publications Ltd.
[32] Nunnally, J. C. and Bernstein, L. H (1994), Psychometric Theory, (3rd ed,) New York: McGraw-Hill in Iacobucci, D and Duhochek, A (2003), Advancing Alpha: Measuring Reliability with Confidence Journal of Consumer Psychology, 12 (4), 478-487
[33] Nwachukwu, C. C. (1988), Management Theory and Practice, Anambra: African First Publishers Ltd.
[34] Nwite, S. C. (2004), Elements of Insurance, Enugu: Immaculate Publishers Ltd.
[35] Obasi, N (2010) Policies, Challenges, Reforms and Nigerian Disposition to Insurance Contracts, The Fronteir Post, 1-6,.
[36] Ogba, I. E. (2012), Contemporary Issues in Marketing Place Behaviour, Abakaliki, Isaiah Printers Plc.
[37] Ogbonna, B.U and Ogwo, E. O (2013), Market Orientation and Corporate Performance of the Insurance Firms in Nigeria, International Journal of Marketing Studies, 5(3), 104-105.
[38] Oliver, R. L. (1980), Whence Customer Loyalty, Journal of Marketing, 63, 33-44
[39] Omar, O.E. (2005) The Retailing of Life Insurance in Nigeria: An Assessment of Consumers' Attitudes, Journal of Retail Marketing Management Research, I(1), 41-47.
[40] Onyeke, J. K. and Nebo, G. N. (2012), Principles of Modern Marketing, 2nd edition, Enugu: Precious and Queen Nigeria Ltd.
[41] Pride, W. M. and Ferrel, O. C. (1995), Marketing, 6th edition, Dallas U.S.A: Houghton Mifflin Company
[42] Roshani, M. (2009), An Investigation on Relationship Marketing and Customer Loyalty in Service Industries, Professional Journal of Management, 9, 29-31.
[43] Schiffman, L. G. and Kanuk, L. L. (1987), Consumer Behaviour, U.S.A.: Prentice Hall Incorporation.
[44] Skaggs, N. T. and Carlson, J. L. (1996), Micro Economics, United Kingdom, Blackwell Publishers Limited
[45] Slatter, S. and Narver J. (1995), Market Orientation in Service Organization, Journal of Marketing, 59, July, 422-39.
[46] Swoden, D. (1989), Living Economics, Great Britain” Botler and Tanner Ltd.
[47] Tajudeen, O. Y. (2009). Attitudes of Nigerians towards insurance services: an empirical study. African Journal of Accounting, Economics, Finance and Banking Research, 4(4).
[48] Thomas, O. S. (2010). Nigeria; Insurance Reforms-Industry Performance still Remains Low. Daily Champions,23(11).
[49] United Nations Development Programme (UNDP). (2003). Putting the World Bank Together. Retrieved from http://www.undp.org/annualreports/2003/english/
[50] Walker, O.C. (2004). Measuring the job Satisfaction of Industrial Salesmen, Journal of Marketing Research, 11(8): 254 – 260.
[51] Wasaw, B. and Hill, R. D. (1986), The Insurance and Economic Development, New York: New York University Press
[52] Webster, F. Jr. (1994). Market driven Management. New York, NY: John Wiley & Sons Inc