Impact of Service Quality Dimensions on Customer Satisfaction in Banc-asssurance Channel

Puja Dua[1] and Namita Sahay[2]

[1]*Research Scholar, Amity University, Noida. Email: duapuja@gmail.com*
[2]*Associate Professor, Amity University, Noida*

ABSTRACT

The banking and insurance sector in the present scenario has rapidly developed in the challenging and changing economic environment worldwide. Owing to merging of global financial markets, enhancement in new technologies and globalization of banking sector along with the expansion of non-banking activities. The insurance industry has led to new channels of distribution into existence worldwide.

The main focus of the study is on "bancassurance" which is peculiar nowadays which tries to develop synergies between banking and insurance companies. In particular, for the growth and advancement of the service sector enterprise quality of service is vital. It is precedent for customer's satisfaction. Earlier service quality was measured only for distinct products due to less influence of the service sector in the economy.

Since the importance of service sector has been increased, the measurement of service quality has become important. Indeed, for obtaining customer's satisfaction quality of service is essential. The present study is to comparatively examine customer's perception on the service of quality of bancassurance in Indian banking sector with special reference to Delhi (NCR).

Numerous banking and non-banking financial institutions have set up joint ventures with insurance companies. The selection of samples will be obtained from amongst the banks having one of the products as insurance. The quality of service of bancs among different groups of customers based on their demographics is compared.

Keywords: Bancassurance, Financial markets, Insurance, Service sector, Quality of service.

1. INTRODUCTION

Service industries plays a substantial role in the economy of many countries. Where 50% of Indian economy comes from India's GDP services. In nowadays competitive environment, providing quality service is

essential to the success of any organization. Service quality is also highly profitable, satisfying, and serves as a tool to provide competitive benefits. It is also accompanied with increasing sales, overall estimation and overall maximization of profits (Agarwal et. al., 2013).

Services are the processes of activities intending to provide solutions for customers' problems, with most other characteristics of service being importance of their process nature [1]. The essence of services is although intangible, certain elements that are tangible can be included. It is this intangibility that directsthe customers to perceive services in abstract and highly complex ways [2].

Customer satisfaction mentions that the level of satisfaction which customers are satisfied with the products and services provided by a business. Customer satisfaction is significant because when a customer is exultant with a goods or service afforded, they are mostly probable to be loyal and to do repeat orders. This helps to maximize the profit of the company when consumers use a wide range of services offered by the business (Firdous & Farooqi, 2017). As per the Wilson et. al., (2012) the price, quality of service, circumstance and personal proved that customer satisfaction has been confirmed.

As of technological advancements and globalization liberalization the finance division of economy is not cleared from contest that arises. To search for alternative ways of managing the situation these external environment forces the businesses to influence banks. Being innovative and creative has become a need and an on-going process for firms. To correspondingly contend with other sectors of the financial division, liberalism in the current banking which has allowed by banks. One zone that gains specific attention is concerning the bancassurance [3].

Whereas, Bancassurance is the allotment of insurance services through the great network of banks also, bancs perform as a distribution channel for affording different banking, investment services and products [4]. Whereas the insurance is given by the banks which should in a quality product to grab much more customer to develop their market share (Singh, 2015).

In the bank, customer's preferences are changing every day and they have the choice to access the insurance products from any distribution channel. Increased competition makes it challenging for banks to maintain their customers. The amount of satisfaction of the customers were calculated based on five aspects such as convenience, customer benefit, acquisition cost, value added services, and customers trust [3].

In nowadays the customer satisfaction is based on the quality is what we affording. From the experiential studies display that the quality of service afforded is correlated to complete satisfaction of the customer. Tangibility, empathy positively related with customer satisfaction, and reliability [6] Responsiveness, reliability, tangibility and assurance have major and positive association with customer satisfaction [7]. Whereas empathy was most one that has the negative aspect towards customer satisfaction. Furthermore, the result indicates that responsiveness is the one major dimension of service quality that influences the satisfaction of the customers positively [8].

In this study the service quality dimensions of the customer satisfaction is studied with extensive literature and the survey conducted on it. Which elevates the banking and insurance products are changing to the current environment. The quality of service of bancs among different groups of customers based on their demographics is compared.

2. LITERATURE REVIEW

Singh (2015), has derived about the customer perception of the Bancassurance channel in Assam. The author briefly describes about the Bancassurance which is insurance as outlet from the banc counter. The author had attempted to an analyze bancassurance channel's responsiveness towards the customer perception. The author had found that this responsiveness is impacted by various demographic profiles. The authors conducted a survey which done in state of Assam to know about the customer perception towards the bancassurance. In his empirical study the demographic profiles has a great reliability towards the bancassurance.

Karim, (2014) discovered the influence of service quality in Bangladeshi private banks on customer satisfaction. They determined that services dimensions as Reliability, Tangibles, Assurance, Empathy and Responsiveness. In their study, they considered these 5 dimensions as SERVQUAL model. They specified that the overall customer satisfaction is mostly and fully considered on the service quality. These 5 dimensions makes out to the service quality that leads to the customer satisfaction. They described that the tangible dimension which has great significant in the Bangladesh banks, while the responsiveness measured as very low in significance. Mostly concluded that, these 2 variables are going to ensure the success for the customer satisfaction.

Sharma & Bajaj, (2017) predicted the about the customer perception of acquisition of polices thru bancassurance channel. They determined that 6 services dimensions as Reliability, Tangibles, Compliance, Assurance, Empathy and Responsiveness. In their study, they considered these 6 dimensions as model for the customer satisfaction. They specified that the overall customer satisfaction is mostly and fully considered on the service quality. These 6 dimensions makes out to the service quality that leads to the customer satisfaction. The study is accomplished in the Punjab region for 2 private and public-sector banks. Authors concluded that more over of the other dimensions, the compliance is very moderate in both sector banks.

Benjarongrat et. al., (2017), has presented about the service profit in Thai bank. Authors has presented the aspects and perception of the customers in Thai bankenvironment. The authors have framed association between the customer satisfaction and service factors. By this relations authors has develop the model leads to the service chain profit. In model they developed about the service features and employee's perception. Authors has reviewed about literatures about the past few researchers for their working model. The service features of the competence, courtesy, internal branding and convenience are main factors that leads to the customer satisfaction. By satisficing there service features moves to the customer satisfaction and leads to the customer acquisition for the banks.

Sakuhuni, S. (2017), has described about the banking delivery system in Zimbabwe. In this study the author has focused on the customer satisfaction by delivering the service thru online, like mobile banking. Thru the improvement of the mobile communication the product and services has been increased. The study mainly based on the knowledge, information of the services and products that adverts customer. Author worked out the negative point on the mobile banking for their ease use. The author had find out the solution to come out from this to combine the banking and telecommunication networks to uptake the usage of mobile banking by making awareness of it. Author conclude that creating awareness in usage of mobile banking might achieve the customer satisfaction.

Jalees, T. (2016), described about the dimensions of bancassurance in the Pakistan project. The author has focused on the awareness and customer trust towards the bancassurance channel. The authors had interviewed about the staff in the banks that affects those dimensions in bancassurance channel. In this study is fully based on the life insurance service from the bank. Author developed a trust and awareness scale which helps to analyze the customer perception in the Pakistani areas. Author also described about the financial service in the bancassurance channel. This financial service helps the banks to gain the value-added customer. These two dimensions leads the banking area to gain the customer satisfaction perfectly.

Rutkowska & Szczygieł (2016), presented about the financing process in the bancassurance in European countries. The authors described that the economic and environment growth thru investments. They said that the bancassurance is also beneficial process for the customer to development thru environmentally. Also demonstrated that marketing some modern products based on a company's positive image and based on more profitable business relationships. The agents allow the investors to provide the right insurance for the contribution of the bank with the insurance company. The insurance companies allow a hand to distribute insurance policies on other banking networks. In this perception the patterns changes and doesn't attain the customer satisfaction. By this the execution of BOŚEKO system helps to develop the bancassurance channel to enhance the customer satisfaction. This aids in growth of the GDP of a nation and also customer satisfactions.

Adhikari & Paul (2015), researched about the perception of customers in Indian private banks. From the previous decades the globalization and liberalization of economy in India. Authors described about the past experiences and challenges of the private banks towards the customer satisfaction. Authors specified that "In fact, service quality features are important predictors to ensure the saturation level of banc customers." As concluded that every private bank has their necessary policies and strategies to wind the customer satisfaction.

Leepsa and Singh (2017), has described about the contribution of Bancassurance channel thru Axis banc. Authors said that "In India, many banks have joined hands with insurance companies and use this banking model to sell particular products." Authors also considered about the short and long term runs impacts on the bancassurance channels in Axis banc. Authors focused on the assets quality, capital adequacy, earnings and liquidity. As per the analysis authors done there is high disparity in long run of service and products. Finally concluded that the short run also derives that no much more impact on the investors and leads to customer satisfactions.

Mishra, (2012), described about the challenges and problems of bancassurance in India. In India, the beginning of bancassurance was imposed by the poor infiltration ratio of insurance companies and diminishing revenue of banks. The determined endeavor in exploration for new technology, new avenues / products / services, has become essential for the development as well as continuous of the banking structure in India. In this circumstance, bancassurance is a suitablesituation for banks to upsurge their constant source of revenue with comparatively less investment in the procedure of novel infrastructure.

Gupta et. al., (2012), described about the bancassurance lead in India. Based on, the huge spread and customer database of banks in rural and urban areas in India, the insistence rate in Bancassurance in line for the incessant contact with the customer is enhanced when compared to others. The comfort of payment of

policy and the amenity of maturity payments over the bank account made it a customer friendly channel. Similarly, the fact that Banking processes in India are still division oriented and physically operated is all the more advantageous for booming of bancassurance.

Kumaraswamy, (2012), described about the insurance as banking process. Author described as that the products traded through bancassurance can be classified as independent insurance products and secured insurance products specifically trade of insurance is secured to a banking service or product. The type and classification of these products is reliant on the tie-up promise concerning the bank and investor. Banks are marketing baggage and personal accident insurance straightly to their credit card memberships as a special offer for their products. They also contribute in the distribution of deed linked insurance products like motor, cattle insurance or fire to their customers.

Krishnamurthy (2003) analyzed the staff and banc management incline to favor insurance products that accompaniment the banks own product level. So that insurance marketing gives an enhancement to the banking services and allows the bank to encounter the competition in the banking services. Hence, deed is which associated with home loan insurance item is progressively becoming prevalent because banks consider that creditor life insurance that is involved to home loans contributes them a reasonable edge, and an perfect product for delivery thru bank branches.

Pani and Swain, (2013), has described about the bancassurance in Indian banks. As the authors says that the Annual reports IRDA in 2010-2011 emphasize that the shares among the various channels of fresh business generation has raised from 10.60 % to 13.30% in years of 2009-11. In the cluster life insurance section, the entire group business of the private investors has improved from 8.67 % to 11.51 % in the year 2009-11,whereas for LIC of India alone increased to 0.88 percent of cluster insurance business has derived through this method.

3. OBJECTIVES OF THE STUDY

1. To study the profile of the respondents of banks in Delhi (NCR)
4. To study the level of customer satisfaction towards the bancassurance services.
5. To know the various service quality dimensions in banking industry
6. To know the satisfaction level of customers of banc in each service dimension.

4. STATEMENT OF PROBLEM

Few years back, the bank was considered only as a mediator amongst the individuals to accept deposits and to give loans. Today, the scheme has changed after the liberalization along with the normal facilities that bancs started to sell insurance products. Through the wide network it influences every person in all the nook and corner of our nation as one stop shop giving multiple services. It helps banks to attain extra revenue which in turn contributes to the GDP of the nation. The present study targets on the satisfaction level of customers who are the backbone of bancassurance business in the banking industry based on certain variables such as acquisition cost, customer benefits, convenience and value-added services and customers trust.

Table 1
Summary of Literature review

S.No	Title	Author Name	Publication	Objective	Results
1	Customer satisfaction on service quality in private commercial banking sector in Bangladesh	Karim, (2014)	British Journal of Marketing Studies	To determine the impact of service quality on customer satisfaction in private sector banks in Bangladesh in terms of service dimensions such as Tangibles, Responsiveness, empathy *etc.*	Result of the study showed that service dimensions significantly and positively influenced customer attitudes in terms of satisfaction that is service quality dimensions are crucial for customer satisfaction in private commercial banking sector in reference to Bangladesh
2	Customer perception of bancassurance: A survey	Liaqat Ali, (2013)	European Journal of Business and Management	The aim of the study was to analyses the factors affecting the buying behavior and satisfaction level from bancassurance in Punjab	The results shown that customers are aware of bancassurance as a medium of insurance distribution and are willing to adapt to their future mode of buying both life and non-life insurance.
3	Customers' perception and attitude towards service quality in multinational banks in India	Khare, (2011)	International Journal of Services and Operations Management	The aim was understand customers' attitude towards multinational banc services in India	The results show that Indian customers are positive towards the multinational banks and consider them efficient and competent.
4	Banc service quality, customer satisfaction and loyalty in Ethiopian banking sector	Shanka, (2012)	Journal of Business Administration and Management Sciences Research	The aim was to measure the quality of service offered by private banks operating in Ethiopia.	The results show that empathy and responsiveness plays the most important role in customer satisfaction level followed by service dimensions. it also indicates that by offering high quality service increase customer satisfaction, which in turn leads to high level of customer commitment and loyalty.
5	A model of distributor firm and manufacturer firm working partnerships	Anderson and Naurus, (1990)	the Journal of Marketing	To develop and test a comprehensive model of the factors that lead to successful distributor and manufacturer working partnerships.	The results reveal that are key factors contribute to successful working partnerships-relative dependence of the two firms on the partnership, outcomes from the relationship, trust, communication, cooperation, and conflict resolution
6	Bancassurance: A Feasible Strategy for Banks in India?	Karunagaran, (2007)	Reserve Bank of India	The aim was to explore the scope for bancassurance models as feasible source of sustainable income to banking sector by exploiting the synergy in Indian context.	The results reveal that bancassurance would turn out to be a norm rather than an exception in future in India and it would be a 'win-win situation' for all the parties involved with the customer, the insurance companies and the banks.

5. HYPOTHESIS OF THE STUDY

H_{01}: There is no significant difference between the Banks trustworthiness and purchase decision of customers.

H_{11}: There is significant difference between the Banns trustworthiness and purchase decision of customers.

H_{02}: There is no significant difference between thefinancial assistance provided by the Banks and customer satisfaction

H_{12}: There is significant difference between the financial assistance provided by the Banks and customer satisfaction.

H_{03}: There is no significant difference between the Confidentiality maintained by Banks on customer account and customers.

H_{13}: There is no significant difference between the Confidentiality maintained by Banks on customer account and customers.

H_{04}: Banc employees make a significant impact on clients through their product knowledge in insurance.

H_{14}: Banc employees do not make a significant impact on clients due to lack of knowledge in insurance.

H_{05}: Banc employees do not make a significant impact on customers in terms of their approachability

H_{15}: Banc employees create a significant impact on customers in their approachability

H_{06}: Banc employees are not committed regarding insurance service as compared to other distribution channels

H_{16}: Banc employees are very well committed with customers regarding insurance policies when compared with other distribution channels.

H_{07}: Bancs do not provide timely insurance services compared with other distribution channels

H_{17}: Bancs provide timely insurance services compared with other distribution channels

6. METHODOLOGY

The study is comparative based on customer satisfaction towards Bancassurance. In our study we have chosen the Banks having insurance as one of the products in particular in Delhi (NCR). The primary data is collected through a well-designed questionnaire with Bank customers. 250 samples are chosen using random sampling method. In order to examine the hypothesis, the collected data will be tested using the SPSS (Software Package for Social Science) statistical tool and multiple linear regression method is used.

7. DATA ANALYSIS AND INTERPRETATION

1. Introduction

In this part of the study will be analysing about the service quality and its effectiveness towards customers in Delhi (NCR) region. The data analysis was carried out with the help of survey using questionnaire and analysing the data received as outcome from the respondent.

The survey was carried out among 250 customers in Delhi (NCR) region and their response towards banc assurance service from different bancs was analysed. Factors like trustworthiness, confidentiality, banc employee's contribution and providing proper schemes were analysed. Based upon these factors service quality of bancs towards banc assurance is measured.

1.1. Hypothesis

H_{01}: There is no significant difference between the Banks trustworthiness and purchase decision of customers.

H_{11}: There is significant difference between the Banks trustworthiness and purchase decision of customers.

Table 1.1
Descriptive Statistics on Banc's trustworthiness
Descriptive Statistics

Variables	Mean	Std. Deviation	N
Service quality of banc	2.8680	.97898	250
Banks are more trustworthy in purchasing	3.2600	1.27708	250
No additional commission or renewal commission paid to bankemployees	2.9880	.99993	250
Financial assistance provided by banks regarding life insurance policy	2.9920	1.11576	250
Bancs keep your financial information confidential in relation to investments or life insurance	2.7160	1.06201	250
Banks are able to build in more confidence in customers	3.2680	1.28170	250
Purchase satisfaction	2.9920	1.00197	250

From Table 1.1, it concludes descriptive statistics of mean and standard deviation for the given variables. Important areas of Delhi (NCR) were taken into consideration and totally 250 samples (Customers using banc assurance from different bancs) were included in the survey. Therefore in the first hypothesis trustworthiness of bancs towards their customers is evaluated. Parameters related to trustworthiness of banc assurance like service quality of bancs, avoiding extra commission fee, financial assistance, confidentiality towards account transaction and purchase satisfaction were taken into account.

1.2. Model Summary

Table 1.2
Correlation coefficient Banc's trustworthiness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.967[a]	.937	.933	.96286
2	.983[b]	.968	.961	.94888
3	.991[c]	.983	.972	.94333

Here R-value is considered to be the square root of R-square value obtained, which is the correlation between observed value (R-square value) and predicted value (standard value) of every single dependent

variable. In that case the correlation is calculated for variables mentioned in descriptive statistics. The adjusted R-square value is termed to be the variable proportion of calculated R-square value.

Table 1.3
Significant values Banc's trustworthiness
ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.724	1	8.724	9.410	.002
	Residual	229.920	248	.927		
	Total	238.644	249			
2	Regression	16.251	2	8.126	9.025	.000
	Residual	222.393	247	.900		
	Total	238.644	249			
3	Regression	19.737	3	6.579	7.393	.000
	Residual	218.907	246	.890		
	Total	238.644	249			

F-value is obtained by dividing Mean-square regression value with mean-square residual value for the given dependent variable. Significance value or p-value obtained is associated with F-value and it is compared with standard alpha value (0.05), since we reject H_0 the obtained significant values are less than 0.05, therefore it is concluded that there is significant difference among thebanks create trustworthiness among their customers regarding insurance.

1.3. Hypothesis

H_{02}: There is no significant difference between the financial assistance provided by the banks and customer satisfaction

H_{12}: There is significant difference between the financial assistance provided by the banks and customer satisfaction.

Table 1.4
Customer satisfaction on financial assistance - Descriptive statistics

	Mean	Std. Deviation	N
Service quality of banc	2.8680	.97898	250
Financial assistance provided by banks regarding life insurance policy	2.9920	1.11576	250
Effective and efficient services are provided across the counter by bank employees	2.8080	1.02339	250

The second hypothesis deals with the financial assistance provided by the bancs to their customers regarding insurance policies. Aspects like service quality of the banc, financial assistance provided regarding insurance policies and the efficiency of the service provided through the counter.

Here the relation between financial assistance provided by the bancs and customer satisfaction towards it are tested. The testing is carried out through multiple linear regression method and the significance is tested through comparing the standard value and calculated value.

1.4. Model Summary

Here R-value is considered to be the square root of R-square value obtained, which is the correlation between observed value (R-square value) and predicted value (standard value) of every single dependent variable. In that case the correlation is calculated for variables mentioned in descriptive statistics. The adjusted R-square value is termed to be the variable proportion of calculated R-square value.

Table 1.5
Correlation coefficient Customer satisfactions on financial assistance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.986[a]	.974	.070	.94418
2	.997[b]	.996	.089	.93455

F-value is obtained by dividing Mean-square regression value with mean-square residual value for the given dependent variable. Significance value or *p*-value obtained is associated with F-value and it is compared with standard alpha value (0.05), since the obtained significant values are lesser than 0.05, therefore it is concluded that customers are satisfied by the financial assistance provided by the bancs regarding insurance.

Table 1.6
Significant output- Customer satisfaction on financial assistance
ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.556	1	17.556	19.693	.000
	Residual	221.088	248	.891		
	Total	238.644	249			
2	Regression	22.917	2	11.458	13.119	.000
	Residual	215.727	247	.873		
	Total	238.644	249			

1.5. Hypothesis

H$_{03}$: There is no significant difference between the Confidentiality maintained by bancs on customer account and customers.

H$_{13}$: There is no significant difference between the Confidentiality maintained by bancs on customer account and customers.

This hypothesis deals with the confidentiality developed by bancs towards their customers in insurance. More the customers are confident towards the service provided the banc will get more customers. Parameters related to confidentiality like timeliness, security, dedication and commitment of the banc were tested.

Therefore in this hypothesis customer's confidence towards banc is considered as the dependent variable and the above mentioned parameters were considered as independent variable. The significance is tested using multiple linear regression analysis.

Table 1.7
Confidentiality impact on customers - Descriptive statistics

	Mean	*Std. Deviation*	*N*
Service quality of banc	2.8680	.97898	250
Feel that banc employees are more committed and responsive towards customers	2.9960	1.11398	250
Feel that banc employees are more empathetic towards customers	2.7120	1.06281	250
Timely services are provided by bancs.	2.8240	1.22270	250
Bancs have a dedicated staff to handle your insurance queries	2.8320	1.07349	250
Knowledge of employees	2.8320	1.06974	250
Effectiveness and efficiency	2.8080	1.02339	250

1.6. Model Summary

Here R-value is considered to be the square root of R-square value obtained, which is the correlation between observed value (R-square value) and predicted value (standard value) of every single dependent variable. In that case the correlation is calculated for variables mentioned in descriptive statistics. The adjusted R-square value is termed to be the variable proportion of calculated R-square value.

Table 1.8
Confidentiality impact on customers- Correlation Coefficient

Model	*R*	*R Square*	*Adjusted R Square*	*Std. Error of the Estimate*
1	.967[a]	.937	.033	.96286
2	.983[b]	.968	.061	.94888
3	.991[c]	.983	.072	.94333

F-value is obtained by dividing Mean-square regression value with mean-square residual value for the given dependent variable. Significance value or p-value obtained is associated with F-value and it is compared with standard alpha value (0.05), since the obtained significant values are lesser than 0.05, therefore it is concluded that customers are satisfied with confidentiality maintained by banks.

Table 1.9
Confidentiality impact on customers - Output Significance
ANOVA

	Model	*Sum of Squares*	*df*	*Mean Square*	*F*	*Sig.*
1	Regression	8.724	1	8.724	9.410	.002
	Residual	229.920	248	.927		
	Total	238.644	249			
2	Regression	16.251	2	8.126	9.025	.000
	Residual	222.393	247	.900		
	Total	238.644	249			
3	Regression	19.737	3	6.579	7.393	.000
	Residual	218.907	246	.890		
	Total	238.644	249			

1.7. Hypothesis

H$_{04}$: Banc employees make a significant impact on clients through their product knowledge in insurance.

H$_{14}$: Banc employees do not make a significant impact on clients due to lack of knowledge in insurance.

Table 1.10
Descriptive statistics - Product knowledge of banc employees

	Mean	Std. Deviation	N
Service quality of banc	2.8680	.97898	250
Bancs employees are more knowledgeable about life insurance products	2.8320	1.06974	250
Effective and efficient services are provided across the counter by bank employees	2.8080	1.02339	250
Banc assurance channel/bank employees deliver the promises or commitments	2.8600	.99011	250

This hypothesis deals with bancs providing proper schemes to their customers. The efficiency, effectiveness and knowledge of employees were tested regarding the schemes provided. And at the same time the customer response were also analysed in this hypothesis.

So the above mentioned parameters were taken as independent variables and benefits obtained by customers through these schemes taken as dependent variable. Therefore by comparing the standard value and mean values of different parameters related to schemes provided by banks it is concluded that bancs mostly provide proper schemes to their customers.

1.8. Model Summary

Here R-value is considered to be the square root of R-square value obtained, which is the correlation between observed value (R-square value) and predicted value (standard value) of every single dependent variable. In that case the correlation is calculated for variables mentioned in descriptive statistics. The adjusted R-square value is termed to be the variable proportion of calculated R-square value.

Table 1.11
Correlation coefficient - Product knowledge of banc employees

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.695[a]	.919	.919	.27912

Table 1.12
Significance output - Product knowledge of banc employees
ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	219.323	1	219.323	2815.155	.000[b]
	Residual	19.321	248	.078		
	Total	238.644	249			

F-value is obtained by dividing Mean-square regression value with mean-square residual value for the given dependent variable. Significance value or p-value obtained is associated with F-value and it is compared with standard alpha value (0.05), since the obtained significant values are lesser than 0.05, therefore it is concluded that customers are impressed by the product knowledge of banc employees which drives them in approaching banks for insurance purpose.

1.9. Hypothesis

H_{05}: Banc employees do not make a significant impact on customers in terms of their approachability.

H_{15}: Banc employees create a significant impact on customers in their approachability.

Table 1.13
Descriptive Statistics- Approachability of banc employees

	Mean	*Std. Deviation*	*N*
Service quality of banc	2.8680	.97898	250
Feel that banc employees are more committed and responsive towards customers	2.9960	1.11398	250
Feel that banc employees are more empathetic towards customers	2.7120	1.06281	250
Timely services are provided by banks.	2.8240	1.22270	250
Banks have a dedicated staff to handle your insurance queries	2.8320	1.07349	250

The final hypothesis discusses about the service provided by the bank employees to their customers were analysed. Parameters like dedication of employees, timely service provided, understanding customer's requirements and responsive rate of employees were tested here.

The calculated mean value and standard values are compared to find the significance, so according to the comparison it is found out that the calculated values are higher than the standard value. Hence the bank employees create a significant impact among customers in insurance policy purchase.

1.10. Model Summary

Here R-value is considered to be the square root of R-square value obtained, which is the correlation between observed value (R-square value) and predicted value (standard value) of every single dependent variable. In that case the correlation is calculated for variables mentioned in descriptive statistics. The adjusted R-square value is termed to be the variable proportion of calculated R-square value.

Table 1.14
Correlation coefficient- Approachability of banc employees

Model	*R*	*R Square*	*Adjusted R Square*	*Std. Error of the Estimate*
1	.659[a]	.919	.919	.27912

F-value is obtained by dividing Mean-square regression value with mean-square residual value for the given dependent variable. Significance value or p-value obtained is associated with F-value and it is compared with standard alpha value (0.05), since the obtained significant values are lesser than 0.05, therefore it is concluded that customers are impressed by the approach of bankers regarding insurance.

Table 1.15
Significant output - Approachability of banc employees
ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	219.323	1	219.323	2815.155	.000[b]
	Residual	19.321	248	.078		
	Total	238.644	249			

1.11. Hypothesis

H_{06}: Banc employees are not committed regarding insurance service as compared to other distimation channels

H_{16}: Banc employees are very well committed with customers regarding insurance policies when compared with other distribution channels.

Table 1.16
Descriptive Statistics- Commitment of banc employees

	Mean	Std. Deviation	N
Service quality of banc	2.8680	0.97898	250
Feel that bank employees are more committed and responsive towards customers	2.9960	1.11398	250
Feel that bank employees are more empathetic towards customers	2.7120	1.06281	250
Timely services are provided by banks.	2.8240	1.22270	250
Banks have a dedicated staff to handle your insurance queries	2.8320	1.07349	250
Knowledge of employees	2.8320	1.06974	250
Effectiveness and efficiency	2.8080	1.02339	250

This hypothesis deals with the commitment level of banc employees towards their customers. This commitment reflects in service quality, approachability and also the responsiveness of customers. These supporting factors were evaluated through multiple regression analysis.

1.12. Model Summary

Here R-value is considered to be the square root of R-square value obtained, which is the correlation between observed value (R-square value) and predicted value (standard value) of every single dependent variable. In that case the correlation is calculated for variables mentioned in descriptive statistics. The adjusted R-square value is termed to be the variable proportion of calculated R-square value.

Table 1.17
Correlation coefficient- Commitment of banc employees

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.967[a]	.937	.033	.96286
2	.983[b]	.968	.061	.94888
3	.991[c]	.983	.072	.94333

F-value is obtained by dividing Mean-square regression value with mean-square residual value for the given dependent variable. Significance value or p-value obtained is associated with F-value and it is compared with standard alpha value (0.05), since the obtained significant values are lesser than 0.05, therefore it is concluded that bank employees are highly committed to their work in terms of insurance service which act as a key factor in driving customers towards their banc.

Table 1.18
Significance output - Commitment of banc employees
ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.724	1	8.724	9.410	.002
	Residual	229.920	248	.927		
	Total	238.644	249			
2	Regression	16.251	2	8.126	9.025	.000
	Residual	222.393	247	.900		
	Total	238.644	249			
3	Regression	19.737	3	6.579	7.393	.000
	Residual	218.907	246	.890		
	Total	238.644	249			

1.13. Hypothesis

H$_{07}$: Bancs do not provide timely insurance services compared with other distribution channels

H$_{17}$: Bancs provide timely insurance services compared with other distribution channels

Table 1.19
Descriptive statistics - Timely service by bancs

	Mean	Std. Deviation	N
Service quality of banc	2.8680	.97898	250
Financial assistance provided by banks regarding life insurance policy	2.9920	1.11576	250
Effective and efficient services are provided across the counter by bank employees	2.8080	1.02339	250

This hypothesis deals about the timeliness of insurance service provided by banks when compared to other distribution channels, effectiveness and efficiency of banks in providing insurance service plays a major role here in determining the timeliness of service provided by the banks to their customers.

1.14. Model Summary

Here R-value is considered to be the square root of R-square value obtained, which is the correlation between observed value (R-square value) and predicted value (standard value) of every single dependent variable. In that case the correlation is calculated for variables mentioned in descriptive statistics. The adjusted R-square value is termed to be the variable proportion of calculated R-square value.

Table 1.20
Correlation coefficient - Timely service by bancs

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.986[a]	.974	.87	.94418
2	.997[b]	.996	.89	.93455

F-value is obtained by dividing Mean-square regression value with mean-square residual value for the given dependent variable. Significance value or p-value obtained is associated with F-value and it is compared with standard alpha value (0.05), since the obtained significant values are lesser than 0.05, therefore it is concluded that bancs provide timely service to their customers regarding insurance.

Table 1.21
Significance output - Timely service by bancs
ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.556	1	17.556	19.693	.000
	Residual	221.088	248	.891		
	Total	238.644	249			
2	Regression	22.917	2	11.458	13.119	.000
	Residual	215.727	247	.873		
	Total	238.644	249			

8. RESULTS AND DISCUSSIONS

From the obtained output of different hypothesis based on the elements which measures the service quality bancassurance this results were carried out. After analysing the survey response from 250 samples of customers using banks as a channel for insurance they obtained output shows that the banks are efficient enough to deliver proper and quality insurance service to their customers.

Bancassurance is the allotment of insurance products through the huge network of banks also; bancs act as a distribution channel for providing different banking, investment products and services.

Banks can market their product amongst their customers itself and so they are not required to scratch from the beginning. In this competitive world, it is the most important advantage to the banks. Customer's preferences are changing every day and they have the choice to access the insurance products from any distribution channel. Increased competition makes it difficult for banks to retain their customers. The satisfaction levels of the customers were calculated based on five variables such as customer benefit, convenience; value added services, acquisition cost, and customers trust.

Factors like confidentiality, product knowledge of bankers towards insurance scheme, approachability of bankers towards their customers, financial assistance provided by the banks to their customers, timely delivery made by the banks, satisfaction level of customers towards the financial assistance provided by the banks and overall commitment of the bankers were evaluated here.

In this study client's satisfaction towards bancassurance is evaluated by comparing with various supporting factors which are mentioned above. All the above mentioned variables have supporting elements with it so that it can be compared with customer's satisfaction level.

Accordingly every variable of bancassurance where supported its respective elements like confidentiality is supported by its related elements like maintaining the account details securely for every individual client, same as product knowledge is supported by the way the bankers explain about the schemes which are relevant to the specific customer.

These parameters of every single variables where compared with customer satisfaction level to derive the output. Then the obtained result is compared with standard value to conclude the impact of various elements of bancassurance service separately with respect to client satisfaction. Based upon the comparison the result is concluded.

Even though the banks struggled initial to provide a proper and standard insurance service to their clients like other channels later it started providing better quality of insurance service to their clients

Therefore it is concluded that banks are capable of providing quality insurance service to their customers in all terms when compared with other distribution channels like insurance companies. And they fulfil all the client requirements like providing exact scheme, maintaining confidentiality, timely delivery of insurance service, providing proper financial assistance and empathizing customers situation.

9. CONCLUSION

Based upon the analysis we can suggest that bancs provide equal level of quality service to their customers in case of insurance when compared to other distribution channels like insurance companies.

Accordingly, every variable of bancassurance is supported its respective elements like confidentiality is supported by its related elements like maintaining the account details securely for every individual client, same as product knowledge is supported by the way the bankers explain about the schemes which are relevant to the specific customer.

These parameters of every single variable are compared with customer satisfaction level to derive the output. Then the obtained result is compared with standard value to conclude the impact of various elements of bancassurance service separately with respect to client satisfaction. Based upon the comparison the result is concluded.

Even though the banks struggled initial to provide a proper and standard insurance service to their clients like other channels later it started providing better quality of insurance service to their clients

Therefore it is concluded that banks are capable of providing quality insurance service to their customers in all terms when compared with other distribution channels like insurance companies. And they fulfil all the client requirements like providing exact scheme, maintaining confidentiality, timely delivery of insurance service, providing proper financial assistance and empathizing customers situation.

References

Grönroos, C. (2001). The perceived service quality concept-a mistake? *Managing Service Quality: An International Journal*, *11*(3), 150-152.

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *the Journal of Marketing*, 41-50.

Ghost, F. H., &Gnanadhas, M. E. (2011). Impact of service quality in commercial banks on the customer's satisfaction: An empirical study. *International Journal of Multidisciplinary Research*, *1*(6), 19-37.

Alavudeen, R., & KD, S. R. (2015). Growing Role of Bancassurance in Bancing Sector. *Bonfring International Journal of Industrial Engineering and Management Science*, *5*(2), 10.

Kadir, H. A., Rahmani, N., &Masinaei, R. (2011). Impacts of service quality on customer satisfaction: Study of Online bancing and ATM services in Malaysia. *International Journal of Trade, Economics and Finance*, *2*(1), 1.

Jamal, A., &Anastasiadou, K. (2009). Investigating the effects of service quality dimensions and expertise on loyalty. *European Journal of Marketing*, *43*(3/4), 398-420.

Al-Hawary, S. I. S., Alhamali, R. M., &Alghanim, A. S. (2011). Bancing service quality provided by commercial bancs and customer satisfaction. *American Journal of Scientific Research*, *27*(2011), 68-83.

Krishnamurthy, R., Siva Kumar, M. A. K., &Sellamuthu, p. (2010). Influence of service quality on customer satisfaction: Application of SERVQUAL model. *International Journal of Business and Management*, *5*(4), 117.

Agarwal, S., Singh, D., & Thakur, K. (2013). Impact of service Quality dimensions towards customer satisfaction in Indian call centers. *Pacific Business Review International*, *6*(1), 51-64.

Firdous, S., & Farooqi, R. (2017). Impact of Internet Bancing Service Quality on Customer Satisfaction. *The Journal of Internet Bancing and Commerce*, *22*(1), 1-17.

Wilson, A., Zeithaml, V. A., Bitner, M. J., &Gremler, D. D. (2012). *Services marketing: Integrating customer focus across the firm*. McGraw Hill.

Singh, R. (2015). Perception of Customers towards Responsiveness of Bancassurance Channel: An Empirical Study in Assam. *International Journal of Entrepreneurship and Development Studies*, *3*(1), 19-35

Jalees, T. (2016). Bancassurance: A Potential Project in the Life Insurance Sector of Pakistan to achieve Consumer Trust and Awareness. *Market Forces*, *11*(1).

Benjarongrat, p. , Benjarongrat, p. , Neal, M., & Neal, M. (2017). Exploring the service profit chain in a Thai banc. *Asia Pacific Journal of Marketing and Logistics*, *29*(2), 432-452.

Rutkowska-Podołowska, M., &Szczygieł, N. (2016). Bancassurance as a Source of Financing Eco-investments: The Polish Case within the European Context. *on European Integration 2016*, 830.

Sakuhuni, S. (2017). An analysis of factors resulting in low uptake of mobile bancing as a bancing delivery channel in Zimbabwe a case study of CBZ Banc (2009-2014).

Leepsa NM, & Singh R (2017). Contribution of Bancassurance on the Performance of Banc: A Case Study of Acquisition of Shares in Max New York Life Insurance by Axis Banc. J Bus Fin Aff 6: 283.doi: 10.4172/2167-0234.1000283

Adhikari, K., & Paul, B. (2015). PERCEIVED SERVICE QUALITY AND CUSTOMER SATISFACTION IN PUBLIC SECTOR BANCS: AN EMPIRICAL STUDY.

Sharma, T., & Bajaj, R. (2017). TO MEASURE AND PREDICT CUSTOMERS'PERCEPTION BUYING THE HOME INSURANCE POLICY THROUGH BANCASSURANCE CHANNEL.

Mishra, N. (2012). BANC ASSURANCE: PROBLEMS AND CHALLENGES IN INDIA. *Integral Review: A Journal of Management*, *5*(1).

Gupta, Shivani., Jain, Ajay., &Anubha (2012). Bancassurance- New feasible strategy in bancing and insurance sector moving fast in India. *International Journal of Research in IT and Management*, *2* (2), 771-781.

Kumaraswamy, Sumathi. (2012). Bancassurance: Tapping of Insurance into Bancing pursuit. *International Journal of Scientific and Research publications*, *2*(7), 1-5.

Krishnamurthy, R. (2003). Blueprint for Success Bringing Bancassurance to India. *Irda Journal*, *1*(9), 20-23.) (Pani, L. K., & Swain, S. (2013). Bancassurance and Indian Bancs. *International Journal of Research and Development–A management review (IJRDMR)*, *2*(1), 11-19.

Grönroos, C. (2001). The perceived service quality concept-a mistake? *Managing Service Quality: An International Journal*, *11*(3), 150-152.

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *the Journal of Marketing*, 41-50.

Ghost, F. H., &Gnanadhas, M. E. (2011). Impact of service quality in commercial bancs on the customer's satisfaction: An empirical study. *International Journal of Multidisciplinary Research*, *1*(6), 19-37.

Alavudeen, R., & KD, S. R. (2015). Growing Role of Bancassurance in Bancing Sector. *Bonfring International Journal of Industrial Engineering and Management Science*, *5*(2), 10.

Kadir, H. A., Rahmani, N., &Masinaei, R. (2011). Impacts of service quality on customer satisfaction: Study of Online bancing and ATM services in Malaysia. *International Journal of Trade, Economics and Finance*, *2*(1), 1.

Jamal, A., &Anastasiadou, K. (2009). Investigating the effects of service quality dimensions and expertise on loyalty. *European Journal of Marketing*, *43*(3/4), 398-420.

Al-Hawary, S. I. S., Alhamali, R. M., &Alghanim, A. S. (2011). Bancing service quality provided by commercial bancs and customer satisfaction. *American Journal of Scientific Research*, *27*(2011), 68-83.

Krishnamurthy, R., Siva Kumar, M. A. K., &Sellamuthu, p. (2010). Influence of service quality on customer satisfaction: Application of SERVQUAL model. *International Journal of Business and Management*, *5*(4), 117.

Karim, R., & Chowdhury, A. T. (2014). Customer satisfaction on service quality in private commercial bancing sector in Bangladesh. *British Journal of Marketing Studies*, *2*(2), 1-11.

Ali, L., &Chatley, p. (2013). Customer perception of bancassurance: A survey. *European Journal of Business and Management*, *5*(22), 34-46.

Khare, A. (2011). Customers' perception and attitude towards service quality in multinational bancs in India. *International Journal of Services and Operations Management*, *10*(2), 199-215.

Shanka, M. S. (2012). Banc service quality, customer satisfaction and loyalty in Ethiopian bancing sector. *Journal of Business Administration and Management Sciences Research*, *1*(1), 001-009.

Anderson, J. C., &Narus, J. A. (1990). A model of distributor firm and manufacturer firm working partnerships. *the Journal of Marketing*, 42-58.

Karunagaran, A. (2007). Bancassurance: A Feasible Strategy for Bancs in India? *Reserve Banc of India*, 125.

PAUL, J., MITTAL, A., & SRIVASTAV, G. (2016). Impact of service quality on customer satisfaction in private and public sector bancs. *International Journal of Banc Marketing*, *34*(5).

Mansoor, A. (2016). Study of Banc-Assurance for the Muslim Co-Operative Banc, Pune. *We'Ken-International Journal of Basic and Applied Sciences*, *1*(2), 66-73.

Kumar, R. (2016). Customer relationship management in bancing industry a study of selected bancs in and around Chandigarh.

Periasamy, M. N., Narmatha, A., &Ananthi, E. (2016). An Analysis of Effectiveness of Bancassurance As A Distribution Channel in India. *PARIPEX-Indian Journal of Research*, *5*(5).

Mittal, D., & Agrawal, S. R. (2016). Price transparency reflects assurance and reliability. *Journal of Retailing and Consumer Services*, *31*, 43-51

Tan, L. H., Hamid, S. R., & Chew, B. C. (2016). Service quality audit based on conceptual gaps model of service quality: a case study of top three largest local banc in Malaysia. *International Journal of Productivity and Quality Management*, *18*(1), 99-115.

Kanwal, p. , Kushwaha, S., & Thakur, V. (2016). Empirical Study of Service quality and customer satisfaction using SERVQUAL in Private and PSU credit card service providers. *International Journal of Applied Engineering Research*, *11*(7), 4857-4865.

Karthikeyan, M. R., & Ramkumar, D. (2016). Service Quality GAP between Expectation and Perception of the Customers of Health Insurance Company (Special Reference to National Insurance Company Ltd., in Madurai City). *Indian Journal of Applied Research*, *5*(11).

Dash, p. , Pattnaik, S., &Rath, B. (2016). Knowledge Discovery in Databases (KDD) as Tools for Developing Customer Relationship Management as External Uncertain Environment: A Case Study with Reference to State Banc of India. *Indian Journal of Science and Technology*, *9*(4)

Mandal, p. C. (2016). Dimensions affecting customer satisfaction in retail bancing: A literature review. *IJAR*, *2*(1), 302-306.

Reddy, S. J., Reddy, B. V., & Rao, S. D. (2016). A Statistical Analysis of Customer Satisfaction towards the Services Offered In Andhra Banc in Nellore City. *Imperial Journal of Interdisciplinary Research*, *2*(9).

Maharana, T., & Panda, J. (2016). Service Quality Measurement of Insurance Company in India. *Imperial Journal of Interdisciplinary Research*, *2*(2), 223-230.

Pourmohammad, H., Zandieh, M., &Farsijani, H. (2016). The effect of quality of electronic bancing services on agility of a banc. *Management Science Letters*, *6*(7), 521-534.

Jun, M., & Palacios, S. (2016). Examining the key dimensions of mobile bancing service quality: an exploratory study. *International Journal of Banc Marketing*, *34*(3), 307-326.

Ranjith, p. V. (2016). A Study of Service Quality of Bancs in Mumbai. *IRA-International Journal of Management & Social Sciences (ISSN 2455-2267)*, *4*(1).

30. Amin, M. (2016). Internet bancing service quality and its implication on e-customer satisfaction and e-customer loyalty. *International Journal of Banc Marketing*, *34*(3), 280-306