

## The impact of Insurance Service Quality on Customer Satisfaction

(A Case Study of the Algerian Insurance Company (SAA) in the Oran Province)

**Dida Omar** <sup>(1)</sup>, **Morad Ismail** <sup>(2)</sup>

<sup>1</sup> PhD student, ain temouchent university (Algeria), Research Laboratory Laboratory of Markets, Operation, Legislation and Simulation in the Maghreb,

[omar.dida@univ-temouchent.edu.dz](mailto:omar.dida@univ-temouchent.edu.dz)

<sup>2</sup>lecturer A, ain temouchent University (Algeria), Research Laboratory Laboratory of Markets, Operation, Legislation and Simulation in the Maghreb,

[Morad.ismail@univ-temouchent.edu.dz](mailto:Morad.ismail@univ-temouchent.edu.dz)

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### Abstract:

This research aims to determine the extent to which the quality of insurance services offered by the Algerian Insurance Company (SAA) in Oran influences customer satisfaction. To accomplish this, a questionnaire was formulated as a means of data collection and was administered to a random group of 64 respondents who were the company's customers. The investigation highlights the Algerian Insurance Company (SAA) as the focus of the research. Notably, the study reveals a statistically significant correlation between customer satisfaction and the tangibility, responsiveness, and safety dimensions. However, no significant relationship was found between dependability, empathy, and customer satisfaction.

### Mots clés:

Mot clé.1: qualité du service d'assurance

Mot clé.2: dimensions de la qualité du service d'assurance

Mot clé.3: satisfaction client

Codes de classification JEL : M11, M30, M31.

### Le résumé :

Cette recherche vise à déterminer dans quelle mesure la qualité des services d'assurance proposés par la Compagnie Algérienne d'Assurances (SAA) à Oran influence la satisfaction de la clientèle. Pour ce faire, un questionnaire a été formulé comme moyen de collecte de données et a été administré à un groupe aléatoire de 64 répondants qui étaient des clients de l'entreprise. L'enquête met en avant la Compagnie Algérienne d'Assurances (SAA) comme objet de recherche. L'étude révèle notamment une corrélation statistiquement significative entre la satisfaction client et les dimensions de tangibilité, de réactivité et de sécurité. Cependant, aucune relation significative n'a été trouvée entre la fiabilité, l'empathie et la satisfaction du client.

**Introduction:**

The progress and prosperity of nations and societies are contingent upon the production of goods and services that cater to the requirements of individuals and organizations. Achieving satisfaction in this process is reliant on providing these products with a superior level of quality that not only meets but surpasses the expectations of both individuals and organizations. This becomes particularly pertinent in the face of numerous local, regional, and international factors, which have spurred intense competition among service-producing companies, all vying to fulfill the needs and preferences of customers and retain their loyalty.

Customer satisfaction is widely acknowledged as the cornerstone of success for any organization. Its primary challenge lies in the acquisition and retention of these customers, particularly within an environment characterized by the multitude and variety of services offered by each organization. To address this, organizations endeavor to appeal to a larger customer base and secure their loyalty through the diversification of services and the provision of an extensive range of incentives. Consequently, they strive to cater to the customers' needs and desires by enhancing the delivery of services, broadening their scope, refining marketing strategies, and elevating the overall quality of their offerings, thereby assessing the level of customer satisfaction with the rendered services.

The persistent expansion of insurance services and the growing demand from customers for high-quality service have intensified competition within the insurance sector. This has prompted efforts to deliver services of exceptional quality that align with customers' expectations. Consequently, strategies are being implemented to effectively meet the needs and preferences of customers.

**1-1 Research Questions:**

- Is there an impact of the quality of insurance services on gaining customer satisfaction at the Algerian Insurance Company (SAA)? The subsequent sub-questions stem from this main question:

What is the impact of service quality dimensions?

What is the impact of satisfaction felt by the customer with the Algerian Insurance Company?

What is the customer's level of awareness of the quality of services provided by the Algerian Insurance Company (SAA) and their level of satisfaction with these services?

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## **1-2 Research Hypotheses:**

### **-The first main hypothesis:**

-There is a statistically significant relationship between service quality and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran. The following sub-hypotheses emerge from this main hypothesis:

-There is a statistically significant relationship between reliability and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran.

-There is a statistically significant relationship between tangibility and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran.

-There is a statistically significant relationship between the response and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran.

-There is a statistically significant relationship between assurance and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran.

-There is a statistically significant relationship between empathy and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran.

### **1.3. The significance of the research:**

The importance of this study lies in the following:

This research aims to propose a theoretical structure elucidating the independent study variable, which embodies the quality of insurance services, along with its specific components, namely tangibility, dependability, assurance, and sympathetic response. The significance of this study lies in its focus on collecting and analyzing customers' feedback regarding the services offered by the Algerian Insurance Company (SAA) and their perceptions of certain service aspects, facilitating informed assessments.

### **1.4. Research objectives:**

This research aims to shed light on the quality of insurance services through:

-Discovering the dimensions used by customers of the Algerian Insurance Company (SAA) in the state of Oran to evaluate the quality of insurance services.

-Knowing the relationship between the dimensions of the quality of services provided by the Algerian Insurance Company (SAA) in the state of Oran and customer satisfaction.

## **2. Previous studies:**

-Sakhi Boubakar's (2022) study titled "The Role and Importance of Insurance Service Quality in Attracting Customers" aims to illuminate the concept of insurance service quality, emphasizing its pivotal role as a foundational element for insurance companies. It underscores that both retaining existing customers and acquiring new ones hinge significantly on the caliber of insurance services provided. The study yielded several key findings, notably emphasizing that enhancing the performance of insurance service quality at the Algerian Insurance Company (SAA) relies on the optimal implementation of comprehensive quality management standards. Thus, to uphold its competitive standing in the market, the Algerian Insurance Company must prioritize the enhancement and advancement of its insurance service quality. The research paper delves into a conceptual framework for insurance service quality and outlines the requisite measures for enhancing the quality of insurance services.

-Belaidi Akila's research in 2021, titled "Enhancing Insurance Service Quality through Queue Models: A Case Study of the Algiers Agency within the Regional Directorate of Algiers 03," discovered that elevating the quality of services offered by the Algerian National Insurance Company (Algiers Agency), a part of the Algeria Regional Directorate 03, could be achieved by applying quantitative methods such as queue models. These models were effectively solved using QM for Windows, a quantitative methods software. Recognizing that service quality is a crucial factor for the insurance company's progress and success, the study culminated in the proposal of an alternative model to ameliorate the current situation at the studied insurance agency. This model aims to reduce waiting times, thereby enhancing service quality and customer satisfaction. Ultimately, the organization's primary goal is to meet its customers' needs and, in turn, maximize its profits.

-In their 2017 study titled "The Significance of Service Quality in Achieving Customer Satisfaction," conducted at the University of Batna 1, Hajj Lakhdar, Issa Merazaga and Siham Makhlof set out to explore the pivotal role of service quality in realizing customer satisfaction. They aimed to delineate how the perceived level of service quality directly influences a customer's sense of contentment with the service received. Throughout their research, the study delves into key concepts associated with service quality and customer satisfaction, uncovering their various dimensions and determinants. The research also scrutinizes the intricate relationship that exists between these two variables. While both concepts are fundamentally rooted in the alignment of expectations with perceptions, researchers have expressed diverse viewpoints, leading to a lack of consensus regarding their

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interconnection. The study highlights several significant points of contention, such as how to assess service quality, the definition of customer expectations, the interpretation of satisfaction, and the measurement dimensions. To shed light on the impact of service quality on customer satisfaction, the study introduces the notion of a tolerance range. This concept signifies the range of service performance levels that a customer deems acceptable and satisfactory. The customer's evaluation of service quality hinges primarily on the disparity between three distinct levels of expectations, which ultimately shapes their satisfaction with the service's quality.

-In a 2017 study conducted by Barika Al-Saeed, Shouk Fawzi, and Zakri Iman from the Faculty of Economic Sciences, Commercial Sciences, and Management Sciences at Larbi Ben M'hidi University in Oum El Bouaghi, they examined "The Impact of Insurance Service Quality on Customer Satisfaction" for the Algerian Insurance and Reinsurance Company in Oum El Bouaghi. The significance of this research lies in its endeavor to provide insights to benefit the Algerian Insurance Company (SAA) by emphasizing the necessity of diversifying insurance service delivery methods to both satisfy and retain customers. The study's primary objectives include defining the key dimensions upon which the quality model is constructed, gauging the extent to which the quality of insurance services influences customer satisfaction within the company under examination, and devising methods for assessing the quality of insurance services. To achieve these goals, the study adopts a descriptive and analytical approach, meticulously describing the study's variables (quality dimensions and customer satisfaction) both qualitatively and quantitatively. Additionally, it analyzes the cause-and-effect relationship between these variables. The research employs a questionnaire as a tool to determine the degree of influence and the strength of the relationship between these aspects.

-The research conducted by Nour Al-Huda Muhammadin, Abdul Rahman Al-Siddiq Idris, and Muhammad Idris in 2010 examined "The Quality of Insurance Services and its Impact on Customer Satisfaction: A Case Study of the Cooperative Insurance Company in the Kingdom of Saudi Arabia" at the Sudan University of Science and Technology's Faculty of Business Studies. The study aimed to address the challenges associated with insurance services, which are characterized by their intangibility, non-transferability between providers, and simultaneous production and consumption. The primary objective was to illuminate

the quality of insurance services by assessing the applicability of the quality model within the insurance sector, recognized as one of the most vital service domains in the Kingdom of Saudi Arabia. The study postulated, based on the insurance services quality model, that various independent variables, including tangible elements, credibility, speed of response, trust and assurance, and customer care, do not significantly impact the dependent variable of customer satisfaction. The study employed a descriptive-analytical approach and arrived at several key findings. These included the feasibility of implementing the service quality model to measure perceived quality within the sphere of insurance services and the notable influence of the identified independent variables on customer satisfaction. The study's key recommendations emphasized the company's need to enhance the perceived dependability, assurance, responsiveness, and trustworthiness in order to elevate customer satisfaction levels.

### **3. Conceptual framework for service quality:**

#### **3.1. Definition of service quality:**

Berry et al. (1988) highlight that service quality has evolved into a crucial factor for differentiating companies, serving as an effective strategic tool desired by all businesses. (بلايلية، 2018)

Parasuraman et al. (1985) define service quality as the disparity between customers' anticipated service expectations and the service they actually receive (as perceived by them). (GA, 2007)

notes that Zeithaml and her associates define service quality as a construct centered around service dimensions such as tangibility, dependability, assurance, and empathy. Al-Zoghbi provides a definition of service quality as the alignment between the level of perceived quality provided and the quality expected by the customer. Furthermore, Lovelock (2007) asserts that poor service quality denotes that the perceived performance falls below customer expectations.

#### **3.2. Definition of insurance service quality:**

Certainly, defining the concept of insurance service quality can be a complex task due to its intangible nature, which aligns with the challenges associated with defining other intangible services. Consequently, various perspectives on insurance service quality have emerged, influenced by the diverse viewpoints of department managers, insurance policy producers, and branch managers. Each stakeholder group tends to have its unique interpretation and understanding of the concept, contributing to the multifaceted nature of the definition. (الله، 2006) (2006 opinions on the quality of insurance service vary and do not necessarily align. From the perspective of the insurance industry, the quality of insurance service involves providing optimal services,

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adhering to professional ethics, and ensuring rightful compensation for the beneficiaries. Administratively, it pertains to the efficient utilization of insurance expertise and the ability to attract potential customers. However, the perspective of the insured or the beneficiary is considered the most significant, as it emphasizes the method of obtaining the service and the eventual outcome. In understanding the concept of insurance service quality, the insured or beneficiary's viewpoint is paramount since the perceived level of quality heavily relies on their subjective evaluation and perception. Consequently, the quality of insurance service is deemed higher when it aligns with customers' expectations and effectively caters to their needs. (mohamed, 2011)

The quality of insurance service can be described as the insurance company's capacity to deliver insurance protection in a manner that fulfills the preferences of customers (the insured), aligns with their expectations, and consistently addresses their insurance requirements. It serves as a benchmark or gauge for evaluating the extent to which the service level provided to customers meets their anticipated standards. In this context, the quality of insurance service embodies a collection of attributes that steer the provision of insurance services, enabling the fulfillment of customers' needs and expectations while striving to ensure their satisfaction. It encompasses a comprehensive evaluation of the company's performance and its level of excellence in comparison to other competing firms(2012، كاظم)

### **4-The importance of quality insurance service:**

The significance of service quality is paramount for companies, as it serves as a crucial determinant for achieving success and fostering stability. Within the domain of services, the joint efforts of employees and customers contribute to the creation of high-quality service, necessitating the attention and dedication of companies. The importance of service quality can be summarized as follows:

**4-1 Growth of the service field:** It is exemplified by the vast proliferation of service-providing companies, a number that continues to grow at a rapid pace. This trend is evident in countries such as the United States of America, which characterizes its business landscape as predominantly driven by entities engaged in service-oriented activities.

**4-2 Increased competition:** Certainly, as the number of service companies increases, the intensity of competition among them also escalates. Consequently, prioritizing and delivering high-quality services can furnish these companies with numerous competitive advantages.

**4.3. Understanding customers:** This implies that service enterprises focus not just on delivering top-notch services and competitive pricing but also prioritize ensuring positive customer experiences, which hold paramount significance for their operations.

**5- Quality levels in insurance service:**

Based on the contemporary understanding of quality services, the customer's interaction with the insurance company forms the central point in devising the company's marketing strategy. Considering the customer's needs and preferences, four levels of quality can be discerned. Firstly, there's the expected quality from the customer's perspective, representing the standard that policyholders believe should be met. Determining this level of quality can be complex as it is influenced by the beneficiaries' characteristics, needs, and their expectations of the services provided by the company.

A. The perceived quality by the service provider varies depending on the company's ethos, capabilities, and the expertise of its staff.

B. The standardized quality is stipulated by specific requirements.

**Quality of service:**

This form of quality demonstrates a close alignment between the beneficiary's requirements and the management's understanding. It is commonly observed in production processes where the qualitative criteria can be quantifiably assessed, and deviations from the standard specifications are relatively challenging.

**6- The actual quality according to which the service is performed or provided**

The existing quality denotes the factual representation of the service, showcasing the quality experienced in the practical reality during the service delivery process.

Indicators for evaluating the quality of insurance service: The domain of service quality stands as a crucial focal point for management at the Algerian Insurance Company (SAA), irrespective of its scale. This emphasis is built upon several indicators interconnected with both tangible and intangible facets of performance, with the most crucial ones encompassing:

- **6-1 Reliability(Dependability):** dependability pertains to the insurance company's capability to execute or fulfill the pledged insurance service accurately. Customers anticipate the insurance company to furnish them with precise insurance service within the designated time frame, carrying it out to its fullest extent as promised. Customers rely on the insurance company to deliver on its commitments. In this context, customers might also be concerned about whether they will receive timely compensation in the event of the



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insured risk materializing, placing their trust in the insurance company to provide them with timely compensation as needed (2017، بوشاشية)

**-6-2 Tangibility:** Tangibility embodies the visual and physical aspects of facilities, equipment, personnel, communication materials, and service locations, all contributing to the overall impression of the service. These physical elements collectively construct a mental image of the service, which customers, particularly new ones, utilize to assess the quality. Algerian Insurance Company (SAA) frequently leverages this dimension to enhance its standing with customers and facilitate effective communication with them.

**6-3 Responsiveness:** Responsiveness indicates the willingness to assist customers and deliver swift service. This dimension emphasizes attentiveness and promptness in addressing customer inquiries, complaints, and issues. Customer response is gauged by the duration a customer waits to receive assistance, get their queries resolved, or witness the company's interest in resolving their problems. It is essential to evaluate this dimension from the customer's perspective rather than the company's, as the company's perception may differ from that of the customer.

**-6-4 assurance:** assurance represents a crucial factor in drawing customers to avail the service, as it imparts a sense of safety and trust. This aspect constitutes a pivotal consideration for insurance service beneficiaries. Customers tend to gather pertinent information and data concerning the service to ensure the desired level of trust and assurance before engaging with an insurance provider or seeking insurance services (2017، مخلوف)

**-6-5 Empathy:** Empathy signifies the extent of attention and concern directed towards the beneficiary, with a focus on addressing their concerns and actively seeking solutions in a compassionate and sophisticated manner. This dimension underscores the insurance service provider's capacity to comprehend and accommodate the diverse needs of customers, as highlighted by Al-Alaq Bashir in "Quality Culture" (2009، بشير)

### 7- SERVQUAL model for measuring service:

SERVQUAL, also known as the Gaps model, has been devised as a highly effective framework for evaluating service quality in various service-oriented organizations. Developed by Parasuraman, Zeithaml, and Berry, it comprises a set of integrated and interrelated metrics aimed at assessing customers' expectations regarding the performance of the services rendered to them, based on various key attributes. This

model has proven instrumental in understanding and improving customer perceptions of service quality.(الجزائري، 2011)

In essence, this comprehensive metric functions by discerning the disparity between the customer's perceived service and their initial expectations. A thorough analysis of these gaps provides clear insights into the challenges associated with ensuring service quality, particularly as the model developers identify five distinct sources of gaps. These sources have the potential to contribute to subpar service quality and hinder its achievement. These gaps. (حامد، 2005)

**1. The first gap:** This disparity exists between the customer's expectations and the management's perception of those expectations.

**2. The second gap:** It refers to the divergence between management's understanding of customer expectations and the service provisions they decide to offer.

**3. The third gap:** This gap represents the disconnect between perceptions and the actual delivery of the service.

**4. The fourth gap:** It denotes the mismatch between the actual service provided and the marketing communications conveyed to the customer.

**5. The fifth gap:** Fundamental in nature, this gap is customer-centric and signifies the contrast between the expected service and the service received by the consumer. If the received service deviates from the expected service, the customer is likely to perceive the service as inadequate, resulting in a negative service experience. The fifth gap is dependent on the other four gaps, with the quality of service being perceived more favorably when the service received aligns closely with expectations.

### **8- Service Performance Measure SERVPERF :**

The development of the SERVQUAL scale led to the emergence of various studies, notably by Taylor and Gronin, which introduced a novel scale known as the Actual Service Performance Scale or the Servperf Scale. This scale was derived from an extensive examination of models for assessing service quality, specifically omitting the aspect of customer expectations from the construct. What sets this measure apart is its exclusion of the notion of the disparity between performance and expectations, focusing solely on performance as the metric for evaluating service quality. Nonetheless, it continues to employ the same five dimensions initially .(Anbazhagan, 2007)

conducted a field test of four models for measuring service quality, which include:

- Servqual Quality of Service = Performance-Expectations
- Servpef weighted Quality of Service = (Performance-Expectations)
- Servperf Quality=Performance

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- Servperf weighted Quality of service = Importance x Quality

Gronroos and Taylor in 1992 concluded that the Servperf measure stands as the most effective metric, prompting researchers to advocate for its utilization across various domains owing to its straightforward application and ease of measurement.

Second: Conceptual framework of customer satisfaction

Definition of customer satisfaction:

According to Philip Kotler and Kevin Keller, satisfaction is characterized as the positive or negative evaluation that a customer forms based on their experience of purchasing and/or consuming a product. It arises from the comparison between their expectations of the product and its actual performance.

Additionally, Claude Gambart defines customer satisfaction as "the customer's perception of the degree to which their requirements have been fulfilled." Moreover, satisfaction, as defined by Kotler and Dubois, is the positive or negative perception that emerges during the acquisition or consumption of a product and its perceived performance. These definitions collectively underscore that satisfaction is contingent upon perceptions and expectations. As elucidated by marketing specialist Benoît Gauthier, it is a subjective sentiment that can only exist if the customer discerns the occurrence of a service event, which exists not in absolute terms but solely in comparative terms. Therefore, it is essential to recognize that satisfaction is predicated on three central concepts: comparison, expectations, and perceptions .(Singh, 2006)

### **2. Measuring customer satisfaction:**

Model Kano: This type of satisfaction assessment focuses on three categories of needs associated with the product, regardless of whether it is a good or a service. These categories are as follows:

**1. Basic requirements (Must-be requirements):** These are the fundamental conditions and necessities inherent in the product. Fulfilling these requirements alone indicates complete customer satisfaction. Failure to meet these basic requirements prompts customers to seek products from alternative establishments.

**2. One-dimensional requirements:** This level gauges the degree of alignment and correspondence between the product's fulfillment and the customer's needs. If the product adequately satisfies the customer's need, they express satisfaction. Conversely, if it fails to meet their need, the customer remains dissatisfied. Greater fulfillment of the customer's needs results in heightened satisfaction.

**3. Attractive requirements:** This category encompasses the aspects of the product that go beyond meeting essential and one-dimensional requirements. These attributes have the potential to delight the customer and exceed their initial expectations, leading to heightened satisfaction and potentially fostering loyalty.

Standard requirements that must be met by the product include: It leaves a great impact on the customer and achieves his satisfaction. These requirements are included in the product based on the customer's desire. Or introduce it to his own product as an addition in an effort to achieve greater satisfaction.

**3. The importance of customer satisfaction:**

- Customer satisfaction is a source of stability for the organization
- Customer satisfaction is a source of attracting new customers by speaking positively about the brand or organization in front of others
- Customer satisfaction gives the organization time to withstand and respond to competition).

**3: Field study**

Approach: The study relied on a descriptive and analytical approach.

**3.1. Study limitations:**

**Spatial framework:** The study focused on the Algerian Insurance Company (SAA) within the region of Oran, Algeria.

**Time frame:** The study was conducted from 27 February 2023, to 08 June 2023, covering a period of approximately three and a half months.

**Tool:** The primary data collection tool utilized in the study was a questionnaire, designed by the researcher based on a comprehensive review of previous studies.

**Psychometric properties:**

- Reliability: Internal consistency was employed to assess the tool's validity.

**Table (1): Validity as the internal consistency between the items and the total score in the first variable**

Tangibility		Dependability		responsiveness		Assurance		Empathy	
State ment	Correl ation	statem ent	Correlati on	Statemen t	correlation	Statemen t	Correlation	statem ent	correlation
1	0.81**	6	0.73**	10	0.53**	14	0.77**	18	0.78**
2	0.91**	7	0.83**	11	0.77*	15	0.82**	19	0.80**
3	0.88**	8	0.85**	12	0.76**	16	0.76**	20	0.79**

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4	0.78**	9	0.89**	13	0.91**	17	0.74**	21	0.70**
5	0.93**							22	0.90**

**Source: designed by researchers based on the outputs of SPSS 25**

**-Table(2) Validity represents the internal consistency between the items and the total score in the second variable.**

Customer satisfaction			
Statement	Correlation	Statement	Correlation
1	0.73**	6	0.91**
2	0.79**	7	0.87**
3	0.86**	8	0.91**
4	0.74**		
5	0.83**		

**Source: designed by researchers based on the outputs of SPSS 25**

-From the table provided, it is evident that the Pearson correlation coefficient ranged between 0.70 for statement 21 at its minimum and 0.93 at its maximum for statement 5. All statements demonstrated significance at the 0.05 significance level, suggesting the presence of internal coherence among each variable and the overall score.

**-reliability: Calculating reliability using Cronbach's alpha method:** The stability of the tool was calculated in this way and the result was as shown in the following table:

**Table (03) the results of the tool's reliability coefficient using Cronbach's alpha**

Statement	Reliability	Statement	Reliability	statement	Reliability	Statement	reliability
1	0.993	8	0.930	15	0.931	23	0.768
2	0.931	9	0.930	16	0.934	24	0.718
3	0.931	10	0.940	17	0.929	25	0.729
4	0.936	11	0.934	18	0.930	26	0.709
5	0.930	12	0.932	19	0.929	27	0.775
6	0.931	13	0.931	20	0.935	28	0.706
7	0.928	14	0.930	21	0.935	29	0.706
				22	0.931	30	0.843
General reliability coefficient for service quality					0.935		
General reliability coefficient, customer satisfaction					0.775		
General constant coefficient					0.940		

**Source: Designed by researchers based on the outputs of SPSS 25**

As observed from the preceding table, the reliability coefficient of the tool, calculated using Cronbach's alpha equation, was determined to be 0.94, indicating a substantial value that affirms the scale's strong level of reliability.

**Sample characteristics:**

*Table 04: the sample characteristics.*

		Frequency	Percentage
Gender	Male	37	58.7
	Female	26	41.3
Age	Less than 22 years old	5	7.9
	22-40 years	37	58.7
	41-50 years	14	22.2
	Older than 51 years	7	11.1
Educational level	Higher studies	54	85.7
	University level	9	14.3
Occupation	Student	8	12.7
	Unemployed	7	11.1
	Employed	48	76.2
Income	Less than 18000dzd	14	22.2
	19000-40000dzd	8	12.7
	41000-50000dzd	10	15.9
	More than 51000dzd	31	49.2
Insurance	Six months	22	34.9
	Annual	41	65.1
Type of insurance	Life insurance	6	9.5
	Car insurance	57	90.5

**Source: designed by researchers based on the outputs of SPSS 25**

According to the table data, it is evident that the majority of the sample population is male, constituting 58.7% of the total. Among the male respondents, 58.7% are within the age range of 22 to 40 years, 85.7% have attained a postgraduate level of education, 76.2% are employed, 49.2% have an income exceeding 51,000 DZD, 65.1% have had insurance for one year, and 90.5% have car insurance.

**Statistical methods used:**

The unique nature and objectives of the subject necessitate the application of specific statistical methods to derive results and analyze data. The study employs the "SPSS 25" software, a statistical package designed

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for social sciences research that operates within the Windows environment. This software streamlines the execution of statistical procedures and methods, ensuring high efficiency and accuracy in the analytical process.

The present study employed a range of statistical methods tailored to the nature of the research, including:

- Frequencies and percentages to provide a concise and simplified overview of the study sample, presented through tables and graphs.
- Computation of the mean and standard deviation to determine the descriptive statistics for the study variables.
- Utilization of the Pearson correlation coefficient to assess the relationship between variables.
- Evaluation of internal consistency using Pearson's coefficient as a metric for measuring internal coherence.

**4-Presentation and analysis of the research :**

*1- Presentation of the results related to the service quality variable:* This variable encompasses 30 items distributed across the questionnaire based on the five dimensions. To facilitate analysis, we computed the arithmetic means and standard deviations, allowing us to assess the significance of service quality. The table below provides a comprehensive overview of these calculations:

***Table (05): Arithmetic means, standard deviations, and levels of approval for the quality of services:***

Quality services		SMA	standard deviation	Ranking	General direction
1	Evaluating service quality from the aspect of tangibility	3.58	0.07	1	average
2	Evaluating service quality in terms of dependability(Reliability)	3.11	0.21	3	average
3	Evaluating the quality of service in terms of response	3.26	0.27	2	average
4	Evaluating the quality of service in terms of the assurance dimension	2.96	0.29	4	average
5	Evaluating service quality on the one hand,	2.82	0.30	5	average

empathy dimension				
General total	3.14	0.29	/	average

**Source: Designed by researchers based on the outputs of the SPSS 25 program**

The data presented in Table (05) indicates that the study sample perceives the provision of quality services as intermittent. This is evident in the overall weighted arithmetic mean for this variable, which was calculated to be 3.14, with a standard deviation of 0.29. The standard deviation highlights a significant disparity in the responses provided by the study sample members regarding this dimension.

Based on the data presented in Table (05), the service quality dimensions can be ranked in descending order from the most strongly perceived to the least, based on the arithmetic mean and standard deviation:

1. Dimension No. 1: Tangibility - Ranked first with a weighted arithmetic mean of 3.58 and a standard deviation of 0.07. The findings suggest that, according to the study sample, there is intermittent evaluation of service quality in terms of tangibility.
2. Dimension No. 3: Responsiveness - Ranked second with a weighted arithmetic mean of 3.26 and a standard deviation of 0.29. This dimension indicates intermittent evaluation of service quality concerning the responsiveness aspect.
3. Dimension No. 2: dependability- Ranked third with a weighted arithmetic mean of 3.11 and a standard deviation of 0.21. The data suggests intermittent evaluation of service quality from the dependability perspective.
4. Dimension No. 4: assurance - Ranked fourth with a weighted arithmetic mean of 2.96 and a standard deviation of 0.29. This indicates intermittent evaluation of service quality in terms of the assurance dimension.
5. Dimension No. 5: Empathy - Ranked fifth with a weighted arithmetic mean of 2.82 and a standard deviation of 0.30. The data suggests



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intermittent evaluation of service quality with regard to the empathy dimension.

**Table (06): Arithmetic means, standard deviations, and levels of approval for the quality of insurance services based on customer satisfaction**

Quality services		SMA	standard deviation	Ranking	General direction
1	Evaluation of the quality of insurance service by satisfaction	2.65	0.32	1	average

Overall, based on the arithmetic means and standard deviations for both service quality and customer satisfaction variables, it can be concluded that the level of service quality across all dimensions and customer satisfaction is average.

### Testing the Correlations between study variables:

To test the hypothesis asserting a positive and statistically significant relationship at a significance level of ( $\alpha \leq 0.05$ ) between service quality and customer satisfaction within the studied institution, it is crucial to verify the model's validity. This can be accomplished through an analysis of variance and multiple regression analysis, enabling the identification of the independent factor that exerts the greatest influence on the dependent variable. These steps are essential in determining the validity of the hypothesis, which serves as the central focus of the research.

**Table (07): Results of regression analysis to ensure the validity of the model to test the effect of service quality on customer satisfaction**

Source of variance	Degree of freedom	Sum of squares	Mean squares	Value (F)	The coefficient of determination (R <sup>2</sup> )	Significance level (F)
Regression	5	797.90	159.58	24.41	0.69	0.00
Error	54	352.94	6.53			
Total	59	1150.85				

**Source:** Designed by researchers based on SPSS outputs.

The results are displayed in Table No. (07) demonstrates the significance level (F) at 24.41, with a coefficient of determination of 0.69 and a significance value of 0.00, indicating a value lower than the specified significance level (0.05). This indicates that the model is valid for testing the hypothesis. Additionally, the table illustrates that service quality overall accounts for 69.0% of the variance in the dependent variable, customer satisfaction. This high explanatory power underscores the robustness of the relationship between the two variables.

**Table (08): Results of a stepwise multiple linear regression analysis to test the effect of service quality on customer satisfaction**

Independent variable	(B)	Calculated T value	Correlation(R)	The coefficient of determination (R <sup>2</sup> )	Significance level(sig)	The presence of the correlation
Constant	13.65	7.13	/	/	/	/
Tangibility	0.24	2.65	0.833	0.693	0.01	There is a correlation
Dependability( Reliability)	0.13	0.63	0.724	0.618	0.52	There is no correlation
Responsivity	0.59	3.57	0.892	0.684	0.00	There is a correlation
Empathy	0.16	0.71	0.812	0.695	0.47	There is no correlation
assurance	0.75	6.18	0.765	0.642	0.00	There is a correlation
(ε) Standard error	(*)Statistically significant at the significance level ( $\alpha \leq 0.05$ )					

**Source: Designed by researchers based on SPSS outputs.**

**-Testing sub-hypotheses :**

**-First hypothesis:** There is a statistically significant relationship between reliability and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran.

The table shows that there is no a statistically significant effect between reliability and customer satisfaction. The correlation coefficient R reached

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0.724 at a significance level of  $\alpha > 0.05$ . The specified coefficient is R(2) 0.618 that is, its value is 0.618 of the changes in customer satisfaction resulting from the change in reliability. While the value of T was 0.63, which is greater than the value of T tabular at the level of significance  $\alpha > 0.05$  which confirms the incorrectness of the sub-hypothesis.

**-Second hypothesis:** There is a statistically significant relationship between tangibility and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran. The table shows that there is a statistically significant effect between tangibility and customer satisfaction. The correlation coefficient R reached 0.833 at a significance level of  $\alpha < 0.05$ . The specified coefficient is R(2) 0.693 that is, its value is 0.693 of the changes in customer satisfaction resulting from the change in tangibility. While the value of T was 2.65, which is greater than the value of T tabular at the level of significance  $\alpha \leq 0.05$  which confirms the correctness of the sub-hypothesis.

**-third hypothesis:** There is a statistically significant relationship between the response and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran. The table shows that there is a statistically significant effect between Responsivity and customer satisfaction. The correlation coefficient R reached 0.892 at a significance level of  $\alpha < 0.05$ . The specified coefficient is R(2) 0.684 that is, its value is 0.684 of the changes in customer satisfaction resulting from the change in Responsivity. While the value of T was 3.57, which is greater than the value of T tabular at the level of significance  $\alpha \leq 0.05$  which confirms the correctness of the sub-hypothesis.

**-Fourth hypothesis :** There is a statistically significant relationship between assurance and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran.

The table shows that there is a statistically significant effect between assurance and customer satisfaction. The correlation coefficient R reached 0.765 at a significance level of  $\alpha < 0.05$ . The specified coefficient is R(2) 0.642 that is, its value is 0.642 of the changes in customer satisfaction resulting from the change in assurance. While the value of T was 6.18,

which is greater than the value of T tabular at the level of significance  $\alpha \leq 0.05$  which confirms the correctness of the sub-hypothesis.

**-Fifth hypothesis:** There is a statistically significant relationship between empathy and customer satisfaction of the Algerian Insurance Company (SAA) in the state of Oran.

The table shows that there is no a statistically significant effect between empathy and customer satisfaction. The correlation coefficient R reached 0.812 at a significance level of  $\alpha > 0.05$ . The specified coefficient is R(2) 0.695 that is, its value is 0.695 of the changes in customer satisfaction resulting from the change in r empathy. While the value of T was 0.71, which is greater than the value of T tabular at the level of significance  $\alpha > 0.05$  which confirms the incorrectness of the sub-hypothesis.

## **5-Conclusion:**

After conducting the field study, the following results were obtained:

- The male gender constituted a higher proportion at 58.7%, whereas the female gender represented 41.3%. This imbalance can be attributed to the predominance of men among car owners.
- Employees were the dominant customer category.
- 34.9% of customers were insured for less than a year, while 65.1% held insurance for a year or more, indicating a preference for longer insurance terms. Customers of the Algerian Insurance Company (SAA) expressed strong approval for the dimensions of tangibility, responsiveness, and safety while demonstrating relatively less enthusiasm for the dimensions of empathy and dependability.
- Customers in the state of Oran prioritized responsiveness, safety, tangibility, empathy, and dependability in their assessment of the level of insurance services provided by the Algerian Insurance Company (SAA).
- There is a positive correlation between the dimensions of insurance service quality and customer satisfaction in general.

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-With regard to customer satisfaction with the quality of services provided by the Algerian Insurance Company ( SAA ), the subject of the study, it is determined according to the five approved dimensions, as tangibility, assurance, and responsiveness all have a positive impact on customer satisfaction.

The findings highlight the Algerian Insurance Company (SAA)'s focus on responsiveness and safety, recognizing their crucial role in ensuring customer satisfaction and loyalty. Based on these results, several recommendations can be proposed:

- Paying close attention to customer complaints, actively listening to them, and leveraging them as opportunities for improvement.
- Cultivating a culture of quality across all levels of employees to foster customer reliance and satisfaction with the service provided.
- Instilling confidence and empathy in customers during their assessment of service quality.
- Sustaining high-quality services to customers consistently, ensuring the company's enduring competitiveness and attraction of a larger customer base .

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