## A Study on Service Quality Gap between Expectation and Perception of Customers of Life Insurance Corporation of India in Pune City

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### Abstract

Life Insurance is one of the sectors which have adequate growth potential With the entry of so many players in the field and the ensuing competitive activism, the entire length of the service sector is endorsing a multi-dimensional, purposeful, consumer-friendly approach, shedding off the lethargy that had come to be associated with the sector. One of the leading insurance companies of the service sector, Life Insurance Corporation (LIC) of India has experienced an equally profound impact of competition. One of the greatest challenges imposing the life insurance player is to differentiate its services through quality improvement. The aim of paper is to examine the gap between expected and perceived value of LIC customers and to put constructive facts in the insurance market.

**Keywords:** Life insurance, Service quality, Dimensionality, Expectation, Perception.

### Introduction

In aspect of Social service Insurance is really playing vital role in the individual lives therefore a social being customers connected with the various life insurance service providers in their being for his or her own interest and obtaining their services in various ways. In which each dimension of the service quality for a specific industry plays a big role in customers' mind regarding the standard of services perceived by them wherever customers' expectation regarding the standard of services offered by the service organization varies over time dimension wise, scenario wise, culture wise, nation wise, sector wise furthermore as trade wise. Empirical studies additionally discovered that dimensions of the service quality vary from one sector to a different sector, one nation to a different nation, one culture to a different culture and clearly over time. Service quality plays a crucial role within the customization method of service delivery, improvement of the productivity and profitableness of the organizations as well as in the satisfaction process of the customers of the organizations. Considering the assorted wants and needs of customer, organizations are currently concerned in providing quality of services to their customers so as to fulfill the expectations of the customer. Delivering of quality services to the customer has become an important issue for achievement and survival in today's competitive insurance industry. The post-liberalized insurance trade in India has been witnessing a discernible shift from the seller to the buyers' market. For analyzing the customers' perception and expectation towards service quality of life Insurance companies a modified SERVQUAL type questionnaire relevant to the insurance industry was constructed. An effort has been attempted to examine gap between perception and expectation of (LICI) customers by utilizing t-test on the gaps (P-E) on all the items of five dimensions.

Thus, to determine the service quality gap between customers' expectation and perception of the quality of services provided by the LICI, the present study has been conducted on the life insurance customers of all the 13 branches of the Life Insurance Corporation (LIC) located in Pune City.

### Review of Literature

**SERVQUAL**, later called **RATER**, is a quality management framework. SERVQUAL was developed in the mid-1980s by Zeithaml, Parasuraman& Berry to measure quality in the service sector.

According to Parasuraman all the five dimensions of service quality are reliability, responsiveness, assurance, empathy, and quality of tangibles referred to as SERVQUAL. The SERVQUAL instrument has been the predominant method used to measure consumer's perceptions of service quality. It has five generic dimensions or factors and are stated as follows

1) **Tangibles:** Physical facilities, equipment and appearance of personnel.

2) **Reliability:** Ability to perform the promised service dependably and accurately.

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3) **Responsiveness:** Willingness to help customers and provide prompt service.

4) **Assurance:** (including competence, courtesy, credibility and security).Knowledge and courtesy of employees and their ability to inspire trust and confidence.

5) **Empathy:** (including access, communication, understanding the customer).Caring and individualized attention that the firm provides to its customers.

## Service Quality Conceptualization and Measurement

In spite of the growing importance of service quality (Qualls and Rosa, 1995), it remains an abstract and elusive construct that is difficult to define and measure (Brown and Swartz, 1989; Carman, 1990; Crosby, 1979; Gravin, 1983; Parasuraman*et al.,* 1985, 1988; Rathmell, 1966). In the empirical literature, there are many alternative service quality models and instruments developed for measuring service quality. Sasser*et al.* (1978) suggested three different attributes (levels of material, facilities, and personnel) all apparently dealing with the process of service delivery. Gronroos (1984) argued that service quality can be divided into two generic dimensions: technical quality (what is provided) and functional quality (how the service is provided), with image quality (the organization‟s reputation for quality) mediating the impact of these two dimensions on overall perceived quality. Subsequently, Gronroos (1990) identified six specific dimensions viz., professionalism and skills, reliability and trustworthiness, attitudes and behavior, accessibility and flexibility, recovery, and reputation and credibility, on which service quality could be measured. However, these dimensions have not been subject to any rigorous empirical testing, although a number of studies have used scales based on such principles (e.g.,Lehtinen and Lehtinen, 1991). Lehtinen and Lehtinen (1982) discussed three dimensions viz., physical quality, involving physical aspects; corporate quality, involving a service firm‟s image and reputation; and interactive quality, involving interactions between service personnel and customers.

In the mid-1980s, one of the most systematic research programmes in service quality was conducted by Parasuraman*et al.* (1985). They revealed ten dimensions viz., tangibles, reliability, responsiveness, competence, courtesy, credibility, security, communication, understanding, and access in the original model of service quality. But in the subsequent study of Parasuraman*et al.* (1988), these ten dimensions were condensed into five viz., tangibles, reliability, responsiveness, assurance, and empathy. This led to the development of a 22-item SERVQUAL scale for measuring service quality. According to the SERVQUAL scale, service quality can be measured by identifying the gaps between customers‟ expectations of the service to be rendered and their perceptions of the actual performance of the service. It is the most frequently used model to measure service quality (Mattson, 1994) and made to be used by services organizations or industries to improve service quality (Parasuraman*et al.,* 1988). Obviously, the SERVQUAL instrument has been used to measure service quality in various service industries which included health sector (Babakus and Boller, 1992; Carman, 1990; McAlexander*et al.,* 1994; Brown and Swartz, 1989; Bowers *et al.,* 1994; Babakus and Mangold, 1989; Headley and Miller, 1993; Lam, 1997; Kilbourne*et al.,* 2004; Walbridge and Delene, 1993); retailing (Teas, 1993; Finn and Lamb, 1991; Naik*et al.,* 2010); banking (Lam, 2002; Zhou *et al.,* 2002); hospitality (Mey*et al.,* 2006; Spreng and Singh, 1993); sports (Kouthouris and Alexandris, 2005); telecommunications (Van Der Wal*et al.,* 2000); discount and departmental stores (Finn and Lamb, 1991); and information system (Van Dyke *et al.,* 1997; Jiang *et al.,* 2002; Carr, 2002). In addition, there have been several contextual studies (Stafford *et al.,* 1998; Leste and Vittorio, 1997; Westbrook and Peterson, 1998; Mehta *et al.,* 2002; Evangelos*et al.,* 2004; Goswami, 2007; Gayathri*et al.,* 2005; Siddiqui*et al.,* 2010) regarding the insurance industry.

Even though this instrument has been used in various studies, SERVQUAL model has faced much criticism from other scholars for its use of gap scores, measurement of expectations, positively and negatively worded items, the generalizability & validity of its five generic servicesQuality dimensions, the predictive power of the instrument, and its reliability (Cronin and Taylor, 1992, 1994; Brown *et al.,* 1993; Oliver, 1993; Babakus and Boller, 1992; Bolton and Drew, 1991; Brown and Swartz, 1989; Buttle, 1996; Carman, 1990; Teas, 1993, 1994; Jain and Gupta, 2004; Finn and Lamb, 1991). Numerous researchers have confirmed the applicability of five-dimension model in different sectors in different countries (e.g. Gabbie and Neill, 1996; Mehta and Durvasula, 1998; Lam and Zhang, 1999); however in some studies the five-dimension model was not confirmed (e.g. Carman, 1990; Babakusand Boller, 1992; Brown *et al.,* 1993; Ryan and Cliff, 1996; Zhao *et al.,* 2002; Wang *et al.,* 2004; Jain and Gupta, 2004; Evangelos*et al.,* 2004).

**Methodology**

**Objective of Study**

➢ To understand gap between expected and perceived service quality of LIC

The current study was carried out based on the Primary data, literature survey and the available secondary data sources. PZB'sSERVQUAL model was adapted as the backbone of the survey instrument. To determine the service quality gap in between customers' expectation and perception of the quality of services provided by the LICI, first of all the investigation of the dimensional structure of the service quality for the Life Insurance Corporation of India was carried out where some more items related to information technology were included along with the existing 22 items of SERVQUAL instrument spread over tangibility, reliability, responsiveness, assurance and empathy dimensions.

After explaining objectives and purpose of the study researcher tried to get valuable feedback from these customers. Based on pilot study, the preliminary analysis established the internal consistency of the items within each dimension and identified three items under Information Technology Enabled Services. The pilot study gave the confirmation of validity and reliability of final survey instrument. Thus, the modified SERVQUAL scale was developed as the survey instrument for the customers.

This modified SERVQUAL instrument consists of six dimensions named Tangibility, Reliability, Responsibility, Assurance, Empathy and Information Technology Enabled Services where Tangibility contains 5 items, Reliability contains 5 items, Responsibility contains 4 items, Assurance contains 5 items, Empathy contains 3 items and Information Technology Enabled Services contains 3 items. The structure of the questionnaire is both open-ended and close-ended and consisted seven point Likertscale ranging from 1-strongly disagree to 7-strongly agree.

Hence the sampling frame using random sampling technique total 175 questionnaires were distributed among the customers where 155 customers were agreed to give response and finally obtained 111 usable responses which were considered as the sample size for this study. According to Hair et al. (1992) for multivariate analysis the sample size should be at least 5 times the number of parameters in the model. As the proposed model of this study consists of 25 parameters, the minimum response necessary would be (25*5) = 125. Thus, the sample size of this research i.e. 110 in case of customers is not far up to the said benchmark of the Hair et al.'s (1992) recommendation as well. Here, statistical package SPSS 16 was used to perform the analyses.

**Results and Discussions**

In order to obtainthe data for the purpose of the present

**Table 1. Demographic profile of the customers**

| Demographic Variable | Demographic Characteristics | Frequency | Mean | Median | Mode | Std. Deviation |
|---|---|---|---|---|---|---|
| Gender | Male | 96 ( 86.48) | 1.1312 | 1.0000 | 1.00 | 0.33841 |
| | Female | 15 ( 13.51) | | | | |
| Age | ≤ 30 years | 26 ( 23.42) | 2.6154 | 2.0000 | 2.00 | 1.26905 |
| | 31 - 40 years | 33 ( 29.72 ) | | | | |
| | 41 - 50 years | 19 ( 17.11 ) | | | | |
| | 51 - 60 years | 25 ( 22.52 ) | | | | |
| | ≥ 60 years | 08 ( 7.20 ) | | | | |
| Income | ≤ Rs.14999.00 | 15 ( 13.51 ) | 2.3529 | 2.0000 | 2.00 | 0.82150 |
| | Rs.15000.00 - Rs.24999.00 | 51 ( 45.94) | | | | |
| | Rs.25000.00 - Rs.44999.00 | 35 ( 31.53) | | | | |
| | ≥ Rs.45000.00 | 10 ( 9.00 ) | | | | |
| Occupation | Salaried | 87 ( 78.37 ) | 1.4661 | 1.0000 | 1.00 | 1.00226 |
| | Business | 08 ( 7.20 ) | | | | |
| | Professional | 05 ( 4.50 ) | | | | |
| | Retired | 09 ( 8.10 ) | | | | |
| | Housewife | 02 (1.80 ) | | | | |
| Educational Qualifications | High school | 07 ( 6.30 ) | 3.1991 | 4.0000 | 4.00 | 1.08970 |
| | Graduate | 28 ( 25.22) | | | | |
| | Post-graduate | 19 ( 17.11) | | | | |
| | Professional | 49 ( 44.14 ) | | | | |
| | Any other | 08 ( 7.20 ) | | | | |
| Locality of Living | Center of the town | 72 ( 64.86) | 1.5611 | 1.0000 | 1.00 | 0.82138 |
| | Outskirts of the town | 15 ( 13.51) | | | | |
| | Rural areas adjoining town | 24 ( 21.62) | | | | |
| Modern Aids | Mobile Phone | 32 ( 28.82) | 1.4208 | 2.0000 | 2.00 | 0.90921 |
| | Combination of mobile & internet | 79 ( 71.17 ) | | | | |

* Percentage (%) in parenthesis

study a cross-sectional survey was conducted in Punecity among the customers of the Life Insurance Corporation of India where researcher carefully considered the different demographic profile such as gender, age, income status, occupation, educational qualification, locality of living and modern aids accessed by the customers. From the available data researcher tried to measure the central tendency of the various demographic profile of the customers. The summarized demographic profile of the customers of the study is now given in Table 1:

Using PZB's (1988) SERVQUAL instrument the modified SERVQUAL instrument was developed for the study. The data was collected from the customers through questionnaire. The data collected through this survey instrument was used to obtain the result. Exploratory Factor Analysis followed by Principal Component Analysis and Varimax with Kaiser Normalization processes were performed to reduce data and to observed whether the different items were properly loaded under several components or not. Sincere observation was happened on Rotated Component Matrix where factor loading was taken placed in order to take decision about whether regrouping of several items are possible or not. The eigenvalues, percentage of variance, cumulative percentage, Cronbach'sα value, Kaiser-Meyer-Olkin (KMO) measure for sampling adequacy and Barlett's test of sphericity were also conducted for the purpose of this study.

The Rotated Component Matrix obtained the factor loading or cross-loading of the customers' items along with name of the different dimensions and the commonalities and differences of factor loading or cross loadings of the several items across different dimensions. The detail Analysis is presented in Table 2 and 3.

According to Kaiser and Cerny (1979) the high shared variance and relatively low uniqueness in variance are indicated by the KMO measure for sampling adequacy (0.888). The Barlett'sSphericity Test where Chi-square Value is 3735.553 (p<0.0001) established that

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**Table 2. Rotated Component Matrix on Customers' Expectation Variables**

| | Component | | | | | | Dimension |
| --- | --- | --- | --- | --- | --- | --- | --- |
| | **1** | **2** | **3** | **4** | **5** | **6** | **Naming** |
| Modern Equipments | | | | | | 0.628 | **Tangibility** |
| Professional Appearance of Employees | | | | | | 0.888 | |
| Accessible and visual display of materials | | | | | | 0.857 | |
| Physical comfort level of customers | | | | | | 0.893 | |
| Convenient business hours | | | | | | 0.923 | |
| Fulfill promise in a timely manner | 0.748 | | | | | | **Reliability** |
| Error-free records | 0.684 | | | | | | |
| Involvement and interest to solve a customer problem | 0.739 | | | | | | |
| Provide exact information | 0.583 | | | | | | |
| Perform the service right the first time | 0.625 | | | | | | |
| Prompt services to the customers | | | 0.590 | | | | **Responsibility** |
| Willingness to help customers | | | 0.705 | | | | |
| Not be ever too busy to respond | | | 0.832 | | | | |
| Treat the public situation with care & seriousness | | | 0.720 | | | | |
| Instill confidence in the customers | | 0.623 | | | | | **Assurance** |
| Safety of transactions | | 0.641 | | | | | |
| Courteous with the customers | | 0.754 | | | | | |
| Knowledge of employees | | 0.663 | | | | | |
| Confidentiality of Records & Information of Customers | | 0.724 | | | | | |
| Individual attention to the customers | | | | | 0.605 | | **Empathy** |
| Understand customers' specific needs | | | | | 0.657 | | |
| Customers' best interest at heart | | | | | 0.616 | | |
| Electronic network | | | | 0.773 | | | **Information Technology Enabled Convenient Services** |
| Networking of branches | | | | 0.648 | | | |
| Additional Services | | | | 0.822 | | | |

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

**Table 3. Commonalities and differences of factor loadings/cross loadings on Customers' Expectation Variables**

| | Component | | | | | |
|---|---|---|---|---|---|---|
| | **1** | **2** | **3** | **4** | **5** | **6** |
| | **REL** | **ASU** | **RES** | **ITECS** | **EMP** | **TAN** |
| **Initial Eigenvalues** | 4.794 | 3.589 | 3.232 | 3.083 | 2.875 | 2.431 |
| **% of Variance** | 21.947 | 15.684 | 12.153 | 9.792 | 5.869 | 4.497 |
| **Cumulative %** | 21.947 | 37.631 | 49.784 | 59.576 | 65.445 | 69.942 |
| **Cronbach'sα** | 0.873 | 0.768 | 0.857 | 0.732 | 0.717 | 0.892 |
| **KMO measure of sampling adequacy** | 0.888 | | | | | |

** **Legends used: REL:** Reliability, **ASU:** Assurance, **RES:** Responsibility, **ITECS:** Information Technology Enabled Convenient Services, **EMP:** Empathy and **TAN:** Tangibility

distribution is ellipsoid and amenable to data reduction. The Rotated Component Matrix table, Table 2, shows that the values of all 25 items of the modified SERVQUAL instrument are greater than 0.5 which strongly support the recommendation of Nunnally and Bernstein (1994) about the factor loading and cross-loading. So, Table 2 established that all items of the questionnaire are properly loaded under six components. It is clear to understand that under the first component 5 items are properly loaded, 5 items are loaded under the second component, 4 items are loaded under the third component, 3 items are loaded under the fourth component, 3 items are loaded under the fifth component and 5 items are loaded under the sixth component and the names given for the dimensions of above mentioned group of items loaded under the components of 1, 2, 3, 4, 5 and 6 are respectively Reliability, Assurance, Responsibility, Information Technology Enabled Convenient Services, Empathy and Tangibility.

Table 3, shows that Initial Eigen values of Reliability, Assurance, Responsibility, Information Technology Enabled Convenient Services, Empathy and Tangibility are 4.794, 3.589, 3.232, 3.083, 2.875 and 2.431 respectively i.e. all Initial Eigen values are greater than 1 which proves the significance of the factors. Whilst the corresponding Cronbanch'sα values are found to be 0.873, 0.768, 0.857, 0.732, 0.717 and 0.892 respectively establishing the reliability of the survey instrument of the study.

Based on the newly established six dimensional structure of the service quality for the life insurance services, researcher tried to investigate whether there exist any gap in customers' perception and expectation score regarding the services provided by the LICI or not where following formula has been used at present to obtain the gap score:

GAP Score = $\frac{1}{25} \sum_{i=1}^{25} (CP_i - CE_i)$

where **CP** = Customers' Perception and **CE** = Customers' Expectation

The customers' perception score, customers' expectation score, customers' perception minus expectation score and the mean unweighted score of each dimension are given in Table 4 and 5.

In order to obtain the weighted score first of all customers were requested to distribute 100 points against the six dimensions in respect of the importance to them so that total points are equal to 100 (in Customers' Questionnaires). The distribution of importance weights are given in Table 6:

The weighted score of the six dimensions can be obtained by multiplying mean unweighted score with the importance weight age. The weighted score of the study is given in Table 7.

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The customers' expectation-perception GAP analysis shows that customers' lowest mean expectation score is 5.8100 in "willingness to help customers" and highest mean expectation score is 6.6606 in "knowledge of employees" where customers' lowest mean perception score is 2.3565 in "additional services" of the Information Technology Enabled Convenient Services and highest mean perception score is 6.2000 in "safety of transactions". The most negative mean gap score is - 3.6209 in "additional services" of the Information Technology Enabled Convenient Services and the only positive mean gap score is 0.3041 in "safety of transactions". So, it established that customers are very much dissatisfied with the additional services related issues of the Information Technology Enabled Convenient Services (such as e-services e.g. SMS alert to the customers' mobile) provided by the LIC where they are highly satisfied with their safe transaction procedures held at LIC. The study also indicated that the Information Technology Enabled Convenient Services dimension has obtained the highest mean negative weighted gap score (-39.74) where Empathy dimension has obtained the lowest mean negative weighted gap score (-15.848). The mean negative weighted gap score of Responsibility dimension is - 29.239, Reliability dimension is -28.416, Assurance dimension is -27.056 and the Tangibility dimension is -17.67. Therefore, these results indicate that though huge deficit in service quality is exist in all the six dimensions but the biggest deficit in quality of services provided by the LIC exists in the Information Technology Enabled Convenient Services dimension. In another way it can be explained that in case of Information Technology Enabled Convenient Services dimension, there exists the biggest service quality gap in between customers' perception and expectation of the quality of services provided by the Life Insurance Corporation of India at the present context. At the time of allocation of 100 points among the six dimensions based on the importance, customers also allocated average 19.14 marks to the Information Technology Enabled Convenient Services dimension which revealed as the third most important dimension (after the Reliability and Assurance) in respect of them. At the time of survey researcher noticed that customer gave much importance to Information Technology Enabled Convenient Services, Reliability, Assurance and Responsibility dimensions.

**Table 4. Gap score with respect to Customers' Perception and Customers' Expectation score**

| DIMENSION | VARIABLES | CP | CE | CP - CE |
|---|---|---|---|---|
| Tangibility | Modern Equipments | 4.4870 | 5.9593 | -1.4723 |
| | Professional Appearance of Employees | 3.3739 | 6.2353 | -2.8614 |
| | Accessible and visual display of materials | 3.5391 | 5.9548 | -2.4157 |
| | Physical comfort level of customers | 3.9913 | 6.5882 | -2.5969 |
| | Convenient business hours | 4.3913 | 5.8462 | -1.4549 |
| *Mean TANGIBILITY score* | | | | *-2.1602* |
| Reliability | Fulfill promise in a timely manner | 5.2870 | 5.9050 | -0.6180 |
| | Error-free records | 5.6870 | 5.8778 | -0.1908 |
| | Involvement & interest to solve customer problem | 4.6174 | 6.4932 | -1.8758 |
| | Provide exact information | 4.5130 | 5.9683 | -1.4553 |
| | Perform the service right the first time | 4.6783 | 6.4118 | -1.7335 |
| *Mean RELIABILITY score* | | | | *-1.1747* |
| Responsibility | Prompt services to the customers | 4.7043 | 6.4977 | -1.7934 |
| | Willingness to help customers | 3.9130 | 5.8100 | -1.8970 |
| | Not be ever too busy to respond | 4.2957 | 6.3529 | -2.0572 |
| | Treat the public situation with care & seriousness | 4.6783 | 5.9005 | -1.2222 |
| *Mean RESPONSIBILITY score* | | | | *-1.7425* |
| Assurance | Instill confidence in the customers | 4.5130 | 6.4977 | -1.9847 |
| | Safety of transactions | 6.2000 | 5.8959 | 0.3041 |
| | Courteous with the customers | 4.5739 | 6.2624 | -1.6885 |
| | Knowledge of employees | 4.4522 | 6.6606 | -2.2084 |
| | Confidentiality of Records & Information of Customers | 5.8435 | 5.9050 | -0.0615 |
| *Mean ASSURANCE score* | | | | *-1.1278* |
| Empathy | Individual attention to the customers | 4.3739 | 6.4163 | -2.0424 |
| | Understand customers' specific needs | 4.6000 | 6.5928 | -1.9928 |
| | Customers' best interest at heart | 4.3652 | 6.4887 | -2.1235 |

| *Mean EMPATHY score* | | | | | *-2.0529* |
|---|---|---|---|---|---|
| Information Technology Enabled Convenient Services | Electronic network | 4.6783 | 5.8597 | -1.1814 | |
| | Networking of branches | 4.4783 | 5.9050 | -1.4267 | |
| | Additional Services | 2.3565 | 5.9774 | -3.6209 | |
| *Mean ITECS score* | | | | | *-2.0763* |

** **Legends used: CP: Customers' Perception CE : Customers' Expectation**

### Table 5. Mean unweighted score

| Calculation of mean unweighted score | |
|---|---|
| Mean TANGIBILITY score | -2.1602 |
| Mean RELIABILITY score | -1.1747 |
| Mean RESPONSIBILITY score | -1.7425 |
| Mean ASSURANCE score | -1.1278 |
| Mean EMPATHY score | -2.0529 |
| Mean INFORMATION TECHNOLOGY ENABLED CONVENIENT SERVICES score | -2.0763 |
| *Mean unweighted score* | *-1.7224* |

**Table 6. Importance Weights**

| DIMENSIONS | Mean out of 100 |
|---|---|
| TANGIBILITY | 8.18 |
| RELIABILITY | 24.19 |
| RESPONSIBILITY | 16.78 |
| ASSURANCE | 23.99 |
| EMPATHY | 7.72 |
| INFORMATION TECHNOLOGY ENABLED CONVENIENT SERVICES | 19.14 |

**Table 7. Weighted Score**

| DIMENSIONS | Unweighted Score | × Importance Weight age | Weighted Score |
|---|---|---|---|
| Tangibility | -2.1602 | 8.18 | -17.67 |
| Reliability | -1.1747 | 24.19 | -28.416 |
| Responsibility | -1.7425 | 16.78 | -29.239 |
| Assurance | -1.1278 | 23.99 | -27.056 |
| Empathy | -2.0529 | 7.72 | -15.848 |
| Information Technology Enabled Convenient Services | -2.0763 | 19.14 | -39.74 |
| *Mean Weighted Score* | | | *-26.328* |

**Conclusions**

In Pune city where all 24 Life insurance companies are operating with their business and among of them LICI is being top share holder of this life insurance industry should retain their market share thus the basic objective of the present study was to research whether or not there exist any service quality gap in between customers' perception and expectation of the standard of services provided by the Life Insurance Corporation of India (LICI) within the town of Pune or not. To try to to this researcher primarily established the new formation of six dimensions of the service quality structure for the Life Insurance services and knowledge regarding the customers' perception and expectation of the standard of services were collected against the six service quality dimensions specifically Tangibility, Reliability, Responsibility, Assurance, Empathy and Information Technology Enabled Convenient Services within the life Insurance sector against all the twenty five things. Customers' perception minus Customers' expectation's (CP-CE) GAP analysis result disclosed that gap exist in each dimension of the service quality of life Insurance. This study indicates that the approach insurers delivered their services to their client that's their level of performance weren't the all met with the customers' level of service expectation and at the moment customers are unhappy with the services offered by the life Insurance Corporation of India (LIC) within the Pune town. So, (LIC) should concentrate its target these important gaps or deficit of their services.

Applying quality improvement methods effectively and allocating necessary resources expeditiously on priority basis, LIC ought to attempt to eliminate these service quality gaps and should attempt to overcome their deficiencies through continuous improvement of their quality of services offered to the purchasers so as to satisfy them and to retain them within the current competitive life insurance market.

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