

Opportunity Mapping - A Strategic CRM Tool to Identify the Maintainers and Enhancers of Customer Satisfaction-A Study on Motor Insurance Sector in India

Dr. Mridula K Venugopalan

Professor/ Head

CMS Academy of Management and Technology

Coimbatore-641015

E mail ID: mridven@gmail.com

Abstract-customer relationship management is a management approach that enables organizations to identify, attract, and increase retention of profitable customers by managing relationships with them. Customer satisfaction constitutes a cardinal indicator for assessing the success of an enterprise. Satisfied customers are assets that ensure a regular cash flow for the business in the future. With the cost of attracting and underwriting new customers many times the cost of keeping current customers, customer satisfaction is becoming a high priority for most insurance companies. The Indian motor insurance environment is at present engulfed in a very healthy and intense competition between governments owned public sector companies and privately owned insurance companies. Very little research has been done in this sector. Therefore the motor insurance industry in India provides a perfect platform to delve into the critical issues of customer satisfaction. With the competition mounting up in the post - liberalized insurance market in India, one prime factor that is contributing to the overall performance of

an insurance player is the satisfaction of the customer. Opportunity mapping as a tools helps in a deeper understanding of the highly ambiguous and vague concept called satisfaction. This paper analyses satisfaction of motor insurance customers by using opportunity mapping. It provides information on the perceptions of motor insurance customers and the relative importance of the various criteria affecting satisfaction in the motor insurance industry. One main contribution of this study to the practice of management is that of making more information available on insurance sector to the industry players. This additional knowledge should, in turn, aid in gaining a better understanding of the motor insurance customers and the relevance of CRM for improved profits. Clearly a better understanding of the factors affecting satisfaction should help the decision makers in dealing better with the task of retaining customers. Thus the findings of this study are expected to be of immense use to Indian insurance providers, both public and private.

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Key words: *customer relationship management, relationship marketing, customer retention, customer satisfaction, opportunity mapping, motor insurance*

Introduction

It is intriguing to note that sometimes even when the scores of a satisfaction survey are high customers are still not happy? What could have gone wrong? Where does the problem lie? What is meant by satisfaction and how could it be monitored? One significant reason for the discrepancy between satisfaction score and happiness quotient could be that customers may give a high satisfaction rating for certain factors indicated by the organization .these factors may be important from the company point of view but ,as far as the customer is concerned, may not be significant for the particular service/product. Opportunity mapping is one management tool which helps in identifying the relative importance and satisfaction of each parameter being measured.

Objectives of the study

1. To analyze the relative importance of and satisfaction on the attributes influencing customer satisfaction.
2. To prepare an opportunity mapping graph
3. Identify the maintainers and enhancers of customer satisfaction

Customer satisfaction

Marketing researchers have not yet agreed on one global definition for customer satisfaction. Although the constructs have been thoroughly explored, one theoretical model has not and in all likelihood will not be accepted due to the complex process

involved in arriving at a customer's judgment of satisfaction or dissatisfaction. Oliver (1980) defines customer satisfaction and dissatisfaction as the consumer's judgments regarding a firm's success or failure in meeting expectations, with met expectations resulting in satisfaction and unmet expectations resulting in dissatisfaction.

Consumer satisfaction research started as early as the 1960's (cardozo, 1965). The literature suggests that customer satisfaction is a by-product of the confirmation or positive disconfirmation of expectations and that customer dissatisfaction is a by-product of negative disconfirmation of expectations (oliver, 1980). During the early 1980's, customer satisfaction increased in popularity as a topic. Since that time it has been well explored in the marketing literature (oliver & swan, 1989; tse & wilton, 1988). Customer satisfaction (including discussion of expectations and the disconfirmation paradigm), service quality, similarities between customer satisfaction and service quality, delight, disappointment, customer loyalty, and defection are among the popular current topics in the customer satisfaction literature. The disconfirmation paradigm (oliver, 1980) is the most widely used and explored measure of customer satisfaction. Kotler (2000) defined satisfaction as "a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations". Customer satisfaction is an experience-based assessment made by the customer of how far his own expectations about the individual characteristics or the overall functionality of the services obtained from the provider have been fulfilled. Satisfaction is higher or lower with respect

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to the extent to which what was actually provided exceeds or falls short of what was expected.

Customer satisfaction could also be defined as; “an evaluation of the perceived discrepancy between prior expectations and the actual performance of the product” or “the consumers sense that consumption fulfils some need, desire, goal.... And that this fulfillment is pleasurable” (tse and wilton 1988). Customer satisfaction is just that, a customer's sense of satisfaction. Speaking simply, customer satisfaction is a measure of expectations being exceeded, met, or not met. When thinking of customer satisfaction measurement, it has to be studied whether companies are meeting or exceeding customer expectations. There are many factors that affect customer satisfaction. According to hokanson (1995), these factors include knowledgeable employees, helpful employees, competitive pricing, service quality, good value etc. Hoyer and macinnis (2001) said that satisfaction can be associated with feelings of acceptance, happiness, relief, excitement and delight. Customer satisfaction is also defined as a customer's overall evaluation of the performance of an offering to date (johnson and fornell 1991). It contains a significant affective component, which is created through repeated service usage (oliver, 1999). Satisfaction was also defined as a post-purchase attitude. Westbrook (1980) introduced the notion that customer satisfaction involves cognitive and affective aspects in pre-purchase, purchase, and post-purchase phases of buying goods and/or receiving services. While many other conceptualizations exist, there is agreement that satisfaction is a judgment a customer makes following a service encounter in which goods and/or services are exchanged (yi, 1990). This evaluation of satisfaction is

highly heterogeneous. It differs from customer to customer, encounter to encounter, and firm to firm, supporting the need for new insights in customer satisfaction between and across industries. Obviously effective implementation of crm leads to customer retention. Aaker (1991) believes that the consumers who truly like a brand develop an emotional attachment to the brand. At the ultimate level of attachment, he adds, they become committed buyers. These customers, according to aaker, are valuable because they make a significant impact on the others who want to emulate them.

The indian motor insurance industry

Motor insurance is an important part of general insurance; it is the fascinating branch of insurance. This type of insurance has come into existence from united kingdom in the early part of this century. The first motorcar was introduced in england in 1894. The first motor policy to provide coverage for third party liability was came into existence in 1895

Motor insurance policies cover against any loss or damage caused to the vehicle or its accessories due to the following natural and man made calamities. Natural calamities: fire, explosion, self-ignition or lightning, earthquake, flood, typhoon, hurricane, storm, inundation, cyclone, hailstorm, frost, landslide, rockslide. There are two types of motor vehicle insurances - "act only risk - motor policy a" (also known as third party risk) and "motor policy b" (also known as comprehensive insurance policy)(car domain, copyright © iloveindia. Com).

Motor insurance provides compulsory personal accident cover for individual owners of the vehicle while driving. One can also opt for a personal

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accident cover for passengers and third party legal liability. Third party legal liability protects against legal liability arising due to accidental damages. It includes any permanent injury / death of a person and damage caused to the property.

The year 1999 saw a revolution in the Indian insurance sector, as major structural changes took place with the ending of government monopoly and the passage of the insurance regulatory and development authority (irda) bill, lifting all entry restrictions for private players and allowing foreign players to enter the market with some limits on direct foreign ownership. Though, the existing rule says that a foreign partner can hold 26% equity in an insurance company, a proposal to increase this limit to 49% is pending with the government.

The number of players in the sector has increased from four to 16 life insurers, 15 non-life insurers and one re-insurer since liberalization. Till the entry of the private players, the insurance industry relied solely on the agents to mop up business. The private players focused on creating and capturing new markets. The plethora of services provided by the private entrants, has taken the concept of customer service on to a new high. In the current competitive scenario for an insurance company to survive competition, succeed and profit, there is hardly any option but to learn from and actively respond to consumers' needs. (gopal v v , 2005). The first batch of licenses was issued by the insurance regulatory and development authority (irda) in 2001.

While the CRM market in India is still nascent, bigger players such as ICICI Prudential Life Insurance Company are adopting it in a big way. Anil Tikoo, head-it at ICICI Prudential Life Insurance Company had said, "as a forward looking company,

we see CRM playing a significant role in acquiring new customers. CRM lets us obtain granular details about our customers, helping us to design better products, improve service levels and reduce operational costs." CRM has helped ICICI Prudential Life capture five lakh customers through effective event-based marketing and lead tracking to cross and up-sell products. Tarun Pandey, application manager at Aviva Life Insurance Company India adds, "CRM helps us categorize and segment customers and align our products that best suit them." Aviva says that CRM is helping them expand into rural areas. Aviva caters to close to 100,000 customers with its CRM solution. That's not all. Players such as Birla Sun Life, Aviva, HDFC Life and MetLife are expected to adopt CRM tools as well in the near term.

Margins are under pressure: a couple of years ago, LIC dominated the insurance market with the help of its sales force and channels and margins were reasonably high. Today, there are close to 20 companies offering both life and general insurance products. All of them have equally strong international and local partners; all are focusing upon similar geographies and target audiences. The new firms selling life insurance and non-life insurance (pensions, insurance as saving, etc) have failed to emulate the LIC model because margins are getting squeezed. There are several pain areas that new insurance firms face—acquiring new customers, retaining them, cross-selling products and controlling rising costs while providing comprehensive support (Sandeep Bakhshi, 2004).

Customer expectations are rising: customers, faced with a dizzying array of insurance products expect customized offerings, value, ease of access, and personalization from insurers. Today,

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customers are expecting individual attention, responsiveness, customization and access. At the same time, they don't want to pay a premium for these services. High customer expectations and lower exit barriers could lead to increased customer attrition (sharma rk, 2005). Insurer –insured relationships are becoming more complex and demanding. Retail insurance customers have high levels of expectations as today they are spoiled for choice. They routinely demand changes in addresses expect rapid response to requests and look forward to customized and personalized products and services. Unless retail insurance companies understand the range of factors that impact customer relationships, they may fail to judge the value proposition represented by individual customers and consequently miss out on business opportunities.

Opportunity mapping

Opportunity maps are graphical representations of survey results, showing both level of importance and level of satisfaction for each item (in percent) plotted on the vertical and horizontal axis respectively. The graph is divided into four quadrants by the average satisfaction and average importance scores. These maps are used to understand the relationship between customers' satisfaction with a product or service and the importance of that product or service to those customers. Knowing this information will help in the best utilization of the limited resources, channeling funds for improvements into areas that are most important for customers. By combining the importance and 'impact' (correlation coefficients) into one matrix, it is possible to define four broad categories of customer requirements and their implications:

A. Givens (or maintainers) – any item that falls within the upper left quadrant is “above average” in importance but “below average” in satisfaction and represents a significant area of concern. The items falling in this quadrant are called ‘maintainers’. These are items with high importance but low impact. Strong performance in these areas will often be taken for granted, and while performance beyond acceptable minimum standards will not necessarily result in an increase in customer satisfaction, poor performance will have a strong adverse effect on customer satisfaction.

B. Satisfaction drivers (or enhancers) – the items within the upper right quadrant which are high on both importance and satisfaction are called ‘enhancers’. These are requirements with very high scores for both importance and impact. These are the strongest drivers (or enhancers) of satisfaction and should be prominent in plans for improving customer satisfaction and loyalty.

C. Hidden opportunities – areas in the lower right quadrant are below average in importance and above average in satisfaction and this quadrant represents ‘hidden opportunities’ for the organization. These are factors with low importance, but high impact. Whilst customers do not rate these factors high in importance, performance in these areas will have a strong impact on overall customer satisfaction; a good customer experience will have a strong positive effect on overall satisfaction, whilst a bad one will have a lasting negative effect. There is potential for improving customer satisfaction by investing in hidden opportunities.

D. Marginals – the items falling in the lower left quadrant are called marginal (low on importance and satisfaction). These requirements with both low importance and

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low impact cannot be dismissed as unimportant, since all of the requirements included on the questionnaire were rated as important by various studies. As far as customer satisfaction improvement is concerned, marginals will usually offer the least opportunity for a return on investment.

Methodology

The motor insurance customers in the city of coimbatore formed the population of the study. Coimbatore, popularly known as manchester of south india, is situated in the western part of the state of tamil nadu. Covering an area of 105.6 sq.km., coimbatore city is the district head quarters. Coimbatore is well known for its textile industries and has excellent potential for industrial growth. Coimbatore (population-1.25 million) is the second biggest city of the southern state of tamilnadu, india and is identified as one of the fast developing cities of india.

A sample of 326 respondents were taken from the insurance companies belonging to the public sector .

The questionnaire was a modified version of pearson’s national consumer satisfaction survey (2003-2008). The questionnaires were administered through personal interview. Data was validated and analyzed using spss 16.0 .top box, bottom box, and mean score; percentile method; weighted arithmetic mean; rotation factor analysis; both t and r (pearson’s product –moment correlation); both chi-square and spearman rank order coefficient ; opportunity mapping; multiple correlation and regression were used to analyze the customer satisfaction of motor insurance customers and identify the maintainers and enhancers of customer satisfaction.

Reliability analysis:

Table: 1
Satisfaction -reliability analysis

Source	Sum of squares	Df	Mean square	F	Sig	Grand mean	Cronbach's alpha
Between people	2250.965	324	6.947	87.668	.000	2.101	.987
Within people	Between items	45.999	6	7.667			
	Residual	170.001	1944	.087			
	Total	216.000	1950	.111			
Total	2466.965	2274	1.085				

Significance at 5 per cent level

Source: primary data

The table above indicate high reliability score of 0.987 for satisfaction measurement scale .

Customer satisfaction

The tables (2 to 7) in this section deal with satisfaction on different attributes and the relative importance of these attributes to the customers in their perception of the overall service.

The following table depicts the level of satisfaction on the main factors influencing motor insurance customers.

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Table: 2
Level of satisfaction

Sl .n o	Criteria	Highly satisfie d	Satisfi ed	Neutr al	Dissati sfied	Strong ly dissati sfied	Total score	Mea n	Ran k
1.	Ease of doing business	1 53 (46.93)	80 (24.54)	74 (22.70)	15 (4.60)	4 (1.23)	1341	4.11	2
2.	Responsive staff	111 (34.05)	96 (29.45)	64 (19.63)	55 (16.87)	0 (0.00)	1241	3.81	8
3.	Availability of representative	105 (32.21)	114 (34.97)	69 (21.17)	34 (10.43)	4 (1.23)	1260	3.87	6
4.	Personalized service	105 (32.21)	117 (35.89)	81 (24.85)	20 (6.13)	3 (0.92)	1279	3.92	3
5.	Ease of reaching representatives	93 (28.53)	110 (33.74)	84 (25.77)	34 (10.43)	5 (1.53)	1230	3.77	9
6.	Product compatibility	84 (25.77)	108 (33.13)	86 (26.38)	48 (14.72)	0 (0.00)	1206	3.70	10
7.	Ease of working with insurer	103 (31.60)	109 (33.44)	86 (26.38)	21 (6.44)	7 (2.15)	1258	3.86	7
8.	Competitive price	107 (32.82)	113 (34.66)	79 (24.23)	20 (6.13)	7 (2.15)	1271	3.90	4
9.	Problem resolutions	125 (38.34)	99 (30.37)	53 (16.26)	32 (9.82)	17 (5.21)	1261	3.87	5
10.	Smooth claims settlement	164 (50.31)	99 (30.37)	30 (9.20)	27 (8.28)	6 (1.84)	1366	4.19	1

Source: primary data

From the above table, it was found that smooth claims settlement on the disputes in customer motor insurance in public sector was considered to be the most important criterion for satisfaction. It was followed by ‘the ease of doing business. In the third place, it was ‘personalized service’ provided by the public insurance companies while the fourth place was taken up by ‘competitive price’. ‘resolution of problems’ by the insurance companies was ranked in

the fifth position. The ‘availability of representatives’ came in the next position. ‘ease of working with insurer’ occupied only the seventh place. Sadly, ‘responsive staff’, ‘ease of reaching representatives’ and ‘product compatibility’ came at the bottom of the satisfaction scale.

The top box percentage was also highest for ‘smooth claims settlement’ and ‘ease of doing business’ respectively. The top two box score was highest for ‘smooth claims settlement’ (80.68 %). The bottom

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box ratings were found to be highest for ‘problems resolution’, ‘ease of working with insurer’ and ‘competitive price’.

Hence, it had to be inferred that among the entire factor, satisfaction was highest for claims settlement and least for compatibility of product.

Table 3
Satisfaction -rotation factor analysis

Sl. No	Criteria	Factor loadings			Initial eigen value (%)
		Centroid A	Centroid B	Communalities (h ²)	
1.	Ease of doing business & responsive staff	-.903	.345	.934	48.97
2.	Availability of representative & personalized service	.820	.072	.677	24.81
3.	Ease of reaching representatives & product compatibility	.835	-.110	.709	16.75
4.	Ease of working with insurer & competitive price	-.011	-.873	.762	9.47
5.	Problem resolutions & smooth claims settlement	-.185	.757	.607	0.00

Extraction method: principal component analysis.

Rotation method: varimax with kaiser normalization

Rotation converged in three iterations

Table 3 indicate the rotated factor loading, communalities and eigen value in percent. The goal of the rotation was to maximize the variance (variability) of the "new" variable (factor), while minimizing the variance around the new variable. As seen from the table, it is quite difficult to identify whether factor a or factor b has higher loadings. The communalities in the above table represented the proportion of variances in the corresponding (row) variable and it accounted for the two factors (a and b). According to the communality criterion, the first option was best. Ie. The

first and second principal components (ease of doing business & responsive staff) were best suited to retain customers.

In the sixth column (eigenvalue) above, we find the variance on the new factors that were successively extracted. The variances extracted by the factors are called the eigenvalues. In the study, the researcher had included ten items to measure different aspects of satisfaction. Now that there is a measure of how much variance each successive factor extracts, a decision has to be made on how many factors can actually be retained. The above table indicates the following: 48.97 per cent is accounted for ‘ease of doing business’ & ‘responsive staff’, 24.81 per cent is accounted for ‘availability of representative’ & ‘personalized service’. 16.75 per cent for ‘ease of reaching representatives’ &

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‘product compatibility’ and 9.47 per cent for ‘ease of working with insurer’ & ‘competitive price’. ‘problem resolutions’ & ‘smooth claims settlement’ have negative account of -.0000 -1.742e-15 and it was considered as zero per cent.

According to the kaiser criterion, only those factors with eigen values greater than 1 can be retained. It meant that in the above table, all the factors (principal components) except the last viz. Problem resolutions and smooth claims settlement

could be retained (since the eigen value for this was less than 1).

The following tables list out the relative importance (of the factors affecting satisfaction) to the respondents, while selecting an insurance policy.

Table: 4
Importance of factors

Sl.no.	Criteria	Importa nt	Neutra l	Not importa nt	Total Score	Avera ge mean
1.	Ease of doing business	206 (64.17)	107 (33.33)	8 (2.49)	848	2.64
2.	Responsive staff	217 (67.60)	92 (28.66)	12 (3.74)	859	2.67
3.	Availability of representative	172 (53.58)	99 (30.84)	50 (15.58)	764	2.38
4.	Personalized service	191 (59.50)	121 (37.69)	9 (2.80)	824	2.56
5.	Ease of reaching representatives	140 (43.61)	133 (41.43)	48 (14.95)	734	2.28
6.	Product compatibility	163 (50.78)	132 (41.12)	26 (8.10)	779	2.42
7.	Ease of working with insurer	187 (58.26)	117 (36.45)	17 (5.30)	812	2.52
8.	Competitive price	175 (54.52)	114 (35.51)	32 (9.97)	785	2.44
9.	Problem resolutions	235 (73.21)	71 (22.12)	15 (4.67)	859	2.67
10.	Smooth claims settlement	239 (74.45)	70 (21.81)	12 (3.74)	869	2.70

Source: primary data

The importance assigned to the various satisfaction attributes by the public sector motor insurance customers was shown in the above table 4. It was understood that

‘smooth claims settlement’ was considered to be of prime importance followed by ‘problem resolution’ and ‘responsive staff’, both occupying the second place in importance for the insurance holders in the public sector. These were followed by ‘ease

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of doing business’, ‘personalized service’, ‘ease of working with insurer’ and ‘competitive price’. ‘product compatibility’, ‘availability of representative’ and ‘ease of reaching of the representatives’ were found to be least in importance.

The tables 5 and 6 below give a better picture of the importance –satisfaction link.

Table: 5
Importance vs satisfaction

Sl. No	Criteria	Level of satisfaction					Proportionate percentage
		Highly satisfied	Satisfied	Neutral	Dissatisfied	Strongly dissatisfied	
1.	Ease of doing business	56 (17.20)	79 (24.30)	18 (5.50)	0 (0.00)	0 (0.00)	153 (47.10)
2.	Responsive staff	56 (17.20)	55 (16.90)	0 (0.00)	0 (0.00)	0 (0.00)	111 (34.20)
3.	Availability of representative	56 (17.20)	48 (14.80)	0 (0.00)	0 (0.00)	0 (0.00)	104 (32.00)
4.	Personalized service	56 (17.20)	49 (15.10)	0 (0.00)	0 (0.00)	0 (0.00)	105 (32.30)
5.	Ease of reaching representatives	56 (17.30)	36 (11.10)	0 (0.00)	0 (0.00)	0 (0.00)	92 (28.40)
6.	Product compatibility	56 (17.20)	29 (8.90)	0 (0.00)	0 (0.00)	0 (0.00)	85 (26.20)
7.	Ease of working with insurer	56 (17.20)	47 (14.50)	0 (0.00)	0 (0.00)	0 (0.00)	103 (31.70)
8.	Competitive price	56 (17.20)	51 (15.70)	0 (0.00)	0 (0.00)	0 (0.00)	107 (32.90)

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10.	Smooth claims settlement	56 (17.20)	79 (24.30)	29 (8.90)	0 (0.00)	0 (0.00)	164 (50.50)
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Source: primary data

The data above table indicate that most of the customers expressed that they were primarily satisfied with the smooth claim settlement adopted by the public insurance companies, followed by the ease of doing business with public sector insurance companies and the same factor was also considered as an important criterion for selection of public insurance motor policies by the surveyed respondents. They had also appreciated and given importance to problem solving techniques practiced by their insurance companies. Whereas it was also inferred that the surveyed respondents had lower level of satisfaction and importance towards ease of

reaching representatives and product compatibility offered by these motor insurance companies.

The table 6 below depicts the results of pearson's and spearman's correlation coefficient between the customer satisfaction and importance towards various criteria considered in the decision making process of selecting an insurance company. Both chi-square and pearson's product moment correlation were used to test the hypothesis, the results of which were obtained as shown below.

H_0 : there exist no significant relationship between the level of satisfaction and associated importance of various attributes in the public sector.

Table: 6
Test results for H_0

S.no	Criteria	Pearson chi-square	Df	Table value Significance	Pearson's r	Spearman correlation
1.	Ease of doing business	666	4	9.488	.903	.921
2.	Responsive staff	579	4	9.488	.011	.013
3.	Availability of representative	770	4	9.488	.932	.932
4.	Personalized service	649	4	9.488	.917	.928
5.	Ease of reaching representatives	687	4	9.488	.921	.918
6.	Product compatibility	597	4	9.488	.920	.915
7.	Ease of working with insurer	638.10	4	9.488	.909	.920
8.	Competitive	680	4	9.488	.915	.929

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10.	Smooth claims settlement	591	4	9.488	.011	.013
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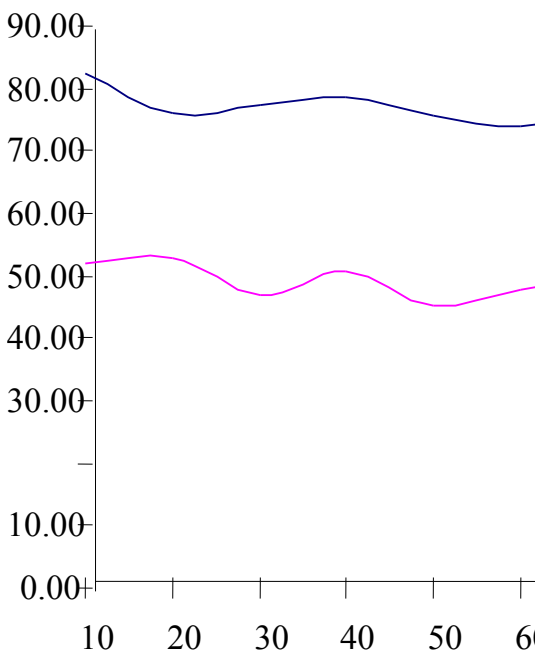
The table shows that calculated chi-square values were greater than the table value at five per cent level of significance. Hence, the hypothesis framed was rejected. It means that there exists some relationship between customer satisfaction and importance attached to various criteria while selecting public insurance companies for repeat purchase of motor insurance policies.

Pearson's r and spearman's product-moment correlation indicated high

relationship between all the predictor variables of satisfaction and their relative importance, except for the two variables, responsive staff and smooth claims settlement.

This implied a high correlation between the importance and satisfaction ratings in the public sector.

Chart 1
Satisfaction and importance



The graph shows that while the importance associated with various criteria are high, the satisfaction on these criteria does not match the associated importance. This could lead to reduction in satisfaction with a tendency towards dissatisfaction. The public sector insurance companies should wake up to the potential threat.

The opportunity map is a technique to identify the opportunities and potential threats. It also highlights the role of the various attributes in improving the motor insurance service in the public sector.

Table: 7
Opportunity mapping table

Sl.no	Criteria	Satisfaction	Importance
1.	Ease of doing business	82.27	52.02
2.	Responsive staff	76.13	52.70
3.	Availability of representative	77.30	46.87

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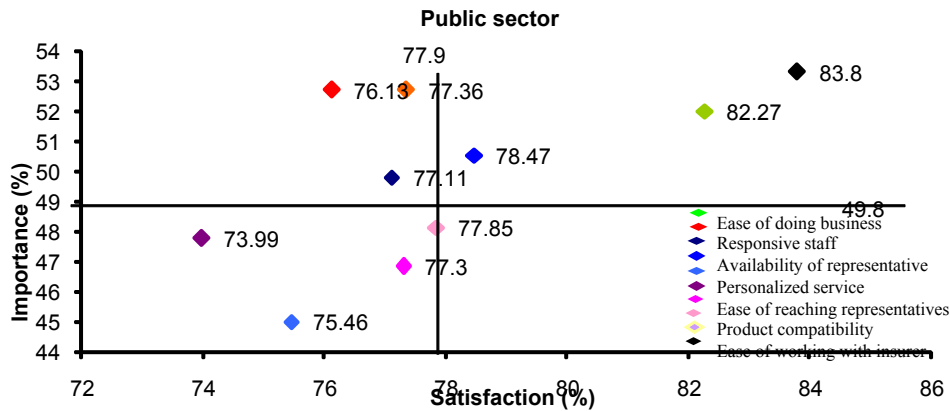
6.	Product compatibility	73.99	47.79
7.	Ease of working with insurer	77.18	49.82
8.	Competitive price	77.98	48.16
9.	Problem resolutions	77.36	52.70
10.	Smooth claims settlement	83.80	53.31

Source: primary data

The table 7 lists the satisfaction and importance for the purpose of developing

opportunity maps. The opportunity maps also help identify the maintainers and enhancers of satisfaction .the scatter diagram is as shown below:

Chart 2
Opportunity mapping graph



four factors ‘personalized service’ , ‘ease of working with insurer’, and ‘competitive price’ could easily be turned into enhancers.

The opportunity map complements the findings of the table 4. The opportunity map indicate that four of the ten factors lie near the axis of the map and this meant these

<p>Maintainers (area of concern)</p> <ul style="list-style-type: none"> • Responsive staff • Ease of working with insurer • Problems resolution 	<p>Enhancers (satisfaction drivers)</p> <ul style="list-style-type: none"> • Ease of doing business • Personalized service • Smooth claims settlement
<p>Marginals</p> <ul style="list-style-type: none"> • Availability of representative • Ease of reaching representatives • Product compatibility 	<p>Hidden opportunities</p> <p>-----</p>

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The factors 'ease of doing business' and 'smooth claims settlement' was clearly categorized as enhancers. These are the strongest drivers (or enhancers) of satisfaction in the public sector and should be prominent in plans for improving customer satisfaction and loyalty. The factor 'responsive staff' was identified as the lone maintainer. Maintainers are items with high importance but low impact. Strong performance in these areas will often be taken for granted, and while performance beyond acceptable minimum standards will not necessarily result in an increase in customer satisfaction, poor performance will have a strong adverse effect on customer satisfaction

Three factors (marginals) were considered as insignificant by the customers and as far as customer satisfaction is concerned, marginals will usually offer the least opportunity for a return on investment.

Findings

1. It was found that there exists a wide gap between the importance attached to the various factors and the degree of satisfaction experienced on these by the respondents belonging to the public sector insurance companies.
2. Thus the hypothesis that there exists no significant relationship between the level of satisfaction and associated importance of the different attributes in the public sector had to be rejected.
3. As far as selection of an insurance service provider is concerned the customers' level of satisfaction towards the services rendered by the public insurance company does not match the importance. While the

importance associated with several attributes are high, the satisfaction on the same do not match the associated importance.

Conclusion

There exists a wide gap between the importance given and satisfaction derived from different aspects of insurance services. This gap could ultimately lead to a reduction in satisfaction with a tendency towards dissatisfaction. The public sector insurance companies should wake up to the potential threat and should try to identify the importance of different satisfaction predictor variables to the customer (from the viewpoint of the customer).

The analysis of the interactions from the customer perspective will help the insurance companies to better understand what their customers are thinking and what motivates their purchasing decisions. Managements must analyse the insurance service from the customer viewpoint rather than deciding everything and taking it to the customer. This could do wonders in improving the level of customer satisfaction and may go a long way in retaining them too. Top managements must realize that a highly satisfied customer is the first step towards a loyal customer and consequently, the first step towards customer retention. Efforts must be made to identify the critical factors affecting service satisfaction and retention and assigning more attention to them. Care must be taken to ensure that the efforts of the insurance companies to hold back their customers are effective and not misplaced.

References? References

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