European Economic Letters
ISSN 2323-5233
Vol 14, Issue 4 (2024)
http://eelet.org.uk

Analysis of Service Quality Gap on the Performance of Selected Indian Health Insurance Companies in India

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Abstract
The study, "Service Quality Gap and its Impact on the Performance of Selected Indian Health Insurance Companies," examines how service quality gaps affect organizational performance in the Indian health insurance sector. Using the SERVQUAL model, the research evaluates service quality across five dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy. Data from 167 respondents was analyzed using SPSS software with descriptive statistics, t-tests, and correlation analysis.
The results revealed significant service quality gaps across companies, with Care Health showing the largest gap (1.752) and SBI the smallest (0.484). All SERVQUAL dimensions exhibited notable gaps. Despite these disparities, correlation analysis (p-value = 0.060) indicated no statistically significant relationship between service quality gaps and company performance, leading to the acceptance of the null hypothesis.
The study concludes that service quality gaps do not significantly impact the financial performance of Indian health insurance companies, highlighting the need for further research on performance determinants.

Keywords: Service Quality, Performance, Health Insurance, Servqual Model,

Introduction:
The health insurance sector in India has grown rapidly in recent years, driven by increasing healthcare costs, rising awareness about health coverage, and government initiatives aimed at improving access to healthcare. Despite this growth, the industry faces significant challenges in delivering quality services, which can affect customer satisfaction, retention, and overall business performance. Service quality, a critical determinant of success in the insurance sector, directly influences customer perceptions, loyalty, and organizational profitability. Measuring and addressing service quality gaps is, therefore, essential for sustaining competitive advantage and enhancing the operational efficiency of health insurance companies.
Service quality gaps arise when there is a discrepancy between customer expectations and the actual services delivered. The SERVQUAL model, widely used for assessing service quality, categorizes these gaps into five dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy. Each dimension captures a specific aspect of customer experience, such as the physical appearance of facilities, consistency in service delivery, promptness of response, trustworthiness, and the ability to empathize with customers. By identifying and addressing gaps in these dimensions, organizations can improve customer satisfaction and enhance their reputation in the market.
This study explores the relationship between service quality gaps and the performance of selected Indian health insurance companies. The performance of health insurance firms is often assessed through metrics such as financial growth, market share, and customer retention rates. However, the role of service quality as a determinant of performance has not been thoroughly examined in the Indian context. This research aims to fill this gap by evaluating the extent of service quality gaps in the industry and analyzing their impact on organizational performance.

Objectives:
- To assess the current service quality levels of selected health insurance companies.
- To analyse the Gap between expected and Actual (perceived) service availed by customers of selected health insurance companies.
- To evaluate the relationship between service quality gaps and the financial performance of the selected health insurance companies.

Review of Literature:

The concept of service quality is fundamental in industries where customer satisfaction and loyalty drive business performance. The SERVQUAL model, introduced by Parasuraman et al., remains a pivotal framework for evaluating service quality gaps (SQG) across dimensions such as tangibles, reliability, responsiveness, assurance, and empathy. Within the health insurance sector, service quality assumes heightened importance due to the intangibility of services and the necessity to build trust with policyholders. The following studies provide a detailed exploration of service quality gaps and their implications for the performance of health insurance companies (HICs) in India.

Gopalkrishna, B., Rodrigues, L. L. R., & Varamball, K. V. M. (2016) This study investigated service quality in the broader general insurance sector, including health insurance, using the SERVPERF model. Based on 618 valid responses, the study identified five key dimensions of service quality and highlighted gaps across regions and ownership types (private vs. public). Notably, the study revealed that private insurers performed slightly better than public insurers. However, significant gaps were found in the "human element," indicating a need for improved training to enhance customer satisfaction. These findings suggest that service quality gaps in HICs are not just customer-facing issues but also internal operational challenges.

Asghari, M., & Babu, S. H. (2018) This empirical study evaluates SQG in Indian HICs and its impact on firm performance using the SERVQUAL model with seven dimensions—reliability, tangibles, responsiveness, empathy, assurance, credibility, and competency. The analysis of responses from 600 customers revealed significant negative gaps across all dimensions, particularly reliability (-1.53), highlighting a failure to meet promised service standards. Other dimensions, such as credibility (1.97) and tangibility (1.7), also indicated substantial gaps. A strong Pearson correlation (0.894) between SQG and company performance confirmed the negative impact of service deficiencies on organizational success. However, the study is limited to the consumer perspective, with the authors recommending future research integrating the company perspective for a comprehensive understanding.

Nema, M., & Jatav, S. (2018). This study examines SQG in the health insurance sector in Indore, using a sample of 395 respondents. The SERVQUAL model was expanded to include six factors—product, price, service, responsiveness, tangibility, and reliability. The analysis revealed considerable gaps across all factors, underscoring the need for improvements to enhance customer satisfaction and trust. The study highlights the competitive pressures in the health insurance sector and suggests that addressing these gaps is essential for customer retention and market growth.

Mehul P. Desai & Ms. Nikita M. Kahar (2017) Focusing on Surat city, this research evaluated the service quality of two leading health insurance providers using the SERVQUAL model. Surprisingly, the study reported positive SQG across all five dimensions for both companies, with assurance (0.40) and reliability (0.20) showing the highest satisfaction levels. This contrasted with other findings in the literature, indicating that certain companies exceed customer expectations in specific contexts. Despite limitations such as sample size and potential respondent bias, the study concludes that effective service quality strategies can lead to high customer satisfaction levels in competitive markets.

Sahoo, S. C., Misra, S. N., & Ray, K. K. (2019) examined service quality perceptions among customers of Indian life insurance companies using the SERVQUAL model across five dimensions: reliability, tangibility, assurance, responsiveness, and empathy. The study compared public sector Life Insurance Corporation (LIC) with private insurers such as HDFC Standard Life, ICICI Prudential Life, Max Life, and SBI Life. Based on responses from 568 customers in Mumbai and New Delhi, the analysis revealed significant differences in perceptions, with LIC outperforming private insurers, particularly in reliability, tangibility, and assurance. Notably, HDFC Standard Life was perceived as offering lower overall service quality compared to SBI Life. The study underscores the need for private insurers to improve service quality and align their communication strategies with customer expectations.

Bhogal, S. K., & Basu, A. (2022). this comparative study evaluated policyholder satisfaction and service quality among public and private sector insurers in Kolkata. Analyzing data from 150 respondents, the study found that private insurers were gaining market share, reflecting a shift in consumer preferences. However, service quality gaps persisted across both public and private insurers. Key demographic insights, such as age, income, and policy type, revealed diverse customer needs, emphasizing the importance of tailored service strategies to reduce SQG.

Aldossary, M., & Siddiqui, K. (2023) explored the relationship between service quality and customer outcomes in the Saudi insurance market. Analyzing data from over 200 respondents, the study found strong positive correlations between service quality and both customer satisfaction ($R^2 = 0.692$) and loyalty ($R^2 = 0.601$). However, service quality had minimal

impact on switching behavior (R^2 = 0.039). These findings highlight that while service quality drives satisfaction and loyalty, other factors may influence customer retention.

Research Design

The research adopted a quantitative research design aimed at evaluating the service quality gaps within selected health insurance companies and understanding their impact on company performance using the SERVQUAL model. The SERVQUAL model, which was central to this study, measured service quality across five key dimensions: Tangibles (the physical aspects of service), Reliability (the ability to perform promised services dependably), Responsiveness (the willingness to help customers promptly), Assurance (the knowledge and courtesy of employees and their ability to inspire trust), and Empathy (providing caring and individualized attention to customers). By applying this model, the research aimed to identify and quantify the gaps between what customers expected from their health insurance providers and what they perceived they actually received.

Research Population and Sample Size

The research population for this study consisted of individuals who had bought insurance policies from different health insurance companies, encompassing a wide range of demographic groups, including various ages, genders, income levels, and educational backgrounds. To gather data, a sample size of 200 respondents was targeted using a convenience sampling technique. Despite this limitation, a sample size of 167 was considered sufficient for conducting meaningful statistical analysis and drawing insights about the service quality perceptions of health insurance customers. 10 Health Insurance companies are selected for the purpose of this study and % growth is considered as performance measure.

Data Collection

The data collection for this study was conducted using a structured questionnaire designed based on the SERVQUAL model. This questionnaire was divided into two key sections: demographic information and SERVQUAL dimensions. The questions employed a Likert scale to measure respondents' perceptions and expectations of the health insurance services they received. To reach a diverse and geographically dispersed population across India, the questionnaire was distributed primarily through online channels. These channels included email, LinkedIn, WhatsApp groups, and other messaging platforms, which were widely used in India for quick and convenient communication. This multi-channel online distribution strategy ensured that the survey reached a broad and diverse audience, which was essential for gathering comprehensive data.

Data Analysis

Data analysis outlined the methods and tools that were used to process and interpret the data collected from the survey. The analysis was conducted using SPSS software. Initially, descriptive statistics were employed to summarize and describe the basic features of the data, providing an overview of respondents' demographic profiles and their responses to the SERVQUAL model dimensions. Following this, a gap analysis was performed to measure the difference between customers' expectations and their actual perceptions of the service quality provided by the health insurance companies. Correlation analysis was used to explore the relationships between these service quality gaps and the percentage of revenue growth of the health insurance companies. One sample T-test is used to test the hypothesis. Regression Analysis is used to study the impact of demographic profile in selection of health insurance service provider.

Dependent Variable : Health Insurance Service Provider

Independent Variables: Age, Education, Occupation, Martial Status, Monthly Income

Tangibles Dimension covers (Digital interface, accessibility, visual appeal and appearance of personnel)

Reliability Dimension covers (Ability to perform the promised service dependably and accurately)

Responsiveness Dimension covers (Willingness to help customers and provide prompt service)

Assurance Dimension covers (Knowledge and courtesy of employees and their ability to inspire trust and confidence)

Empathy Dimension covers (Caring, individualized attention the firm provides its customers)

Hypothesis:

H01 – There is no significant difference in the service quality gap among the health insurance companies.

H11 – There is significant difference in the service quality gap among the health insurance companies.

H02 - There is no significant difference between the service quality expected and the perceived service of the **tangibles dimension** among the customers of health insurance companies.

H12 - There is no significant difference between the service quality expected and the perceived service of the **tangibles dimension** among the customers of health insurance companies.

H03 - There is no significant difference between the service quality expected and the perceived service of the **reliability dimension** among the customers of health insurance companies.

H13 - There is significant difference between the service quality expected and the perceived service of the **reliability dimension** among the customers of health insurance companies.

H04 - There is no significant difference between the service quality expected and the perceived service of the **responsiveness dimension** among the customers of health insurance companies.

H04 - There is significant difference between the service quality expected and the perceived service of the **responsiveness dimension** among the customers of health insurance companies.

H05 - There is no significant difference between the service quality expected and the perceived service of the **assurance dimension** among the customers of health insurance companies.

H15 - There is significant difference between the service quality expected and the perceived service of the **assurance dimension** among the customers of health insurance companies.

H06 - There is no significant difference between the service quality expected and the perceived service of the **empathy dimension** among the customers of health insurance companies.

H16 - There is significant difference between the service quality expected and the perceived service of the **empathy dimension** among the customers of health insurance companies.

H07 –Service quality gap and performance of the health insurance companies have no relationship.

H17 –Service quality gap and performance of the health insurance companies have significant relationship.

H08 – Demographic Profile does not impact the selection of Health insurance service provider

H18 – Demographic Profile impact the selection of Health insurance service provider

Results and Discussion:

Table 1: Demographic Profile of the Respondents

Gender	**No of Responses**	**Percentage**
Male	107	64.1
Female	60	35.9
Total	167	100.0
Age	**No of Responses**	**Percentage**
18-25	8	4.8
26-35	45	26.9
36-45	77	46.1
46-55	25	15.0
56 and above	12	7.2
Total	167	100.0
Educational Qualification	**No of Responses**	**Percentage**
High School	4	2.4
Diploma	17	10.2
Bachelor's Degree	90	53.9
Master's Degree	38	22.8

Doctorate	6	3.6
Others	12	7.2
Total	167	100.0
Occupation	**No of Responses**	**Percentage**
Employed	80	47.9
Self-employed	53	31.7
Student	10	6.0
Unemployed	5	3.0
Retired	10	6.0
Other	9	5.4
Total	167	100.0
Marital Status	**No of Responses**	**Percentage**
Married	138	82.6
Un-married	26	15.6
widowed	3	1.8
Total	167	100.0
Monthly Income	**No of Responses**	**Percentage**
Upto 20,000	11	6.6
20,000-30,000	16	9.6
30,001-40,000	47	28.1
40,001-60,000	68	40.7
60,001- 80,000	22	13.2
80,000 and above	3	1.8
Total	167	100.0
Preference for Health Insurance Company	**No of Responses**	**Percentage**
Public Sector	37	22
Private Sector	130	78
Total	167	100

Source: Survey result

From the table 1 it is inferred that majority of the respondent are Male (64.1%). 70% of the respondent are above the age group of 35years and having bachelor degree and above qualification. About 48% of them are working group. And 82% of them are married. More than 50% of them are having monthly income above Rs. 40000 and 78% of them prefer to buy health insurance policy from private health insurance companies.

Table 2 showing the result of One-Sample test of service quality gap among the Health Insurance Companies.

One-Sample Test					
Test Value = 0					
	t	**df**	**Sig. (2-tailed)**	**Mean Difference**	**95% Confidence Interval of the Difference**

					Lower	Upper
ICICI Gap	70.03	4	0	1.442	1.3848	1.4992
Bajaj_Allianze	28.921	4	0	1.252	1.1318	1.3722
Tata_AIG	20.916	4	0	1.256	1.0893	1.4227
HDFC_Ergo	11.694	4	0	1.364	1.0401	1.6879
Star_health	26.217	4	0	1.206	1.0783	1.3337
Reliance	17.737	4	0	1.282	1.0813	1.4827
SBI	7.724	4	0.002	0.484	0.31	0.658
Care_Health	31.755	4	0	1.752	1.5988	1.9052
Niva_Bupa	50.764	4	0	1.48	1.3991	1.5609
Chola	10.942	4	0	1.514	1.1298	1.8982

At 5% level of significance Source: Survey Result

The one-sample t-test analysis for the service quality gap among various health insurance companies reveals significant gaps between customer expectations and perceptions across all companies, with notable variations in gap size tested at 5% level of significance with P-value being less than 0.05 for all the health insurance companies. Hence, Ho is rejected and alternate hypothesis is accepted. That is, there is a significant difference in the service quality gap among the health insurance companies.

The mean difference for each company is statistically significant, with the largest gap observed for Care Health (1.752), followed by Niva Bupa (1.48), Chola (1.514), and ICICI (1.442). These companies exhibit considerable discrepancies between the service levels that the customers expect and what they actually experience, suggesting a higher degree of unmet expectations.

In contrast, SBI has the smallest service quality gap (0.484), indicating that it is relatively closer to meeting customer expectations compared to others. Other companies like Star Health (1.206) and Reliance (1.282) show moderate gaps, signifying some level of service shortfall, though less pronounced than in companies like Care Health.

All companies showed a p-value of 0.000, meaning that for these companies, the service quality gap is statistically significant. This suggests that customer expectations significantly exceed their perceptions across multiple dimensions for these companies. The gaps differ in size, with Care Health having the largest gap (Mean Difference = 1.752), indicating the most substantial gap, and Star Health showing a comparatively smaller but still significant gap (Mean Difference = 1.206). SBI, however, has the smallest and least significant gap (Mean Difference = 0.484, p = 0.002), indicating that its service quality closely aligns with customer expectations relative to other providers.

The varying mean differences indicate that the magnitude of the service quality gap differs significantly among companies. The analysis rejects the null hypothesis (H01) and accepts the alternative hypothesis, concluding that there is a significant difference in the service quality gap among the health insurance companies.

Table 3 showing the One Sample Test result of the service quality expected and the perceived service of the **Tangibles Dimension** among the customers of health insurance companies.

One-Sample Test						
Test Value = 0						
	t	**df**	**Sig. (2-tailed)**	**Mean Difference**	**95% Confidence Interval of the Difference**	
					Lower	**Upper**
Expectation	49.891	9	0	4.385	4.1862	4.5838
Perception	33.619	9	0	2.954	2.7552	3.1528

At 5% level of significance Source: Survey Result

The test results confirm that there is a statistically significant difference between the expected and perceived service quality in the **Tangibles dimension**, as both the expectation and perception values show significant deviations from zero. Specifically, the mean difference for expectation is 4.385, and for perception, it is 2.954. This suggests that customers expect a higher level of tangible service (such as physical facilities, equipment, etc.) than they perceive to be provided by their health insurance companies.

Since both values are significantly different from zero, the results lead to the rejection of the null hypothesis (H02) and acceptance of alternative hyphothesis. This implies that there is a significant difference between the expected and perceived service quality in the Tangibles dimension, highlighting a gap in the physical aspects of service delivery that customers perceive versus what they expect.

Table 4 showing the One Sample Test result of the service quality expected and the perceived service of the **reliability dimension** among the customers of health insurance companies.

One-Sample Test						
Test Value = 0						
	t	**df**	**Sig. (2-tailed)**	**Mean Difference**	**95% Confidence Interval of the Difference**	
					Lower	**Upper**
Expectation	45.529	9	0	4.229	4.0189	4.4391
Perception	36.023	9	0	2.975	2.7882	3.1618

At 5% level of significance Source: Survey Result

The test results indicate that there is a statistically significant difference between the expected and perceived service quality in the Reliability dimension. Specifically, the mean difference for expectation is 4.229, and for perception, it is 2.975. This suggests that customers expect a higher level of reliability from their health insurance companies than what they actually experience.

Given the significant t-values and the confidence intervals for both expectation and perception, the null hypothesis (H03) is rejected and the alternative hypothesis is accepted which states that there is a significant difference in the reliability dimension, implying that customers perceive the reliability of their health insurance services as falling short of their expectations.

Table 5 showing the One Sample Test result of the service quality expected and the perceived service of the **Responsiveness Dimension** among the customers of health insurance companies.

One-Sample Test						
Test Value = 0						
	t	**df**	**Sig. (2-tailed)**	**Mean Difference**	**95% Confidence Interval of the Difference**	
					Lower	**Upper**
Expectation	69.624	9	0	4.307	4.1671	4.4469
Perception	39.415	9	0	3.012	2.8391	3.1849

At 5% level of significance Source: Survey Result

The test results indicate a statistically significant difference between the expected and perceived service quality in the Responsiveness dimension. Specifically, the mean difference for expectation is 4.307, and for perception, it is 3.012. This suggests that customers expect a higher level of responsiveness (quickness and effectiveness in responding to needs and requests) from their health insurance companies than what they actually experience.

Given the significant t-values and the confidence intervals for both expectation and perception, the null hypothesis (H04) is rejected and alternative hypothesis is accepted stating a significant difference in the responsiveness dimension, highlighting a gap between customer expectations and the actual responsiveness provided by health insurance companies.

European Economic Letters
ISSN 2323-5233
Vol 14, Issue 4 (2024)
http://eelet.org.uk

Table 6 showing the One Sample Test result of the service quality expected and the perceived service of the **Assurance Dimension** among the customers of health insurance companies.

One-Sample Test						
Test Value = 0						
	t	**df**	**Sig. (2-tailed)**	**Mean Difference**	**95% Confidence Interval of the Difference**	
					Lower	**Upper**
Expectation	64.441	9	0	4.356	4.2031	4.5089
Perception	46.554	9	0	3.063	2.9142	3.2118

At 5% level of significance Source: Survey Result

The one-sample t-test for the Assurance dimension of the SERQUAL model in the study reveals a significant difference between customer expectations and perceptions.

The test results reveal a statistically significant difference between the expected and perceived service quality in the Assurance dimension. Specifically, the mean difference for expectation is 4.356, and for perception, it is 3.063. This suggests that customers expect a higher level of assurance (confidence and trust in the health insurance company's ability to deliver services reliably and securely) than what they actually experience.

Given the significant t-values and the confidence intervals for both expectation and perception, the null hypothesis (H05) is rejected. The alternative hypothesis is accepted which indicates that there is a significant difference in the assurance dimension, pointing to a gap between customer expectations and the actual level of assurance they perceive.

Table 7 showing the One Sample Test result of the service quality expected and the perceived service of the **Empathy Dimension** among the customers of health insurance companies.

One-Sample Test						
Test Value = 0						
	t	**df**	**Sig. (2-tailed)**	**Mean Difference**	**95% Confidence Interval of the Difference**	
					Lower	**Upper**
Expectation	58.086	9	0	4.298	4.1306	4.4654
Perception	47.375	9	0	3.055	2.9091	3.2009

At 5% level of significance Source: Survey Result

The test results reveal a statistically significant difference between the expected and perceived service quality in the Empathy dimension. The mean difference for expectation is 4.298, while for perception, it is 3.055. This suggests that customers expect a higher level of empathy (understanding, care, and personalized attention from health insurance companies) than what they actually perceive in the service delivery.

Given the significant t-values and the confidence intervals for both expectation and perception, the null hypothesis (H06) is rejected. This means that there is a significant difference in the empathy dimension, pointing to a noticeable gap between customer expectations and the empathy they experience from health insurance providers which means the acceptance of alternative hypothesis.

Table 8 showing correlation result of Service quality gap and performance of the health insurance companies

Correlations			
		% Revenue Growth	**Service Quality Gap**
% Revenue Growth	Pearson Correlation	1	0.611
	Sig. (2-tailed)		0.060
	N	10	10
Service Quality Gap	Pearson Correlation	0.611	1
	Sig. (2-tailed)	0.060	
	N	10	10

At 5% level of significance Source: Survey Result

From the table **8** it is found that the Pearson correlation coefficient of 0.611 indicates a moderate positive correlation between the service quality gap and the growth of health insurance companies. This suggests that as the service quality gap increases, the growth of health insurance companies tends to increase as well. However, the p-value of 0.060 is slightly above the conventional significance threshold of 0.05.

Since the p-value is greater than 0.05, it implies that the correlation between the service quality gap and growth is not statistically significant at the 5% level. This means that while there appears to be a moderate positive relationship, there is insufficient evidence to conclude that the service quality gap significantly impacts the performance (growth) of health insurance companies based on this data. Therefore, the null hypothesis (H07) is accepted which states that Service quality gap and performance of the health insurance companies have no relationship.

Table 9 showing the Model Summary, Anova and Regression Analysis of Demographic Profile and Preference in selection of Health Insurance Companies.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.228[a]	.052	.023	.467

a. Predictors: (Constant), Monthly_Income, Educational_Qualification, Occupation, Marital_Status, Age

From the model summary it is inferred that only 5% of demographic profile of the respondent influence in selection of preferred health insurance service provider. Whereas 95% is due to other factors.

ANOVA[b]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.927	5	.385	1.769	.122[a]
	Residual	35.067	161	.218		
	Total	36.994	166			
a. Predictors: (Constant), Monthly_Income, Educational_Qualification, Occupation, Marital_Status, Age						
b. Dependent Variable: Preferences_towards_Health_Insurance_companies						

From the Anova table it is inferred that at 5% level of significance the P-value is more than 0.05. Hence we can conclude that demographic profile of respondent doesn't influence the selection of choice of health insurance companies. Hence (H08) is accepted.

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.549	.244		6.342	.000	1.067	2.031
	Age	.071	.048	.143	1.480	.141	-.024	.166
	Edu.Qual	.079	.035	.174	2.225	.027	.009	.148
	Occupation	.002	.030	.005	.055	.956	-.057	.060
	Marital_Status	.028	.089	.026	.312	.755	-.148	.204
	Monthly Income	-.018	.041	-.043	-.450	.653	-.099	.062
a. Dependent Variable: Preferences_towards_Health_Insurance_companies								

From the regression analysis it is found that Age, Occupation, Marital Status have positive and insignificant relationship with Preference towards Health Insurance Companies at 5% level of significance. Whereas, Education Qualification has positive and significant relationship with preferences towards health insurance companies at 5% level of significance, implies with better education qualification one can select better health insurance service provider. Finally Monthly Income has negative and insignificant relationship with health insurance companies.

Conclusion:

Across various health insurance providers, the study identifies significant service quality gaps between customer expectations and perceptions. These gaps are particularly pronounced in dimensions such as Tangibles, Reliability, Responsiveness, Assurance, and Empathy, with many companies failing to meet customer expectations in these areas. Some providers, like Care Health, exhibit a notably larger gap, indicating more substantial discrepancies between expected and actual service levels, while others, like SBI, demonstrate a closer alignment between the two. These findings point to the need for health insurance companies to address these service quality deficiencies, particularly in areas that directly impact customer satisfaction, such as the physical aspects of service delivery, reliability, responsiveness, and personalized care.

While the study explores the potential link between service quality gaps and company growth, the results show that the relationship is not statistically significant. Although a moderate positive correlation was found, suggesting that companies with larger service quality gaps tend to show growth, there is insufficient evidence to conclude that these gaps directly influence the performance of health insurance companies. This highlights that growth may be influenced by factors other than service quality, or that improvements in service quality might not immediately reflect in financial performance.

In conclusion, the study emphasizes that health insurance companies must focus on reducing service quality gaps by improving key areas such as the reliability of their services, responsiveness to customer needs, assurance of service delivery, and empathy towards customers. Addressing these gaps could lead to higher customer satisfaction, better retention rates, and a stronger competitive position in the market. While the direct impact of these gaps on company growth remains inconclusive, enhancing service quality is crucial for improving the overall customer experience and sustaining long-term success.

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