The relationship between service quality and insurance usage

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Abstract. The study aims to explain the impact of service quality on customer loyalty, satisfaction, and switching behaviors for insurance companies in Saudi Arabia. The study used the descriptive research approach. The questionnaire was developed with the help of reliable and validated constructs taken from earlier studies for service quality, customer loyalty, customer satisfaction, customer switching. Stratified sampling method was used to collect the data (N = 211). The results indicate that service quality has a statistically significant impact on customer loyalty and satisfaction for insurance companies in Saudi Arabia.

1 Literature review

Differentiation of services is becoming difficult due to the fierce competition in Saudi insurance companies, and organizations are shifting from product-focused to customer-focused services [1]. Service quality has been a key focus since the 1980s because organizations now seek to attract customers based on the quality of services. The general use of the term service is sometimes equated with the criterion for the degree of conformity of the service's actual performance with the customers' expectations for this service [2]. The term has been applied to situations where quality is the adherence to specifications offered by the company toward service excellence [3]. Furthermore, general use of the term is sometimes equated with a measure of the degree to which the level of service meets customers' expectations, and the quality that the customer perceives of the service is the difference between the customer's expectations of quality dimensions and the actual performance that reflects the availability of these dimensions. Moreover, organizations that provide high-quality services get the largest market share, while those offering poor-quality services fare worse. Quality of services involves knowing the client and what they desire without defects or imperfections from the first encounter, which improves the company's performance [3].

Compared to measuring the quality of goods, measuring the quality of service is very difficult. Despite these difficulties, many studies have contributed to the development of scientific and practical frameworks and standards for measuring service quality, including

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Parasuraman Zeithanrl Berry's (1985, 1988, 1991), Letting's (1982), Gronroos' (1982–1983), and Taylor and Gronin's (1992–1994) studies, the most notable of which are the following:

- Measuring service quality from the customer's perspective: This approach encompasses several measures, including [4]:
- Measuring the number of complaints submitted by the customer over a period shows that the service provided to them is not commensurate with the level they aspire to reach.

2 Service quality dimensions

The Service Quality Model (SERVQUAL) was proposed by Parasuraman et al. in 1990. This tool's original foundation consisted of 10 service quality dimensions: access, understanding, communication, credibility, courtesy, competence, security, responsiveness, tangibility, and reliability. However, in a later study, Parasuraman et al. (1988) realized that not all the dimensions helped assess service quality; as a result, they condensed these 10 dimensions into just five and created SERVQUAL, a five-dimension scale that stands for empathy, assurance, responsiveness, tangibility, and reliability. Many researchers using this five-dimension scale, such as Juga et al. (2010) and Yuan et al. (2010), have uncovered how customer expectations measure up to reality and how companies risk losing customers to their competitors.

Using the following five dimensions of service quality and measuring them accurately can help find actionable ways to improve customer experience.

Reliability: One of most stable aspects out of the five, this one is crucial in influencing how clients perceive the quality of the services they receive. Reliability entails the capacity to fulfill service commitments with accuracy and dependability.

Assurance (trust and affirmation): Establishing and maintaining trust is generally a necessary component for successful interpersonal interactions because it signifies the other party's desire, willingness, and approval in a particular business transaction in which the client places his complete confidence.

Responsiveness: This dimension has four variables that assess the institution's interest in notifying its consumers about time-of-service performance, the employees' eagerness to help customers right away, their ongoing willingness to do so, and the employees lack of concern for meeting clients' needs right away.

Tangibility: This comprises the physical space, the tools, the staff members' appearance, and the written and spoken materials.

Empathy (care): This means the level of care and personal attention provided to the customer.

3 Servqual model

The Service Quality Model (SERVQUAL) is an instrument that assesses both service quality and client perceptions (customer satisfaction). The model fills the gap between customer expectations and needs by evaluating five factors: responsiveness, dependability, certainty, empathy, and tangibility [5]. To ascertain the needs of the consumer for a service, SERVQUAL uses a survey asking 22 questions to gauge consumer satisfaction with the level of services a company provides [5]. The questions evaluate each of the five dimensions' expectations and service quality. The model enables businesses to keep an eye on the quality of their services, and researchers can use it to evaluate how well different

institutions are performing. Moreover, most previous studies did not apply all of the model's specified dimensions when testing customer satisfaction and service quality [6].

Primarily, insurance involves providing services, and as Saad et al. (2016) noted, the quality of services is now the only measure differentiating insurance companies in Saudi Arabia. The SERVQUAL model is used in insurance because it compares what the customers expect against what they get from the insurance company to determine gaps in the quality of performance. The SERVQUAL model proposes five dimensions tested separately with 22 questions, and the analysis of each response can be used to identify gaps based on these different dimensions [5]. Given that each dimension can affect the customer's overall perception of the quality of services, each organization seeks to achieve a higher score in all five. Also, organizations can determine areas in which they perform poorly to improve the quality of services. Therefore, insurance organizations use SERVQUAL to assess service quality to promote customer loyalty and satisfaction and prevent customers from switching companies**.**

3.1 Customer loyalty

Some authors say that building client loyalty is not an option for businesses but is essential to achieving long-term competitive advantages. Commitment is measured by how often the customer contacts the service provider and their return on investment. Customers will only be loyal to service providers if they provide more value than competitors expect; this affects the level of customer trust in the company's services. Customers prefer companies distinguished by quality, specifications, and features that fulfill their needs and desires, which results in customer loyalty [6]. Loyal customers share positive experiences with the company and inform others, encouraging them to use the services, thus bringing new customers to the company [7]. The company must retain its customers instead of spending money on low-probability marketing plans to attract new clients. Loyal customers will be a buffer to competitors because they already enjoy what the brand offers. According to the Pareto principle, even though they make up only 20% of the company's customer base, they will still generate 80% of its revenue [8].

Numerous studies have demonstrated a positive correlation between customer loyalty and quality of service. Quality-of-service models often include customer loyalty as a dependent variable. Customer loyalty is positively related to customer perceptions about the quality of service [9], and there is strong positive evidence of the relationship between customer loyalty and customer satisfaction. Strong correlations were found when the relationship and the impact of service quality on customer loyalty was studied; the researchers found that if customers are satisfied with the services provided, they are more likely to recommend this service to other people [10]. In addition, they discovered a positive and strong correlation between customer loyalty and switching cost, indicating that customers tend to stick with one bank if switching banks becomes more difficult (Nguyen et al., 2020). Moreover, a recent study found a positive correlation but insignificant impact between service quality and customer loyalty [11].

3.2 Customer Satisfaction

Customer satisfaction refers to an emotional response to a product or service and evaluates the experience to ensure it is at least as good as expected [12]. Furthermore, this refers to "a person's feelings of pleasure or disappointment that result from comparing a product's perceived performance or outcome with his/her expectations" [13]. Client satisfaction and quality of service are closely linked. It is possible to assess customer happiness by

comparing their expectations with the actual performance; customers will be satisfied if they get what they expect and dissatisfied if not [14]. Ultimately, a company will achieve high levels of customer satisfaction and generate 'customer delight' if it exceeds the client's expectations for product and service quality and price. Client discontent arises if the consumer's expectations are not satisfied, and the lower the degree of satisfaction, the more likely the customer will cease purchasing from the company. Furthermore, numerous studies have found that reasonable customer satisfaction and customer switching are significantly linked to corporate success [15].

Numerous studies have examined the impact of customer satisfaction, and they all convey a similar message: satisfied customers tell five to six people about their positive experiences, while unhappy customers tell 10 people about their negative experiences. Even though many customers do not express unhappiness, companies must recognize it; this varies depending on the industry [12]. Customer satisfaction is the baseline of standardizing performance excellence for many businesses to find market opportunities [16], and it can act as a mediator in the relationship between service quality and loyalty; this argument shows that customer satisfaction can either strengthen or weaken the effect of service quality on customer loyalty, meaning that if the customer is satisfied with the quality of service provided by the company, it will enhance their loyalty. However, if the customer is not satisfied with the quality of the service, it will weaken the relationship between the quality of the service and the level of customer loyalty [12]. The most exciting finding in this area indicates that service quality positively affects customer satisfaction [11].

Measuring customer satisfaction is one of the most complex methods of measuring service quality. It is carried out by listing the service's characteristics on a table and asking customers to arrange them according to their importance. The gap scale depends on customers' expectations for the level of service and their awareness of the level of performance of the service already received, and then determining what is between their expectations and perceptions using the gaps.

Moreover, when talking about this measure, it is necessary to address two basic concepts that correspond to determine the gap in service quality: customer expectations and customer perceptions [4].

3.3 Customer expectations

These are the beliefs the customer wishes to achieve or what they want to have provided by the institution they deal with. Considering the process by which customers evaluate the quality of service, Zeithanl et al. (2006) introduced the concept of a tolerance zone that links the required assistance with satisfactory service.

The service that the customer expects is the gap between the required and accepted service. If the service received is less than what was expected, it will cause dissatisfaction with the customer.

The required service is affected by two main issues: the specific factors of the customer and the factors related to the institution. The service requested always depends on the actions of the customer, the level of public demand for services, and personal needs and dependence on the companies; explicit and implicit promises, shared by word of mouth; and past experiences of service.

As for good service, such a determination depends on its expectation of the minimum benefit, visualization alternatives, portraying or realizing the unique role in customer service, and circumstantial factors.

A comparison between the expected service and the service perceived by the customer during the service experience creates either customer satisfaction or dissatisfaction.

3.4 Customer perceptions

These are the criteria by which the customer perceives the service as it was provided to him.
Service quality = expectations - perceptions.
The SERVQUAL instrument is considered the most common measure of perceived service quality in most field studies. With the customer and with both

3.5 Customer Switching

Customer switching is a common phenomenon in the business industry, and many sectors experience a movement of clients from one company to another. In Saudi Arabia, this phenomenon is apparent in the insurance industry. Customers move from one provider to another for different reasons; some are linked to personal wishes, while others relate to service provision. Customer switching refers to three major consumer behavior factors: customer satisfaction, loyalty, and switching, which provide a clear idea of the status and reasons for customers' switching habits. These factors link to the nature of service in the industry, with most consumers choosing to switch providers due to negative experiences. Indeed, service quality is the primary antecedent for customer satisfaction, affecting loyalty and switching. Due to low-quality services, many insurance consumers search for alternatives and move to providers with positive customer reviews, hoping to attain the desired benefits [16]. However, in their studies, Gremler and Brown (1999) found that switching costs increase customer loyalty. As a result, customers have been encouraged to keep their connections with current providers due to worries about increased expenses associated with switching suppliers. On the other hand, low satisfaction levels undermine loyalty, leading to increased consumer switching. Customer switching in Saudi Arabia emanates from compromised service quality affecting satisfaction, commitment, and switching. Switching behavior is common in Saudi Arabia due to low customer satisfaction, and the varying levels of service quality prompt clients in the sector to seek other providers. Ali and Tausif (2018) reviewed the impact of service quality on consumer perception of providers; according to their findings, the concept had an immense effect on consumer behavior. Consequently, they noted that the nature of service determined consumers' satisfaction levels. Similarly, service quality is critical in determining how customers feel about insurance providers [17]. Most importantly, excellent interactions between a company and its clientele often lead to positive perceptions. Like citizens and residents in other nations worldwide, Saudi Arabians use their interactions with insurance service providers to gauge their feelings. As expected, fruitful interactions, including little waiting time and helpful employees, will lead to positive experiences. Such encounters elevate customer satisfaction levels to reduce switching from one entity to another. However, such interactions are only an occasional occurrence, and some insurance consumers receive adverse treatment, which prompts movement to a different provider. This concept becomes a reality when considering the country's high number of insurance providers. Haque and Sultan (2019) mentioned that the nation has 32 firms providing coverage in various areas; this number is high, considering that some companies have a considerable market share. Therefore, alternatives embolden consumers who feel that their current providers do not satisfy their needs.

Consequently, low consumer satisfaction levels undermine insurance agencies' ability to create and maintain consumer loyalty. Indeed, consumers' inferior service quality and satisfaction complicate company or brand loyalty. Beliefs and emotions towards an entity affect customer loyalty, and how people perceive organizations, and their services affects

their desire for association. This concept is apparent in the Saudi Arabian insurance industry, and loyalty in the sector is among the defining factors of consumer behaviours. For the most part, the desire of insurance clientele to associate with specific providers relies on service quality. However, considering the mediating role of customer satisfaction, this relationship is not always direct [1]. In this instance, customer satisfaction regarding insurance services determines their loyalty. Customer loyalty affects the country's switching behavior among insurance consumers.

Lastly, customer switching determines the nature and frequency of consumer switching in Saudi Arabia. Various factors in the country affect the capacity of insurance providers to retain their clients. A review of how people stick to a single company suggests that customer satisfaction is among the significant determinants [17]. Consumers' perceptions about services influence their decisions to stay; in this manner, those who are satisfied with their providers are likely to continue their patronage.

Conversely, dissatisfied customers are less likely to stay, implying high switching rates. In a related argument, how employees feel about their work is expected to affect customer switching through the mediating function of satisfaction. In such cases, employee job satisfaction is critical in influencing how they serve consumers, which involves changing [18]. Beyond pleasure, competition affects customer switching, as with competition in the market, customers are likely to move from one provider to another [19]. Customer switching in Saudi Arabia is of immense importance in understanding customer behaviours. As the conceptualization above revealed, consumers switch brands for two primary reasons. First, they move to another provider because of the quality of service [17]. This reason suggests that companies should provide impeccable services to sustain their clientele. Second, some switch because of the competitiveness in the market, implying that companies that desire to attain customer loyalty should be highly competitive [19]. These switching elements illustrate the importance of prompting firms to improve their service list and delivery quality.

Service and relationship quality as well as overall service satisfaction are instrumental in encouraging customers to stay and not exercise switching behavior. Socio-cultural values also affect customer perceptions about service quality. The quality of services is essential in shifting customer intent to switch; if customers consider service providers less innovative, they tend to switch to other providers. The perception of innovation is essential, as service quality positively influences consumer intention to purchase additional services without changing services [10].

4 Research methodology

The research design of this study is that of a survey targeting adults with different demographics who buy insurance services. Some dependent and independent variables categorize the customer behavior with regard to the services provided by companies.

The target population for this study includes male and female adults with any type of insurance: life, property, fire, liability (e.g., car), guarantee, or any other types (which the respondents were asked to specify). The questionnaire was distributed to people who live in the eastern region of Saudi Arabia, which includes Dammam, Jubail, Khobar, Dharan, Al-Hufof, Al-Qatif, and others. The sample size consisted of more than 200 respondents from different backgrounds and was calculated using sample size equations.

This study examines the impact of service quality on customer loyalty, satisfaction, and switching in insurance companies in Saudi Arabia. Therefore, using the stratified sampling strategy was more beneficial for this study. Using this method, the population was divided into groups or strata based on gender and marital status, and the sample size was obtained

from each group or strata. A stratified sample is more accurate than a simple random sample of identical respondents. As it provides greater accuracy, stratified sampling usually requires a smaller sample.

The researcher collected secondary data regarding the two components of human resource practice and employee competencies and behaviours related to the subjects affecting it from two sources. The data were used for writing the theoretical sections of the study. The author used textbooks, scientific journals and magazines and the theses were accessed through the university's libraries in Saudi Arabia and others. Additionally, research papers, articles, reports, and online resources related to the research topic were used. To collect primary data, the researcher designed a questionnaire specifically for this research methodology based on the data analysis using descriptive and analytic analyses, which depend on the poll and use of the main program (SPSS V26).

The questionnaire was provided to respondents with a cover letter explaining the purpose of the study, how to answer the questions, the aim of the research, and the security of the respondents' information to encourage a high response rate. The questionnaire included multiple choice questions addressing many different issues; the variety in these questions aimed mainly to meet the research objectives and collect all the necessary data to support the discussion, results, and recommendations in the research. The respondents could answer each questionnaire item with a number from 1 to 5, where (5) represents the highest degree of agreement and (1) represents the lowest degree of agreement. The sections in the questionnaire verified the objectives of this research related to the impact of service quality on customer loyalty, satisfaction, and switching behaviours in insurance companies in Saudi Arabia. The link between service quality and consumer behaviour is empirically shown by several successful studies mentioned in the table (1) below, a succinct summary of these carefully chosen papers is provided as a starting point for future discussion, and these sections taken from previous studies and validity by Ladhari, (2009), Siddiqui, (2011), Siddiqui, (2012) and Siddiqui, (2016). The Cronbach alpha internal reliability test was used to give a measure of the reliability of the different constructs used in this questionnaire as shown in the table below:

Table 1. Questionnaire development

Type of Variable	Variable	Number of items	Source	Validated By	Reliability
Independent variable	Service quality - SERVQUAL	22	Parasuraman, Zeithaml, and Berry (1988)	Ladhari, (2009)	0.981
Dependent variables	Customer satisfaction	4	Lee, Lee, & Feick, (2001)	Siddiqui, (2012)	0.918
	Customer loyalty	3	Zeithaml, Parasuraman, & Berry, (1990).	Siddiqui, (2016)	0.907
	Customer switching	5	Zeithaml, Parasuraman, & Berry, (1990).	Siddiqui, (2011)	0.884

Based on previous research, three hypotheses were established:

H₁: There is a significant impact of service quality on customer satisfaction for insurance companies in Saudi Arabia

H₂: There is a significant impact of service quality on customer loyalty for insurance companies in Saudi Arabia

H₃: There is a significant impact of service quality on customer switching for insurance companies in Saudi Arabia

The study included independent (service quality) and dependent variables (customer loyalty, customer satisfaction, and customer switching), as shown in Figure 3 below. In this study, SERVQUAL, the five-component model for service quality designed by Parasuraman, Zeithaml, and Berry (1988) was used to identify the determinants that affect the impact of service quality on customer loyalty, satisfaction, and switching in insurance companies in Saudi Arabia. The following goals have led to the development of a research model. This study first examined the service quality of insurance companies and its impact on customer loyalty, satisfaction, and switching costs in insurance companies in Saudi Arabia.

The content validity test was conducted by consulting two groups of experts. The first group was requested to evaluate and identify whether the questions were in line with the scope of the items and the extent to which these items reflected the concept of the research problem. The second group was requested to evaluate whether the instrument used was statistically valid and the questionnaire designed well enough to provide relations and tests between variables. The two groups of experts agreed that the questionnaire was valid and suitable enough to measure the concept of interest with some amendments.

To ensure the validity of the questionnaire, two tests were conducted. The first test was the criterion-related validity test (Pearson test), which measured the correlation coefficient between each item in the field and the whole field. The second was the structure validity test (Pearson test), which was used to evaluate the questionnaire's structure by testing the validity of each field and the whole questionnaire. This test measured the correlation coefficient between one field and all the questionnaire fields that have the same level of a similar scale.

The internal consistency of the questionnaire was measured by a scouting sample, which consisted of 30 questionnaires. The correlation coefficients between each question in one field and the whole field were measured. Tables 3, 4, 5, and 6 below show the correlation coefficient and p-value for each field item. As shown in the tables, the p-values are less than 0.01, and thus, the correlation coefficients of this field are significant at $\alpha = 0.01$; therefore, it can be said that the paragraphs of this field are consistent and valid for the purpose of this study [20].

The reliability of an instrument is the degree of consistency with which it measures the attribute it is supposed to measure. The test is repeated on the same sample of people on two occasions, and then, the scores obtained are compared by computing a reliability coefficient. For most purposes, reliability coefficients above 0.70 are considered satisfactory. A period of two weeks to a month is recommended between the two tests. Due to the complicated conditions that consumerism faced when this project was undertaken, it was too difficult to ask the participants to respond to our questionnaire twice within a short period. The statisticians explained that overcoming the questionnaire distribution twice to measure the reliability can be achieved using Cronbach's alpha through the SPSS software.

Table 1. Validating Service Quality

Dimensions and Items	Correlation coefficient	p-value	M	SD
Reliability M = 3.8; SD = 0.96				
Providing services as required	0.816**	**0.000**	0.95	3.89
Handling customers' service problems dependably	0.859**	**0.000**	0.95	3.88
Getting the job done right the first time	0.815**	**0.000**	1.04	3.79
Providing services on time as promised	0.852**	**0.000**	1.10	3.79
Keeping error-free records	0.826**	**0.000**	1.11	3.76

Dimensions and Items	Correlation coefficient	p-value	M	SD
Assurance M = 3.82; SD = 0.95				
Employees who instil confidence in customers	0.867**	**0.000**	1.03	3.85
Making clients feel safe during their transaction	0.854**	**0.000**	1.04	3.82
Consistently pleasant employees	0.834**	**0.000**	1.04	3.81
Employees are knowledgeable	0.828**	**0.000**	1.08	3.80
Tangibility M = 3.78; SD = 0.89				
New technology equipment	0.832**	**0.000**	1.07	3.77
Facilities that are visually appealing	0.849**	**0.000**	0.95	3.75
Employees that have a professional appearance	0.830**	**0.000**	0.97	3.87
Service-related products that are visually appealing	0.854**	**0.000**	0.99	3.73
Empathy M = 3.73; SD = 0.94				
Individual attention to each customer	0.886**	**0.000**	1.02	3.72
Caring interactions with customers	0.896**	**0.000**	1.06	3.72
Having the client's best interests at heart	0.859**	**0.000**	1.05	3.67
Employees that understand their customers'	0.848**	**0.000**	1.04	3.75
Business hours that are convenient for customers	0.790**	**0.000**	1.05	3.81
Responsiveness M = 3.79; SD = 0.98				
Keeping clients up to date on when services will be	0.844**	**0.000**	1.11	3.75
Prompt customer service	0.875**	**0.000**	1.13	3.70
Availability to assist customers	0.842**	**0.000**	1.03	3.77
Willingness to reply to clients in a courteous	0.818**	**0.000**	1.00	3.92

**Cronbach alpha = 0.981

Table 2. Validating Customer Satisfaction, Loyalty, and Switching

Dimensions & Items	Correlation coefficient	p-value	M	SD
Satisfaction M = 3.63; SD = 0.99; Cronbach alpha = 0.918				
I am satisfied with my insurance company for their pricing.	**0.784****	**0.000**	1.14	3.64
I am satisfied with my insurance company for their coverage plans.	**0.807****	**0.000**	1.09	3.67
I am satisfied with my insurance company for their billing.	**0.787****	**0.000**	1.12	3.55
I am satisfied with my insurance company for their customer services.	**0.790****	**0.000**	1.06	3.65
Loyalty M = 3.68; SD = 1.02; Cronbach alpha = 0.907				
I would recommend my insurance company to others.	**0.814****	**0.000**	1.11	3.68
I say positive things about my insurance company to other people.	**0.797****	**0.000**	1.07	3.75
I would re-purchase the services from the same insurance company.	**0.807****	**0.000**	1.15	3.60
Switching M = 3.39; SD = 1.11; Cronbach alpha = 0.884				
I would switch to another insurance company for pricing.	**0.574****	**0.000**	1.22	3.33
I would switch to another insurance company for better services.	**0.534****	**0.000**	1.21	3.40
I would switch to another insurance company for better deals.	**0.456****	**0.000**	1.27	3.45

Cronbach's alpha is designed as a measure of internal consistencies: do all the items within the instrument measure the same thing? The usual value range of Cronbach's alpha is between 0.0 and + 1.0, and higher values reflect a higher degree of internal consistency. The Cronbach's alpha was calculated for each field of the questionnaire.

Table 4 shows the values of Cronbach's alpha for each field as well as the entire questionnaire. For the fields, values of Cronbach's alpha were in the range of 0.884 and 0.981. This range is considered high; the result ensures the reliability of each field of the questionnaire. Cronbach's alpha was 0.976 for the entire questionnaire, indicating excellent reliability. Therefore, it can be said that the researcher proved that the questionnaire was valid, reliable, and ready for distribution to the population sample.

5 Data analyses

From the total of 211 respondents gained, as seen in the figure below, liability insurance and life insurance are the higher numbers of respondents. The graduate represents 64.45 of the total respondents. The distribution of gender between males and females in each occupation of Female respondents is higher and most of the respondent are single and their age from 20-30 years old.

Next, the mean and standard deviations were calculated; Table 8 shows that the mean of the dimensions ranged from (3.73–3.82), the average mean for all the dimensions = 3.79, and the standard deviation (SD) = 0.88, thus concluding that the respondents perceived the service quality to be high.

Next, the mean and standard deviations were calculated; as shown in Table 7, the mean of the dimensions ranged from (3.39–3.69), the average mean for all the dimensions = 3.57, and the SD = 0.81; thus, concluding that the respondents' attitudes towards insurance companies are positive.

6 Hypotheses testing

H_1 There is a substantial impact of service quality on customer satisfaction for insurance companies in Saudi Arabia.

Simple linear regression was used to examine the impact service quality has on customer satisfaction in insurance companies in Saudi Arabia; the results in Table 18 show that the result of the t-test for the independent variable (service quality) was 21.619, and the p-value = 0.000 < 0.05. Therefore, the regression equation was suitable for predicting the relationship between service quality and customer satisfaction. Additionally, the results indicate that the correlation between service quality and customer satisfaction in insurance companies in Saudi Arabia was R = 0.832 and R^2 = 0.692, which means that the change in the response variable (customer satisfaction) depended on the explanatory variable (service quality) by 69.2% is a high impact and the simple linear regression equation is:

Customer satisfaction = 1.113 + ×0.737 × service quality

Table 4. Simple Linear Regression (Customer Satisfaction)

Dependent Variable	R	R^2	Unst Coeff.		St. Coeff.	t value	p-value
			B	S.E.	Beta		
Customer Satisfaction	0.832	0.692	.737	.034	.832	21.649	.000

That conclude that H_1 was accepted so, there is a substantial impact of service quality on customer satisfaction for insurance companies in Saudi Arabia.

H₂ Service quality has a substantial impact on customer loyalty for insurance companies in Saudi Arabia.

Simple linear regression was employed to discover the impact of service quality on customer loyalty in insurance companies in Saudi Arabia; the results in Table 19 show that the value of the t-test for the independent variable (service quality) 17.744, and the p-value $= 0.000 < 0.05$. Thus, the regression equation was suitable for predicting the relationship between service quality and customer loyalty. In addition, the result shows that the correlation between service quality and customer loyalty in insurance companies in Saudi Arabia is R $= 0.775$ and $R^2 = 0.601$, which means the change in the response variable (customer loyalty) depends on the explanatory variable (service quality) by 60.1% is high impact and the simple linear regression equation is:

Customer loyalty $= 1.345 + 0.664 \times$ service quality.

Table 5. Simple Linear Regression (Customer Loyalty)

Dependent Variable	R	R^2	Unst Coeff.		St. Coeff.	t value	p-value
			B	S.E.	Beta		
Customer Loyalty	0.775	0.601	.664	.037	.775	17.744	.000

That conclude that **H₂** was accepted so, Service quality has a substantial impact on customer loyalty for insurance companies in Saudi Arabia

H₃ There is a substantial impact of service quality on customer switching to insurance companies in Saudi Arabia.

Simple linear regression was used to examine the impact service quality has on customer switching in insurance companies in Saudi Arabia; the results in Table 20 show that the value of the t-test for the independent variable (service quality) is 2.896, and the p-value $= 0.004 < 0.05$. Therefore, the regression equation was suitable for predicting the relationship between service quality and customer switching. Also, the result shows that the correlation between service quality and customer switching for insurance companies in Saudi Arabia is R$= 0.169$ and $R^2 = 0.039$, which means the change in the response variable (customer switching) depends on the explanatory variable (service quality) by 3.9% is low impact and the simple linear regression equation is:

Customer switching $= 3.261 + 0.155 \times$ service quality

Table 6. Simple Linear Regression (Customer Switching)

Dependent Variable	R	R^2	Unst Coeff.		St. Coeff.	t value	p-value
			B	S.E.	Beta		
Customer Switching	0.169	0.039	.196	2.896	.004	.155	.053

That conclude that **H₃** was rejected so, that's mean there is no substantial impact of service quality on customer switching to insurance companies in Saudi Arabia

Based on the results presented, it can be concluded that there is a strong positive correlation between service quality and customer satisfaction in insurance companies in Saudi Arabia, with a correlation coefficient of R $= 0.832$. The coefficient of determination (R^2) value of 0.692 indicates that 69.2% of the variance in customer satisfaction can be explained by the variation in service quality.

Similarly, the results also suggest a strong positive correlation between service quality and customer loyalty in insurance companies in Saudi Arabia, with a correlation coefficient of R $= 0.775$. The coefficient of determination (R^2) value of 0.601 indicates that 60.1% of the variance in customer loyalty can be explained by the variation in service quality.

However, the results also show that the correlation between service quality and customer switching in insurance companies in Saudi Arabia is weak, with a correlation coefficient of R= 0.169. The coefficient of determination (R^2) value of 0.039 indicates that only 3.9% of the variance in customer switching can be explained by the variation in service quality.

Overall, these results suggest that service quality is a significant factor in determining customer satisfaction and loyalty in insurance companies in Saudi Arabia but may have limited impact on customer switching behavior.

7 Discussion

By analysing the data related to the study's research hypotheses, which were gathered using an electronic form of the questionnaire and running tests on the hypotheses to meet the research objectives, conclusions reached by the analysis will be discussed in this chapter. This chapter also presents a list of suggestions to help improve the quality of future research and discusses various limitations that could compromise the accuracy of the research findings.

According to the results of this study, the respondents feel that the insurance companies in Saudi Arabia provide high quality services to their customers. The medium level of customer satisfaction with insurance companies in Saudi Arabia shows that the respondents from the study sample are moderately satisfied with the quality of services that are provided by insurance companies in Saudi Arabia, which shows that both the prices these companies ask and the coverage they provide achieve average satisfaction among customers. Generally, the level of customer service reaches average satisfaction among the customers of insurance companies in Saudi Arabia.

Furthermore, according to the results of this study, customers in Saudi Arabia exhibit a high level of loyalty toward their insurance companies; they speak positively about them, recommend them to their friends and relatives, and subscribe to all the services the companies provide. The medium level of customer switching for insurance companies shows that the respondents have an average tendency toward changing the companies they deal with due to their desire to obtain better prices and services.

It was found that there is a statistically significant impact of service quality on customer loyalty in insurance companies in Saudi Arabia, which shows that, from the point of view of the respondents, the presence of other variables is more important than the level of quality of the services provided in affecting the level of customer loyalty to insurance companies.

It was also found that there is a statistically significant impact of service quality on customer satisfaction in insurance companies in Saudi Arabia, which shows that, from the point of view of the respondents, the presence of other variables is more important than the level of quality of services provided in affecting the level of customer satisfaction with insurance companies.

Additionally, there is a statistically significant impact of service quality on customer switching to insurance companies in Saudi Arabia, which shows that, from the point of view of the respondents, the presence of other variables is more important than the level of quality of services provided in affecting the level of customer switching in insurance companies.

8 Recommendations for future research

This thesis provides numerous recommendations for academia and corporate insurance companies. Firstly, companies must work to maintain the level of quality of services they provide in Saudi Arabia and focus on improving the levels of quality more than what is currently available by meeting all the needs and desires of customers, which is in line with Saudi Arabia's vision for 2030.Companies must also work to increase customer satisfaction with the quality of services by paying attention to providing all insurance services that are available in international companies as well as ensuring they give the highest possible service to customers.

Secondly, insurance companies in Saudi Arabia dealing with low customer loyalty should pay attention to increasing customer loyalty by improving service levels and paying attention to meeting all customer needs with the highest possible efficiency and speed.

Thirdly, companies must work to reduce customers' tendency to switch insurance companies through providing a diverse variety of high-quality services.

Finally, researchers should be encouraged to conduct studies and research related to identifying the factors affecting the level of quality of services provided by insurance companies in Saudi Arabia and determining the elements of importance concerning customer loyalty, satisfaction, and switching.

9 Limitations

There are some limitations to this research. First, it is the thesis for a master's degree; therefore, the time available to conduct the project was limited, and the sample size that was collected is insufficient (only 221 customers were examined), which might reduce the accuracy of the research conclusions. Thus, it is recommended that a multicentre study with a larger sample size be conducted to further investigate the impact of service quality on customer loyalty, satisfaction, and switching in insurance companies in Saudi Arabia. Moreover, the available resources needed for any research project are also limited, and there is a lack of previous research studies on insurance companies in Saudi Arabia.

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