

**INTERRELATIONSHIP BETWEEN SERVICE QUALITY,  
CUSTOMER SATISFACTION AND CUSTOMER LOYALTY  
WITH REFERENCE TO FINANCE AND INSURANCE  
COMPANIES IN BATTICALOA REGION**



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## Abstract

This research was conducted to find and get a better understanding of service quality level and to examine the relationship between service quality, customer satisfaction and customer loyalty with the services offered by the insurance and finance companies.

Questionnaires were sent to 200 insurance and finance companies' customers who engaged the motor leasing, loans, pawing, life insurance and general insurance services from the insurance and finance services. Convenient sampling method was used to determine the sample size and 200 respondents had given their prompt feedback within the suggested time frame. The mean values, correlation analysis and regression analysis used to find out the research objectives. Each of every research questions asked will be answered and reported accordingly based on the insightful findings results. Respondents were asked to rank their expectation of service quality dimensions and as per expected the Reliability dimension was ranked as high level, moderate level and low level.

The results also show there were positive relationship between the service quality, customer satisfaction and customer loyalty. And there is strong positive relationship between service quality and customer satisfaction also there is a moderate positive relationship between service quality and customer loyalty. The regression analyzes also show the impact of the independent variables on the dependent variables. On that the service quality variable explains more variation in customer satisfaction than all other variables. And it was found out that only a few level of variation in customer loyalty is explained by customer satisfaction, which means more variation in customer loyalty is explained by other variables which were not included in this study.

This finding will enable insurance and finance companies to give more attention on this service dimension in order to ensure their customers are being loyal to them. All findings gathered in this research are very useful to the companies to enhance their service quality level with their customers. Thus, their client expectation will be fulfilled in the future.

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