

A car is produced in a factory assembly line, sold in a showroom and used on the road. The three processes of making, selling and using take place at three different times and places.	In case of insurance it can be seen that production and consumption happen Simultaneously. This simultaneity of <i>production and consumption</i> is a distinctive feature of all services.
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What the customer really derives is a service experience. If this is less than satisfactory, it causes dissatisfaction. If the service exceeds expectations, the customer would be delighted. The goal of every enterprise should thus be to delight its customers.

2. Quality of service

It is necessary for insurance companies and their personnel, which includes their agents, to render high quality service and delight the customer.

But what is high quality service? What are its attributes?

A well-known model on service quality [named “SERVQUAL”] would give us some insights. It highlights five major indicators of service quality:

- a) **Reliability:** the ability to perform the promised service dependably and accurately. Most customers regard reliability as being the most important of the five dimensions of service quality. It is the foundation on which trust is built.
- b) **Responsiveness:** refers to the willingness and ability of service personnel to help customers and provide prompt response to the customer's needs. It may be measured by indicators like speed, accuracy, and attitude while giving the service.
- c) **Assurance:** refers to the knowledge, competence and courtesy of service providers and their ability to convey trust and confidence. It is given by the customer's evaluation of how well the service employee has understood needs and is capable of meeting them.
- d) **Empathy:** is described as the human touch. It is reflected in the caring attitude and individualised attention provided to customers.
- e) **Tangibles:** represent the physical environmental factors that the customer can see, hear and touch. For instance the location, the layout and cleanliness and the sense of order and professionalism that one gets when visiting an insurance company's office can make a great impression on the customer. The physical ambience becomes especially important because it creates first and lasting impressions, before and after the actual service is experienced.

2. Customer service and insurance

Ask any leading sales producers in the insurance industry about how they managed to reach the top and stay there. You are likely to get a common answer, that it was the patronage and support of their existing clients that helped them build their business.

You would also learn that a large part of their income comes from the commissions for renewal of the contracts. Their clients are also the source for acquiring new customers.

What is the secret of their success?

The answer, most likely is, **commitment to serving their customers.**