


STUDYING CUSTOMERS' SATISFACTION WITH SERVICE QUALITY OF LIFE INSURANCE IN VIETNAM

Mai Thanh Loan^A


ARTICLE INFO	ABSTRACT
Article history: Received 03 March 2023 Accepted 29 May 2023 Keywords: Customer Satisfaction; Life Insurance; Service; Quality; Vietnam.	<p>Purpose: Studying key factors affecting customer satisfaction based on the service quality of life insurance in Vietnam, and on that basis, the author proposed policy implications that contribute to improving customer satisfaction with the service quality of life insurance.</p> <p>Theoretical framework: Service quality is a factor that significantly affects customer satisfaction. If service providers provide customers with quality products that satisfy their needs, the business has initially made customers satisfied.</p> <p>Design/methodology/approach: Group interview method implemented in qualitative research. The study was conducted to collect the opinions of 07 managers working at life insurance companies in Vietnam. The quantitative research method used the formal study (n = 500 customers): Preliminary research sample was performed by preliminary analysis through Cronbach's alpha coefficient and EFA discovery factor to evaluate the convergent and discriminant value of the scale. This study used the structural equation model analysis (SEM) with SPSS 20.0 software and Amos.</p> <p>Findings: The article showed that research results bring practical value in improving customer satisfaction in Vietnam. Company leaders recognize the importance of enhancing customer satisfaction.</p> <p>Research, Practical & Social implications: The study has synthesized the theory of service quality and customer satisfaction. In addition, the study has systematized the relationship between the factors measuring the service quality of life insurance and customer satisfaction.</p> <p>Originality/value: The paper's originality and value help managers calibrate and evaluate the scale and develop it into a set of observed variables measuring the service quality of life insurance and customer satisfaction in a transition market like Vietnam. The topic contributes to a new study on customer satisfaction in life insurance services, a document for other research in the life insurance field in Vietnam.</p>
	
Doi: https://doi.org/10.26668/businessreview/2023.v8i6.2352	

ESTUDO DA SATISFAÇÃO DOS CLIENTES COM A QUALIDADE DO SERVIÇO DE SEGURO DE VIDA NO VIETNÃ

RESUMO

Objetivo: Estudar os principais fatores que afetam a satisfação do cliente com base na qualidade do serviço de seguro de vida no Vietnã e, com base nisso, o autor propôs implicações de políticas que contribuem para melhorar a satisfação do cliente com a qualidade do serviço de seguro de vida.

Estrutura teórica: A qualidade do serviço é um fator que afeta significativamente a satisfação do cliente. Se os prestadores de serviços oferecerem aos clientes produtos de qualidade que satisfaçam suas necessidades, a empresa terá inicialmente deixado os clientes satisfeitos.

Projeto/metodologia/abordagem: Método de entrevista em grupo implementado na pesquisa qualitativa. O estudo foi realizado para coletar as opiniões de 07 gerentes que trabalham em empresas de seguro de vida no

^A PhD in Economics. Faculty of Banking and Finance, Van Lang University (VLU), Ho Chi Minh City, Vietnam.
E-mail: loan.mt@vlu.edu.vn Orcid: <https://orcid.org/0000-0001-5991-6943>

Vietnã. O método de pesquisa quantitativa usou o estudo formal ($n = 500$ clientes): A amostra da pesquisa preliminar foi realizada pela análise preliminar por meio do coeficiente alfa de Cronbach e do fator de descoberta EFA para avaliar o valor convergente e discriminante da escala. Este estudo usou a análise do modelo de equação estrutural (SEM) com o software SPSS 20.0 e o Amos.

Conclusões: O artigo mostrou que os resultados da pesquisa trazem valor prático para melhorar a satisfação do cliente no Vietnã. Os líderes da empresa reconhecem a importância de aumentar a satisfação do cliente.

Implicações sociais, práticas e de pesquisa: O estudo sintetizou a teoria da qualidade do serviço e da satisfação do cliente. Além disso, o estudo sistematizou a relação entre os fatores que medem a qualidade do serviço de seguro de vida e a satisfação do cliente.

Originalidade/valor: A originalidade e o valor do artigo ajudam os gerentes a calibrar e avaliar a escala e desenvolvê-la em um conjunto de variáveis observadas que medem a qualidade do serviço de seguro de vida e a satisfação do cliente em um mercado em transição como o Vietnã. O tópico contribui para um novo estudo sobre a satisfação do cliente em serviços de seguro de vida, um documento para outras pesquisas no campo do seguro de vida no Vietnã.

Palavras-chave: Satisfação do Cliente, Seguro de Vida, Serviço, Qualidade, Vietnã.

ESTUDIO DE LA SATISFACCIÓN DEL CLIENTE CON LA CALIDAD DEL SERVICIO DE SEGUROS DE VIDA EN VIETNAM

RESUMEN

Objetivo: Estudiar los principales factores que afectan a la satisfacción del cliente en función de la calidad del servicio de seguros de vida en Vietnam y, a partir de ahí, el autor propone implicaciones políticas que contribuyan a mejorar la satisfacción del cliente con la calidad del servicio de seguros de vida.

Marco teórico: La calidad del servicio es un factor que afecta significativamente a la satisfacción del cliente. Si los proveedores de servicios ofrecen a los clientes productos de calidad que satisfagan sus necesidades, la empresa habrá dejado inicialmente satisfechos a los clientes.

Diseño/metodología/enfoque: Método de entrevista en grupo aplicado en la investigación cualitativa. El estudio se realizó para recabar las opiniones de 07 directivos que trabajan en compañías de seguros de vida en Vietnam. El método de investigación cuantitativa utilizó el estudio formal ($n = 500$ clientes): La muestra de la investigación preliminar se llevó a cabo mediante el análisis preliminar a través del coeficiente alfa de Cronbach y el factor de hallazgo EFA para evaluar el valor convergente y discriminante de la escala. Este estudio utilizó el análisis del modelo de ecuaciones estructurales (SEM) con el software SPSS 20.0 y Amos.

Conclusiones: El trabajo demostró que los resultados de la investigación aportan valor práctico para mejorar la satisfacción del cliente en Vietnam. Los directivos de las empresas reconocen la importancia de aumentar la satisfacción del cliente.

Implicaciones sociales, prácticas y de investigación: El estudio sintetizó la teoría de la calidad del servicio y la satisfacción del cliente. Además, el estudio sistematizó la relación entre los factores que miden la calidad del servicio de seguros de vida y la satisfacción del cliente.

Originalidad/valor: La originalidad y el valor del artículo ayudan a los gestores a calibrar y evaluar la escala y desarrollarla en un conjunto de variables observadas que miden la calidad del servicio de seguros de vida y la satisfacción del cliente en un mercado en transición como Vietnam. El tema contribuye a un nuevo estudio sobre la satisfacción del cliente en los servicios de seguros de vida, un documento para futuras investigaciones en el campo de los seguros de vida en Vietnam.

Palabras clave: Satisfacción del Cliente, Seguros de Vida, Servicio, Calidad, Vietnam.

INTRODUCTION

Customer-oriented business strategy is becoming the most crucial strategy of companies. In today's competitive environment, customers are the deciding factor for the company's existence. The company that wins the attention and loyalty of customers, that company will have sustainable development. Therefore, studying customer satisfaction with

the company's products is an important job that needs to be done continuously and regularly to promptly meet customer needs (Woo-Yeon et al., 2021).

Life insurance brings many benefits to individuals, families, and society. For individuals and families, life insurance contributes to stabilizing life and creating financial peace of mind even in the event of risks such as death or total permanent disability, in addition to helping to save and make safe investments to carry out future plans. For society, it not only creates jobs for a large number of workers but also is a source of capital to invest in medium and long-term projects that contribute to the country's development and, at the same time, reduce the burden on the national budget in taking care of the elderly and dependents upon the death of the breadwinner.

Life insurance is one of the early forms of insurance with the original purpose of insurance for the life and death events of customers. Today, with the essential characteristics of savings and risk and based on the foundation of traditional products, life insurance products in enterprises are increasingly diversified and diversified to meet customers' needs and meet the participants' different goals in terms of consumption, saving, and saving and risk. The audience, goals, and coverage of these products are also increasingly expanding toward effective financial plans for participants from birth until retirement. With great benefits and meeting many different purposes of life insurance, however, with the growth of the economy and the income of consumers, the purchase of life insurance products on the market The school has not developed at a commensurate level.

Service quality: The survival strategy of insurers. Although no insurance company has specific and detailed statistics on customer disputes and complaints, how many cases are under the agency's consulting responsibility, and how many issues are taken care of by the service. Customers are not good, and products have not met customers' needs..., but all insurance companies understand that the quality of these activities is a vital factor in the development of the insurance industry. Besides customer complaints against life insurance companies since the beginning of the year, there still seem to be gaps in customer engagement with insurance companies' services. Perhaps, insurance companies need to make statistics and re-evaluate their customer care strategies. There should be specific analysis data on customer satisfaction to make the service more thoughtful.

Vietnam, with a population of nearly 100 million people, is considered a bright spot in economic growth. In recent years, people's living standards have been increasingly improved. Vietnam is regarded as one of the countries with a lot of room to develop life insurance.

Recognizing the potential, Vietnam soon entered this market with many different life insurance products to improve its ability to dominate. This study focuses on measuring customer satisfaction with the service quality of life insurance in Vietnam to contribute to solving the existing inadequacies in practice.

LITERATURE REVIEW

Theories of Customer Satisfaction (SAT)

In a competitive environment, service providers can maintain their competitive edge by providing high-quality services to their customers (Kotler & Keller, 2006). Customer satisfaction can bring many other benefits to service providers, such as loyalty to the service provider and engaging in active word-of-mouth activity (Parasuraman et al., 1985).

Kotler & Keller (2006) defined satisfaction as a customer's emotional response to a product/service experience. This response is developed based on the perceived frustration and expectations of the customer's service performance. A group of academics believed that customer satisfaction can create not just because of a single experience but can result from various backgrounds. Thus, customer satisfaction is defined as an affective, cognitive response that emerges in response to a single or prolonged set of service encounters.

There are different views on customer satisfaction. One difficulty in examining the cause and effect of customer satisfaction is the lack of consensus on what constitutes satisfaction (Zeithaml et al., 1988). Customer satisfaction is comparing expectations before and after purchasing a product or service. Cronin & Taylor (1992) considers customer satisfaction as an emotional response by customers to their experience with a product or service.

Thus, define the customer as the end user of the product. Their research suggests 3 general components constituting the potential variable of customer satisfaction; (1) Customer satisfaction is an overall emotional response, that is, variations in emotional intensity; (2) That emotional response is associated with a specific goal, that is, product choice, purchase of goods, or product consumption; (3) Finally, the emotional response occupies a particular point in time, that is, state changes, but has a general limit to the length of time the event lasts (Sinha, 2013; Akhter et al., 2021; Joseph et al., 2003; Deruyter et al., 1997; Spreng & Mackoy, 1996).

The concept of service quality: From a customer perspective, customer needs constantly change, so businesses must provide quality products and services to meet their needs and exceed their expectations. The International Organization for Standardization, ISO has defined quality as follows: "Quality is the ability of a set of characteristics of a product, system or process to

meet customer requirements. goods and related parties". Thus, from the above definition, we can see that if a product for some reason is not accepted by customers, it must be considered poor quality, even though the technological level of manufacturing that product is very modern (Parasuraman et al., 1988; Gronroos, 1984; Getnet, 2020; Lohani & Bahadur, 2018; Gayathri et al., 2006).

Factors Affecting the Customer Satisfaction

Reliability: Reliability refers to the ability to perform a service correctly and on time the first time. Is the insurance company reputable, has an enormous market value, fulfills its commitments to customers, and makes them feel secure when using life insurance services at the branch or not? Are not (Khurana, 2014; Parasuraman et al., 1988; Sheth & Subramanian, 2019). The extension has a high level of trust, always does what it has committed, and all questions and complaints from customers are resolved by the insurance company satisfactorily. Customer information security will increase customer satisfaction with life insurance services in Vietnam. Based on the above analysis, the author proposed hypothesis H1 as follows:

H1: Reliability (Rel) positively impacts the service quality of life insurance in Vietnam.

Empathy: Empathy shows concern and care for each individual and customer. The component level of empathy is caring, considerate customer care, and giving customers the best possible treatment to help customers feel that they are a guest of the insurance company, always welcomed warm welcome at all times (Parasuraman et al., 1988; Ramadhan & Soegoto, 2019; Kang & James, 2004; Alaa & Zoghlami, 2023; Tsoukatos & Rand, 2006). The human factor is the core of this success. Customers want the branch to care about themselves and their families and understand their needs and interests. The staff cares about customers. Employees understand the unique needs and benefits desired by customers to promptly respond to customers' needs. Based on the above analysis, the author proposed hypothesis H2 as follows:

H2: Empathy (Emp) positively impacts the service quality of life insurance in Vietnam.

Responsiveness: Responsiveness is expressed through the desire and readiness of service staff to provide timely service to customers. This is the response from the service provider to what the customer wants. Does the insurance company provide complete, convenient, and accurate information to customers, can solve problems quickly, effectively handle claims and respond to customer requests? Are not. The staff guides the documents and procedures fully and easily to understand (Parasuraman et al., 1988; Upadhyay & Adhikari, 2021; Jothi, 2016; Pooser & Browne, 2018). The staff is always attentive during peak hours,

and the service staff is attentive to all customers. This increases customer responsiveness. Based on the above analysis, the author proposed hypothesis H3 as follows:

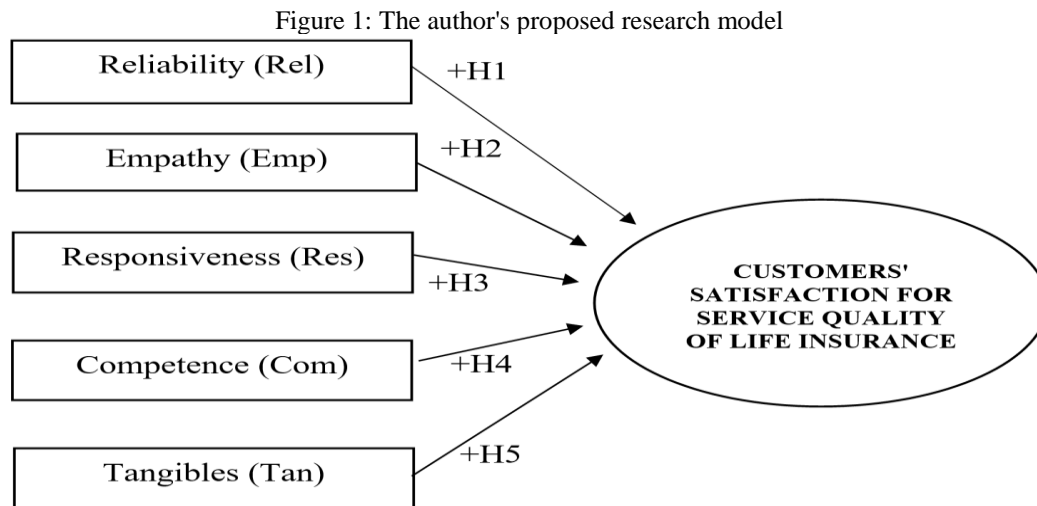
H3: Responsiveness (Res) positively impacts the service quality of life insurance in Vietnam.

Competence: Service capacity or the ability to serve is shown through professional qualifications and polite and welcoming service to customers. Customers are perceived through professional service, good professional knowledge, courteous demeanor, and good communication ability, so customers feel secure every time they use the life insurance services of the insurance company. Customers are interested in the staff's service attitude and professional knowledge (Parasuraman et al., 1988; Yadav, 2011; Panchanatham et al., 2008; Venkatesh, 2019; Khadim & Islam, 2022). When employees have the expertise and professional capacity, employees have a polite and friendly attitude, employees handle business quickly and accurately, and employees always create trust for customers. Based on the above analysis, the author proposed hypothesis H4 as follows:

H4: Competence (Com) positively impacts the service quality of life insurance in Vietnam.

Tangibles: are shown through the appearance, clothing of employees, and equipment serving the service. In general, everything customers see directly with their eyes and senses can affect this factor. The facilities are modern and comfortable, the transaction location is convenient, and the staff uniforms are neat and polite. Modern equipment, reasonable layout of transaction counters, easy to identify. Good service facilities include parking and waiting spaces (Parasuraman et al., 1988; Steiner & Maas, 2018; Pillai & Arumugan, 2023; Singer, 2019). Neat and polite staff uniform is one of the factors affecting customer satisfaction with life insurance services in Vietnam. Based on the above analysis, the author proposed hypothesis H5 as follows:

H5: Tangibles (Tan) positively impact the service quality of commercial banks in Vietnam.



Source: Author's compilation

The current status of factors affecting customer satisfaction about the service quality of life insurance in Vietnam. Figure 1 shows the basis of inheriting the research scale on customer satisfaction with service quality. After co-discussing, the experts agreed on establishing the factors affecting customer satisfaction with the service quality of life insurance and suggested editing several questions to suit customers' needs. Based on the above studies, the author synthesizes the factors with the highest frequency in the studies, which are five factors: Reliability, empathy, responsiveness, competence, and tangibles.

METHODOLOGY

The research is carried out through two methods: (1) using qualitative methods, (2) formal research using quantitative methods to assess the influence of factors on customer satisfaction of customer following:

Qualitative research methods: Based on the opinions of 07 managers who are knowledgeable about life insurance services, the author has correctly identified the information that needs to be collected from the views of these subjects and thereby formed a table asked. The goal is to highlight new aspects of the range of prepared questions. The detailed steps are as follows: (1) Collecting and synthesizing theories related to the research paper; (2) Preliminary question design; (3) Interview customers and managers and conduct tailoring of questions and develop a formal survey for a research paper (Hair et al., 2021). The results recorded the opinions of 07 officials who agreed (x) with the above questions and agreed with the scale's content. Life insurance is a commitment between the insurer and the insured, in which the insurer will pay the guaranteed (or the beneficiary of insurance benefits) a certain

amount when there is predetermined events occur (the insured dies or lives up to a specific time) and the participant must pay the premium in full and on time. In other words, life insurance ensures risks related to human life, life, and longevity. The evaluation of service quality and customer satisfaction for services have been evaluated since the 1980s in developed countries. In which the SERVQUAL model and its variants are most commonly used.

Quantitative research methods: The quantitative research step was conducted to test the theoretical model and determine the factors affecting customer satisfaction through the customer survey form on life insurance services. Collected data will be processed and analyzed using SPSS 20.0 software with descriptive statistics tools, scale testing with Cronbach's Alpha, exploratory factor analysis (EFA), multiple linear regression analysis, and ANOVA stellar analysis (Hair et al., 2021). With the following steps:

- ✓ Processing survey forms using SPSS 20.0 software;
- ✓ Descriptive statistics of variables;
- ✓ Check the scale;
- ✓ Exploratory factor analysis;
- ✓ This study used the structural equation model analysis (SEM) with SPSS 20.0 software and Amos;
- ✓ Model verification.

Sampling method: In this study, the author uses a convenient sampling method through customers coming to Vietnam to register for life insurance premiums. That is, sampling is based on the convenience or accessibility of the subject, where the investigator is more likely to meet the issue.

Sample size: Hair et al. (2021) suggested that the sample size should be at least 50, preferably 100, and the observation-to-measure ratio should be 5:1, meaning that 1 measure requires 5 observed variables, preferably a proportion of 10:1 or more. The formal questionnaire was designed with 24 quantitative variables. Because in EFA analysis, the number of samples is calculated based on (1) the minimum size and (2) the number of measurement variables included in the analysis. As for regression analysis, the sample size is always smaller than in EFA analysis, so we only need to ensure sample size in EFA analysis. To have highly accurate conclusions, the number of samples the author gives is 500. Thus, the total number of samples sent was 500 votes. The results were 465 votes; 35 were rejected, equivalent to 93.00% satisfactory.

Descriptive statistics: The author uses descriptive statistics to describe the essential characteristics of the data collected from the survey results of 500 life insurance customers in Vietnam. The primary methods of data description are frequency tables, mortality rates, cumulative frequencies, and cumulative frequencies. In addition, the study also uses descriptive statistics of mean, standard deviation, variance, and standard error.

Cronbach's Alpha reliability test: Observed variables with a correlation coefficient of total variable (Corrected Item - Total Correlation) less than 0.3 will be eliminated, and the standard for choosing the scale when Cronbach's Alpha coefficient is from 0.6 and up.

Many researchers agree that when Cronbach's Alpha coefficient is from 0.8 or more to 1.0, a reasonable scale, from 0.7 to close to 0.8, is usable. Some researchers suggest that Cronbach's Alpha of 0.6 or more can be used if the concept being measured is new or new to the respondents in the research context and the minimum of the coefficients. Cronbach's Alpha is 0.5 (Hair et al., 2021).

Exploratory Factor Analysis (EFA): According to Hair et al. (2021), an enormous KMO value between 0.5 and 1 is sufficient for factor analysis to be appropriate. If the KMO is less than 0.5, then factor analysis will likely be inappropriate for the data. Bartlett's quantity (Bartlett's test of sphericity) is a quantity that considers the hypothesis that the correlation between observed variables is zero in the population. If this test is significant ($\text{Sig} < 0.05$), the observed variables are correlated with each other in the population.

The essence of the SEM model is that it requires researchers to first declare the initial starting values called the hypothetical model from the theoretical model, through a loop of transformation indices to finally provide the researcher with an established model capable of explaining the maximum fit between the model and the collected data set fact a decade.

The suitability of the entire model is, in fact, assessed through the following criteria of relevance: (i) Chi-Square test (χ^2): Expresses the overall goodness of fit of the entire model at the $p\text{-value} = 0.05$ significance level (Hair et al., 2021). This is very unlikely because χ^2 is very sensitive to large sample sizes and test strength, so in practice, people use the index χ^2/df to evaluate. (ii) Chi-Square ratio/degrees of freedom: $2/\text{df}$. Also used to measure the goodness of fit of the whole model in more detail. Some authors suggest $1 < \chi^2/\text{df} < 3$ (Hair et al., 2021); Others suggest that χ^2 is as small as possible (Hair et al., 2021) and argue that $\chi^2/\text{df} < 3:1$. In addition, in some practical studies it is distinguished 2 cases: $\chi^2/\text{df} < 5$ (with sample $N > 200$); or < 3 (when sample size $N < 200$), the model is considered a good fit (Hair et al., 2021). (iii) Other relevant indicators: GFI, AGFI, CFI, NFI.... with values > 0.9 are considered good fit

models. We say the model is perfect if these values are equal to 1. GFI: measure the absolute fit (without adjusting for degrees of freedom) of the structural and measurement models with the survey dataset. AGFI: Adjust the GFI value according to the degrees of freedom in the model (Hair et al., 2021).

RESULTS AND DISCUSSION

Overview of Life Insurance in Vietnam

In recent years, the life insurance market has consistently achieved a reasonable growth rate and is also a channel to attract idle capital from people to reinvest back into the economy with a large amount of money. The investment was estimated at over 215 trillion dongs in 2022. However, intending to continue to build Vietnam's insurance market, businesses need to continue to diversify products and constantly improve the quality of insurance services, especially the settlement of insurance benefits for people.

Channel to attract idle capital: Statistics from the Insurance Association of Vietnam (IAV) show that, up to now, Vietnam's insurance market has 18 life insurers, and the market has consistently achieved a good, stable, and sustainable growth rate. The life insurance revenue grew by over 30 %/year; total annual insurance premium revenue is estimated at around 70 trillion VND; provides more than 7.5 million insurance policies to customers. In particular, has paid insurance benefits to people with more than 14 trillion VND per year, creating jobs for nearly 10 thousand workers and more than 600,000 insurance agents. On the other hand, introducing the Law on Insurance Business on December 7, 2000, is an important milestone, creating a legal corridor for the insurance industry to develop the past.

Life insurance has many specific regulations because it covers the insured's life or death. Types of life insurance are now widespread, including Whole life insurance; Term life insurance; Mixed insurance; Term insurance; Periodic payment insurance; Investment-linked insurance; Pension insurance. In particular, before selling products and services, insurers are required to make a model insurance contract with customers in compliance with the provisions such that the insurance contract must be built based on the model terms and Conditions, ratifying authority, register warranty according to the requirements of the law on consumer protection.

Life insurance with saving savings and risk protection has become an effective financial solution for every Vietnamese family. At the same time, Vietnam's insurance market is considered one of the compelling medium and long-term capital channels for the economy

through reinvestment activities of insurance enterprises. From 2015 - 2020, the total amount of money reinvested by businesses into the economy grew at an average rate of 17.7% per year. Notably, in 2022, investment activities of insurance enterprises reached about VND 353 trillion, up 27% compared to 2021.

At the same time, based on industry-specific regulations, insurers must always ensure financial capacity to meet the long-term commitments of insurance contracts, especially life insurance. Therefore, businesses always focus on choosing financial solutions with high safety in the long term, such as government bonds, bank deposits... the Insurance Supervision and Administration Department, Ministry of Finance. Businesses in the field can use idle capital to invest in many other areas but must comply with the law to ensure safety in investment activities. For example, for the form of investment in the real estate business, capital contribution to other companies... is only at a maximum rate of 10% - 50%. Or must comply with regulations not to borrow for direct investment and investment trust or reinvest in any form for shareholders.

Need to improve service quality: Realizing the reality in the market, life insurance in Vietnam has only met a small part of the market demand, and the potential for development is still relatively large. It can be mentioned that retirement insurance products and services in Vietnam's type of life insurance have the potential for development. At the same time, this is also a product and service that is expected to have good growth in the future, so many businesses operating in the insurance industry in Vietnam have also begun to pay attention to retirement insurance. For example, many rural people do not have the conditions to participate in social insurance, so pension insurance is a potential product that can meet this demand. However, for people to understand information about the insurance industry in general and life insurance in particular, businesses need to make efforts to communicate products, services...

In this context, the market has a lot of information, so people have difficulty and confusion in choosing products and services suitable for their needs. Regarding the challenges in market development, businesses said that one of the most significant barriers today is insurance fraud contract risk... and when faced with these problems, each insurance company has a different approach, so it lacks professionalism and uniformity.

Under the provisions of Vietnamese law, insurance fraud can be criminally handled, but many cases are difficult to control, and insurers cannot detect it, so they still pay. As for the contract terms, if the customer violates them, partly due to the agent's advice, the enterprise can consider having a solution to handle it following the law. Vietnam Life Insurance Company

profiteering based on health status has recently tended to increase. When the customer conducts a health check, the procedures specified in the insurance contract have been validated. For insurance contracts, it is necessary to respect the law and the attached conditions, but the insurance company always creates favorable conditions for customers to accompany the business for life or long distance. Until now, Vietnam's life insurance market has about 621 thousand advisors, so it is difficult to assess the knowledge of agents and consultants.

Analysis of Regression Coefficients in the SEM Model

Cronbach's Alpha is 0.5. Many studies think a suitable scale, ranging from 0.7 to close to 0.8, may be used when Cronbach's Alpha coefficient is between 0.8 and 1. Others believe that Cronbach's Alpha of 0.6 or more if the concept is measured is new or new to the respondents in the research context and the minimum of the coefficients.

Table 1: Descriptive statistics on the demographics of customers

Gender	Customers	Percent	Valid percent	Cumulative percent
Male	215	46.2	46.2	46.2
Female	250	53.8	53.8	100.0
Total	465	100.0	100.0	
Marital status	Customers	Percent	Valid percent	Cumulative percent
Single	215	46.2	46.2	46.2
Married	250	53.8	53.8	100.0
Total	465	100.0	100.0	
Age	Customers	Percent	Valid percent	Cumulative percent
From 18 to under 25 years old	42	9.0	9.0	9.0
From 25 to under 35 years old	108	23.2	23.2	32.3
From 35 to under 45 years old	238	51.2	51.2	83.4
From 45 to 55 years old	61	13.1	13.1	96.6
Over 55 years old	16	3.4	3.4	100.0
Total	465	100.0	100.0	

Source: Prepared by the author (2023)

The insurance industry in general, and life insurance in particular, is a tool that contributes to taking care of life and social security, so setting up a channel to provide official information and accurate statistics about the industry is job essential. Table 1 shows 215 male customers account for 46.2% and 53.8%, respectively. Customers are from 35 to under 45 years old, with 51.2 percent. The rest are female, with 465 valid votes.

Table 2: Cronbach's Alpha of factors

Code	Factors	Cronbach's Alpha
Rel	Reliability	0.949
Emp	Empathy	0.840
Res	Responsiveness	0.947
Com	Competence	0.951

Tan	Tangibles	0.864
SAT	Customers' satisfaction	0.848

Source: Prepared by the author (2023)

Table 2 shows that the customer satisfaction measurement variables have a Cronbach's Alpha coefficient greater than 0.6, a Cronbach's Alpha coefficient from 0.840 to 0.951, and all observed variables greater than 0.6. The above result is outstanding, so we accept it. So, the author did not remove any variable in the factors measuring customer satisfaction because there is a scaling coefficient above the allowable level.

Table 3: Sample descriptive statistics about dependent factors

Code	Customers	Minimum	Maximum	Mean	Std. Deviation
Rel1	465	1.00	5.00	3.0710	1.00715
Rel2	465	1.00	5.00	3.0753	1.01536
Rel3	465	1.00	5.00	3.1161	0.98011
Rel4	465	1.00	5.00	3.0215	1.03785
Emp1	465	1.00	5.00	3.4194	0.87497
Emp2	465	1.00	5.00	3.5183	0.95828
Emp3	465	1.00	5.00	3.2946	0.97450
Emp4	465	1.00	5.00	3.3785	0.89465
Res1	465	1.00	5.00	3.0796	0.99790
Res2	465	1.00	5.00	3.0882	1.01856
Res3	465	1.00	5.00	3.1376	0.97068
Res4	465	1.00	5.00	3.0882	0.99501
Com1	465	1.00	5.00	3.0237	1.01364
Com2	465	1.00	5.00	3.0086	1.03387
Com3	465	1.00	5.00	3.0839	0.98669
Com4	465	1.00	5.00	3.0215	1.06247
Tan1	465	1.00	5.00	2.3613	0.67163
Tan2	465	1.00	4.00	2.3978	0.61483
Tan3	465	1.00	5.00	2.4108	0.66719
Tan4	465	1.00	5.00	2.4323	0.68876

Source: Prepared by the author (2023)

Table 3 shows the customers with the lowest answer of 1 and the highest number of 5. The average value mainly revolves around the importance of 3.0. The standard deviation of the data also does not fluctuate much, around the value of 1.0.

Table 4: CFA test results for all scales

Indicators	Value	Standard	Result
CMIN/DF	2.473	< 5.0	Good
GFI	0.915	> 0.8	Good
TLI	0.957	> 0.9	Good
CFI	0.966	> 0.9	Good
RMSEA	0.056	< 0.08	Good
Sig value	0.000	< 0.05	Good

Source: Prepared by the author (2023)

Table 4 shows the model goodness of fit indicators such as chi-square, chi-squared adjusted for degrees of freedom (CMIN/df), CFI comparability index, TLI index, and the index. A model is considered appropriate when the chi-squared test has a p-value less than < 0.05 . Thus, the above results are consistent with the research data set. RMSEA is satisfactory.

Table 5: Results for testing the structural equation model

The relationship between the factors			Unstandardized Coefficients	Standardized Coefficients	Std. Error	C.R	P-value
SAT	<---	REL	0.094	0.139	0.025	3.704	***
SAT	<---	EMP	0.143	0.143	0.041	3.514	***
SAT	<---	RES	0.488	0.591	0.042	11.717	***
SAT	<---	COM	0.142	0.154	0.033	4.371	***
SAT	<---	TAN	0.166	0.093	0.064	2.597	0.009

Source: Prepared by the author (2023)

Table 5 shows that the SEM model test results are satisfactory. The values of the regression coefficients are positive and statistically significant because the column "P-value" is less than 0.05. The impact of reliability (Rel) on service quality of life insurance in Vietnam weighs 0.139 with a deviation of 0.025 ($p = 0.000$). That is, reliability (Rel) positively impacts the service quality of life insurance in Vietnam. The impact of empathy (Emp) on service quality of life insurance in Vietnam weighs 0.143 with a deviation of 0.041 ($p = 0.000$). Empathy (Emp) positively impacts service quality of life insurance in Vietnam. The impact of responsiveness (Res) on service quality of life insurance in Vietnam weighs 0.591 with a deviation of 0.042 ($p = 0.000$). That is, competence (Com) positively impacts the service quality of life insurance in Vietnam. The impact of competence (Com) on service quality of life insurance in Vietnam weighs 0.154 with a deviation of 0.033 ($p = 0.000$). That is, competence (Com) positively impacts the service quality of life insurance in Vietnam. Finally, tangibles (Tan) positively impact the service quality of life insurance in Vietnam. The impact of tangibles (Tan) on service quality of life insurance in Vietnam weighs 0.093 with a deviation of 0.064 ($p = 0.009$). That is, tangibles (Tan) positively impact service quality of life insurance in Vietnam.

Table 6: Testing the research model by Bootstrap method

The relationship between the factors			SE	SE-SE	Mean	Bias	SE-Bias
SAT	<---	REL	0.026	0.001	0.089	-0.005	0.004
SAT	<---	EMP	0.056	0.001	0.134	-0.009	0.006
SAT	<---	RES	0.050	0.001	0.481	-0.007	0.005
SAT	<---	COM	0.048	0.001	0.128	-0.004	0.004
SAT	<---	TAN	0.079	0.002	0.154	-0.002	0.003

Source: Prepared by the author (2023)

Table 6 shows the implemented Bootstrap method with a repeated sample of $N = 20,000$ customers in this study. Besides, Amos software will now select 20,000 pieces by substitution with the repetition method from a crowd of $n = 465$ observations. Similarly, the values of the regression coefficients are positive and statistically significant because the column "Bias" is tiny.

Policy implications for reliability (Rel): businesses need to promote advertising and sponsor social activities to help people understand the company more. For the propaganda and promotion to be highly effective, businesses need to use professional advertising agencies, and organize the implementation for a long time, combined with the central propaganda on the occasion of the special day, big ceremony, or significant event. The company needs to improve the reliability factors such as: paying on time, paying attention to customer problems, not letting records get lost or wrong, and not returning documents many times to improve to get the service quality of life insurance. Besides, enterprises need to develop and perfect life insurance products according to the principle of attaching the interests of the insured and the insurance company (the focus of the majority to the few): The premium corresponds to the level of liability insurance; provide insurance products that satisfy customers' needs, increase benefits for policyholders, expand insurance coverage, and supplement practical insurance benefits for individual insurance products. , organize, and set the appropriate premium. Serving customers wholeheartedly, equally, and at the place means, regardless of whether customers are large or small, rural or urban, domestic or foreign, have a traditional relationship or not, etc., customer satisfaction and trust.

Policy implications for tangibles (Tan): The Company should have regulations on uniforms for sales staff when interacting with customers to create the feeling of a professional supplier and professional personnel system. In addition, service publications need to have an attractive design, but it is necessary to pay attention to image positioning and use of the brand identity system in a consistent manner throughout the system. Work facilities required to achieve job suitability should be ensured, including workspaces and associated work facilities, to provide adequate health conditions. Besides, insurance companies must promote their image widely in mass media, and improve the competitiveness and quality of insurance services in the market through the ability to compensate for losses, insurance service contract payment, and customer care policy.... This will create trust for customers and for the banks themselves. Finally, it is necessary to develop publicly listed processes, procedures, and forms that are

convenient and full of information for customers' reference. Employees' clothes are neat and suitable for the working environment to attract customers to work.

Policy implications for empathy (Emp): The Company should also consider solutions regarding price competitiveness, service accessibility, and service convenience when providing to customers. It may be necessary to have specific evaluation programs to suggest possible solutions. Attitude towards the product about the life insurance product is also an essential factor in deciding whether to buy or not to buy insurance. Most subjects did not have an evident attitude towards the product in terms of age, procedures, fees, payment methods, and benefits; It is not known that there is the addition of life insurance and health insurance products. In addition, the long time it takes to buy life insurance also makes the subjects feel confused when purchasing it. In addition, building a staff team to receive records showing interest in customers and the time limit for processing dossiers is appropriate and fastest for customers. Besides, the consultants are the company's representatives in contact with customers. Therefore, employees need to show all the company's concern for customers. When the solution is implemented, it will help the company build appropriate rules and standards to offer customers the care of suppliers and employees. From there, customers will be more open to contacting the company and willing to share more so that the company can listen to and understand customers. In addition to the innovation in communication content, the change in communication form also contributes equally to changing people's perception of life insurance.

Policy implications for responsiveness (Res): The Company ensures the service is done right the first time. To ensure this, the company needs to upgrade the system to ensure that it is not overloaded and does not cause customer problems. The company ensures that the service is notified upon successful implementation. This depends mainly on the service system. The company should check to avoid the situation that the service is successfully performed, but there is no notification message to the customer. In addition, the record-receiving staff serves customers quickly and on time, and the application-receiving team is always ready to help customers when they have difficulties. Besides, businesses enhance the role of existing customer groups through after-sales customer care activities to create the best word-of-mouth effect. Life insurance is an unexpected product, especially for products that provide protection from risks such as illness, disease, and death, so sharing good feelings with those who have experienced it experience will produce the most believable effect for new and potential customers. In addition, building a staff to receive records from serving all cases fairly and the

application staff never seem too busy to not meet customers' needs and always support the best customer.

Policy implications for competence (Com): Businesses need to strengthen communication activities to raise awareness about life insurance. In fact, insurance businesses also pay great attention to communication activities but have not achieved the expected effect, so it is essential to innovate this activity in both form and content to streamline service delivery processes, unify and widely inform service delivery processes conveniently and simply to customers, reducing unnecessary paperwork for customers when they service is required. For the criteria of accuracy and speed of service implementation, the company needs to review and set up service delivery processes simply and conveniently for customers. Besides, enterprises must closely coordinate with each other of all departments in the service provision process. Sufficient resources are available to provision, maintain, and operate service delivery systems. The commitment continues to implement improvement policies from senior management. When the solution is implemented, it will help the company form a culture of professional service delivery from the staff and, simultaneously, improve the customer's perception of the company's service responsiveness. Enhance the promotion of the business's image through its events or programs to help the community. Thereby improving the credibility and trust of customers in the industry. In addition, the staff receiving records must have the knowledge to answer customers' questions, and the team receiving documents to handle work flexibly and effectively.

CONCLUSION

Accordingly, the proposed research model includes 5 components affecting customer satisfaction with the service quality of life insurance in Vietnam: Reliability, assurance, service capacity, tangible means, and empathy level. In addition, the author uses a combined qualitative research method that has been used to test the model with two research phases: Preliminary research: Conduct qualitative research to have a preliminary scale, then recalibrate the scale with a questionnaire consisting of 24 observed variables. The demographic analysis results show no differences in gender, marital status, age, income, and occupation that do not affect the quality of service quality at bank trade in Vietnam at the 5% significance level.

In addition, Formal research: The author analyzes 500 questionnaires from customers using Vietnam's life insurance services. The results of the study by Cronbach's Alpha coefficient and exploratory factor analysis EFA, CFA, and SEM we obtain 5 factors affecting

customer satisfaction with the service quality of life insurance in Vietnam. The component observed variables are Reliability level, assurance level, service capacity, tangible means, and empathy level, respectively. Thus, the study has accomplished three main objectives: Firstly, determining the factors affecting customer satisfaction with the service quality of life insurance in Vietnam. Second, measure the factors affecting customer satisfaction with life insurance services in Vietnam. Third, the proposal implies a policy to improve customer satisfaction with the service quality of life insurance in Vietnam. To improve customer satisfaction with the service quality of life insurance in Vietnam, it is necessary to implement policy implications according to the above priorities.

Limitations of the research and suggestions for further study: Along with the contributions mentioned above, this study has certain restrictions as follows: Firstly, this study is only conducted for customers who have been using Vietnam's life insurance services, so the research results have only practical value for this company. Therefore, the following studies should continue to compare these results with other studies in the system of many insurance companies. The results will differ for other agencies, units, organizations, and businesses. Second, for collecting information by distributing survey forms directly to customers. In this process, despite trying to convince and explain to customers, it is still inevitable that customers answer dishonestly, inaccurately, and objectively compared to their assessment. Therefore, the following studies should have prior discussions with customers.

ACKNOWLEDGMENTS

The study was supported by Van Lang University.

REFERENCES

- Akhter, W., Jamil, H., & Fam, K. S. (2021). Islamic influence on customer satisfaction: evidence from Takaful and conventional insurance industry. *Journal of Islamic Accounting and Business Research*, 12(4), 524-543.
- Alaa, A. H., & Zoghلامي, F. (2023). The Role of engineering insurance in completing projects by using bank loans: An applied study in a sample of Iraqi insurance companies and banks. *International Journal of Professional Business Review*, 8(1), 1-23.
- Cronin, J. J., & Taylor, S. A. (1992). Measuring Service Quality: A Reexamination and Extension. *Journal of Marketing*, 56(3), 55-68.
- Deruyter, K., Bloemer, J., & Peeters, P. (1997). Merging service quality and service satisfaction: An empirical test of an integrative model. *Journal of Economic Psychology*, 18(4),

387-406.

Gayathri, H., Vinaya, M. C., & Lakshmisha, K. (2006). A pilot study on the service quality of insurance companies. *Journal of Services Research*, 5(2), 123-138.

Getnet, B. (2020). Impact of service quality on customer satisfaction in selected insurance companies in Bale Robe Town. *Research on Humanities and Social Sciences*, 10(11), 110-117.

Gronroos, C. (1984). A service quality model and its marketing implications. *European Journal of Marketing*, 18(4), 36-44.

Hair, J., Anderson, R., Tatham, R., & Black, W. (2021). *Multivariate Data Analysis with Readings*, U.S.: Prentice-Hall: Upper Saddle River, NJ, USA.

Joseph, M., Stone, G., & Anderson, K. (2003). Insurance customers' assessment of service quality: A critical evaluation. *Journal of Small Business and Enterprise Development*, 10(1), 81-92.

Jothi, A. (2016). Service quality and customer satisfaction in life insurance business. *Australian Journal of Basic and Applied Sciences*, 10(1), 636-641.

Kang, G., & James, J. (2004). Service quality dimension: An examination of Gronroos's service quality model. *Managing Service Quality*, 14(4), 266-277.

Khadim, N., & Islam, M. K. (2022). A review of literature on the evaluation of customer satisfaction patterns in mobile banking services. *International Journal of Professional Business Review*, 7(3), 1-12.

Khurana, S. S. (2014). Analysis of service quality gap in Indian life insurance industry. *European Journal of Commerce and Management Research*, 2(3), 1-13.

Kotler, P., & Keller, K. L. (2006). *Marketing Management*. Pearson Prentice Hall, USA.

Lohani, S., & Bahadur, K. (2018). Service quality in the Nepalese insurance market. *Nepalese Journal of Insurance and Social Security*, 1(1), 59-71.

Panchanatham, N., Jhansi, S., Kumar, S., & Mani, A (2008). A Study on policy holder's expectations and preferences towards selected private life insurance companies in Karur District. *Indian Journal of Marketing*, 38(8), 23-34.

Parasuraman, A., Zeithaml, V., & Berry, L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49(1), 41-50.

Parasuraman, A., Zeithaml, V., & Berry, L. (1988). SERVQUAL: A MultipleItem Scale for Measuring Consumer Perceptions of Service Quality. *Journal of Retailing*, 64(1), 12-40.

Pillai, R. H., & Arumugan, A. (2023). Comparative analysis between banking and insurance sector on the perception of transformational leadership styles. *International Journal of Professional Business Review*, 8(5), 1-14.

Pooser, D. M., & Browne, M. J. (2018). The effects of customer satisfaction on company profitability: Evidence from the property and casualty insurance industry. *Risk Management*

and Insurance Review, 21(29), 289-308.

Ramadhan, A., & Soegoto, D. (2019). Factors influencing customer satisfaction in health insurance companies. *Advances in Economics, Business and Management Research*, 12(1), 117-121.

Sheth, A., & Subramanian, H. (2019). Blockchain and contract theory: Modeling smart contracts using insurance markets. *Managerial Finance*, 46(6), 803-814.

Singer, A. W. (2019). Can blockchain improve insurance?. *Risk Management*, 66(1), 20-25.

Sinha, K. (2013). Measurement of service quality: a life insurance industry perspective. *Journal of Marketing Vistas*, 3(1), 54-66.

Spreng, R. A., & Mackoy, R. D. (1996). An empirical examination of a model of perceived service quality and satisfaction. *Journal of Retailing*, 72(2), 201-214.

Steiner, P. H., & Maas, P. (2018). When customers are willing to disclose information in the insurance industry: A multi-group analysis comparing ten countries. *International Journal of Bank Marketing*, 36(6), 1015-1033.

Tsoukatos, E., & Rand, G. K. (2006). Path analysis of perceived service quality, satisfaction and loyalty in Greek insurance. *Managing Service Quality*, 16(5), 501-519.

Upadhyay, J., & Adhikari, P. (2021). Impact of service quality on customer satisfaction and firm performance in Nepalese life insurance companies. *International Journal of Engineering and Advanced Technology*, 10(3), 110-115.

Venkatesh, S. (2019). Big data – can it make a big impact in the insurance sector?. *The Journal Insurance Institute of India*, 6(6), 92-97.

Woo-Yeon, P., Lee, S. J., Park, C., Jung, S., & Kim, H. K. (2021). The effect of service quality of internet insurance on intention to purchase online. *International Journal of Smart Business and Technology*, 9(1), 63-70.

Yadav, B. (2011). Customer satisfaction on life insurance services: An empirical study on LIC. *International Journal of Marketing and Management Research*, 2(2), 150-156.

Zeithaml, V., Berry, L., & Parasuraman, A. (1988). Communication and control processes in the delivery of service quality. *Journal of Marketing*, 52(3), 35-48.