

An Analysis for Factors Affecting Switching Behaviour of Customer in General Insurance Industry in Sri Lanka

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ABSTRACT

Introduction: The purpose of this study is to identify the factors affect for customer switching in general insurance industry. To achieve this goal 120 questionnaires were distributed among customers who are the general insurance policyholders in Sri Lanka. This study is based on four factors that are affect to customer switching behavior and these factors were extracted from the literature.

Design/Methodology/Approach: This study is based on four factors affecting customer switching behavior extracted from the literature. Customer switching is the dependent variable and customer satisfaction, switching cost, customer loyalty, and service quality are the independent variables. 120 questionnaires were distributed among customers who are the general insurance policyholders in Sri Lanka in order to collect data.

Findings: The findings of this study disclosed that most important factors that are affect to the customer switching are, customer satisfaction and customer loyalty and the least important factors are, switching cost and the service quality.

Conclusion: Insurance companies able to analyze the business with considered factors and predict the customer switching in near future. Researcher has identified customer satisfaction highly affect for the customer switching in general insurance industry referring regression analysis. Therefore, insurance companies have to give their more attention to satisfy customers.

Keywords: *Customer switching, Customer satisfaction, Switching cost, Service quality, Customer loyalty.*