



Acikdilli, G., & Soylu, A.B. (2023). Service Trust, Loyalty, and Satisfaction: Do Clients Prefer Insurance Firms or Agencies? Evidence from Turkey. *Copernican Journal of Finance & Accounting*, 12(2), 9–26. <http://dx.doi.org/10.12775/CJFA.2023.008>

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**SERVICE TRUST, LOYALTY, AND SATISFACTION:  
DO CLIENTS PREFER INSURANCE FIRMS OR AGENCIES?  
EVIDENCE FROM TURKEY**

**Keywords:** insurance, agency, SERVQUAL, consumers, satisfaction, Turkey.

**J E L Classification:** M31, G52.

**Abstract:** Insurance services are based on trust. Customers' trust is limited to assessing companies and agents. Providers measure trust, loyalty, and satisfaction of clients who had claims under their insurance policies. Structural Equation Modeling was used to evaluate relationships between insurance agencies, companies, and consumer loyalty using the SERVQUAL scale. A survey of the Turkish insurance marketplace reveals that service quality, customer satisfaction, and trust in the agency and insurance com-

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Date of submission: January 16, 2023; date of acceptance: August 15, 2023.

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panies have significant effects on loyalty. Moreover, Turkish customers' trust reveals greater loyalty to the individual agency than to insurance firms.

## ■■■ INTRODUCTION

The insurance sector has a significant role in the economic growth of nations (Holliday, Remizova & Stewart, 2021). The business of insurance is increasing in developing countries with dynamic economies compared to developed nations where markets are saturated, and Turkey offers potential for insurance firms (Ozudogru, 2017). Cristea, Marcu and Carstina (2014) reported that Turkey is near the bottom in Europe ranked by the average value of annual insurance premiums per capita as well as by the share of gross premium written to GDP. The sector lags in potential because of low insurance awareness, public distrust of insurance companies, cultural factors that include a fatalistic attitude, and negative religious beliefs toward insurance (Soylu & Kırkbeşoğlu, 2020). This parallels the constraints facing other financial service providers as Turkish people incorporate history, events, and opinions into pecuniary decisions (Acikdilli, Ziemnowicz & Bahhouth, 2021). These complicate business in Turkey because trust is key to success in the insurance industry (Guiso, 2021).

The distribution for insurance products in Turkey includes banks and brokers with agency networks serving as the main channel for insurance firms. Implementation of Bancassurance in Turkey decreased the number of insurance agents as banks expanded their market share (Yıldırım, 2014). There is untapped growth in issuing insurance (Turkish Ministry of Treasury and Finance, 2019).

Insurance firms develop strategies to increase customer loyalty (Şentürk & Eker, 2017). They need to provide customers with confidence, develop quality-oriented services, and offer this continuously (Roy, 2012). Failure in services often occurs when consumers' perception of the service received is below their expectations. The clue of unsuccessful service is after customers stopped purchasing (Tax & Brown, 1998). Customers can switch their business, thus insurance enterprises strive to gain customers and create loyalty (Aves, 2021).

Agencies can represent many insurance firms; hence it is essential to recognize how customers' trust in an agency impacts loyalty and satisfaction with insurance firms. Yet, how trust in insurance agencies affects the loyalty of insurance customers has not been a focus in academic literature. This study measures relationships among service quality, customer satisfaction, and trust

in insurance companies compared to trust in insurance agencies. It examines consumers that had purchased policies and also went through an insured claim.

## LITERATURE REVIEW AND HYPOTHESIS

### Customer Loyalty

Customer loyalty emerges with customer satisfaction, which is formed by service quality (Kiran & Diljit, 2017). Loyalty is the intention of customers to maintain their relationship with their service providers and usually results from the belief that the value of the service they receive from them is higher than available from others and loyalty is explained by behavioral customer retention and emotionally with word-of-mouth marketing (Ranaweera & Prabhu, 2003). It is evident when customers communicate and advise others about the service they experienced.

Customer loyalty in the insurance sector is characterized by the intention of keeping or renewing existing policies and/or purchasing a new policy from the same company. There are barriers to changing companies in the case of long-term life insurance, but few obstacles to switching coverage among insurance firms in the non-life sector. Therefore, efforts to increase customer loyalty gain importance. Yet, Tsoukatos, and Rand (2006) found that satisfaction has no direct effect on customer loyalty. According to Ansari and Riasi (2016), quality, trust, and empathy perceived by customers have a strong effect on customer satisfaction and perceived value and a positive effect on customer loyalty. Andreassen and Lanseng (1997) reported insurance firms had a higher impact on the loyalty levels of insurance customers than the agencies and, where the perceived service quality is of high quality, corporate image influences customer loyalty. Habits resulting from the customers' previous experiences can be a strong determinant for the choice of insurance, but it does not mean absolute loyalty to a particular insurance firm (Roy, 2012).

### Service Quality

The value of goodwill in Turkish non-life insurance companies represents the awareness of the company by the public and its perceived quality of services (Akan, 2016). Insurance company key performance indicators primarily de-

pend on the service quality and the level of customer satisfaction (Friedman, 2001a). Cooper and Frank (2001) show that the most common reason for the dissatisfaction by insurance customers is poor service quality and service delivery. The American Customer Satisfaction Index (ACSI, 2018) indicated that average customer satisfaction decreased by 6.1% for non-life policies between 1994 and 2002 while the needs of the insurance customers are often ignored even when the expectations and perceptions of customers are higher than the service quality received (Friedman, 2001b). The quality of services and the achievement of customer satisfaction are both fundamental for the success of insurers. This study proposes the following hypotheses:

- H1: Service quality affects customer satisfaction.
- H1a: Assurance affects customer satisfaction.
- H1b: Responsiveness affects customer satisfaction.
- H1c: Reliability affects customer satisfaction.
- H1d: Empathy affects customer satisfaction.
- H1e: Tangibles affect customer satisfaction.

Quality of service has an imperative role in the insurance industry for customer loyalty (Roy, 2012). Şentürk and Eker (2017) study of automobile insurance found that customer-perceived service quality dimensions include reliability, empathy, and responsiveness, which provided a positive effect on customer loyalty. According to Roy (2012), customers value auxiliary benefits beyond the core insurance product - such as convenient online services and payment systems as well as the behavior and attitude of representatives - help increase customer loyalty. Fogli (2006) emphasized the importance of service quality on customers' perceptions, attitudes, general impressions, and purchasing behavior. The quality of services and the achievement of loyalty are fundamental for insurers. Thus, this study proposes the following hypotheses:

- H2: Service quality dimensions affect customer loyalty.
- H2a: Assurance affects customer loyalty.
- H2b: Responsiveness affects customer loyalty.
- H2c: Reliability affects customer loyalty.
- H2d: Empathy affects customer loyalty.
- H2e: Tangibles affect customer loyalty.

## Trust

Trust in the services sector is a determining factor in relational commitment as the foundation for long-term relationships and an auxiliary factor in building customer loyalty. The loyalty of a customer to a company is often accompanied by that customer's recommendations to others. Kassim and Abdullah (2010) found that customer satisfaction has a strong effect on customer trust as well as loyalty and they noted that customer loyalty has a positive and meaningful effect on repurchase behavior. It can be postulated that customer trust has a positive effect on customer loyalty. As the consumer's trust in an insurance company increases, their loyalty should increase as well. Sirdeshmukh, Singh and Sabol (2002) determined that consumer trust in the insurance intermediaries (agents, brokers, banks, etc.) and the insurance company is positively associated with consumer loyalty. Therefore, analysis of the quality (level of trust and general satisfaction) of the relations between the insurance firms and the customers can be a determining factor in the customer's overall perception of the firms. Both positive and negative customer recommendations can impact a company. This may take place among insurance intermediaries (agents, brokers, banks, etc.) and the customers before the sale. In after-sales services (assistance after the loss, compensation payments, etc.), the insurance company is usually the endpoint for the policyholder.

Trust in Turkish insurance companies is questioned based on anecdotal evidence and firms have an image problem and under severe strain (Fitch Ratings, 2022). Failures to fulfill compensation obligations and poor after-sales service are among the problems. Insurance customers who experience such situations or have heard of problems will avoid doing business with the firms in question (Aslan, 2018). According to Smith, Bolton and Wagner (1999), insurance companies' failure to identify the problems causing customer loss and not taking corrective measures are the main causes of customer churn. However, there are a few studies that include insurance agencies. Joseph, Stone and Anderson (2003) found it surprising that insurance respondents believe their individual agent is performing at an above-average level. According to their results, insurance companies and their sales representatives have had to reevaluate their traditional methods of attracting and keeping customers. Karaman (2021) measured the effect of relational marketing on customer satisfaction in insurance agencies but did not include the relationships between the trust in insur-

ance companies, service quality dimensions, and loyalty. This gap in the literature prompted the present study towards an insight into how customers' trust in insurance companies, versus agencies, is linked to loyalty. To compare the effect of insurance customers' trust in insurance agencies versus insurance companies, the following hypotheses have been developed:

- H3: Trust in the insurance agency affects the loyalty of the insurance customers.
- H4: Trust in the insurance company affects the loyalty of the insurance customers.

### **Satisfaction**

Satisfied customers are an essential element for the sustainable performance of any business. Company image and perceived quality of service may determine selection of the insurance company and willingness to purchase coverage. Gopalkrishna, Rodrigues and Varambally (2008) examined service quality in the general insurance sector and concluded that customers attach more importance to concrete services (insurance premiums) than basic services (claims management, compensation payments). According to Parasuraman, Zeithaml and Berry (1988), customer satisfaction leads to a general perception of service quality over time. Other researchers have argued that perceived service quality leads to customer satisfaction (Bitner, 1990). Cronin and Taylor (1992) analyzed both models and determined the correlation coefficients of variables were statistically significant in the path analysis of the service quality, customer satisfaction, and purchase intention model. Consumers often do not perceive satisfaction and quality as different concepts. In general, service quality is an element affecting customer satisfaction and its level affects customer purchases (Anderson, Fornell & Lehmann, 1994).

The concept of service quality is associated with customer retention (Steenkamp, 1989), profitability (Reichheld & Sasser, 1990), and market share (Buzzell & Gale, 1987). Studies reported a positive correlation between customer satisfaction and customer retention, loyalty, and word-of-mouth marketing (Anderson & Sullivan, 1993). Anderson et al. (1994) explained as the level of customer satisfaction increases, the level of loyalty also increases, price flexibility decreases, market share is maintained, the level of attention of new customers is increased, and, therefore, the company creates a positive image. Typi-

cally, the quality of service, together with satisfaction, retains customers and provides loyalty. The more satisfied a customer, the higher loyalty to the insurance company. Accordingly, this study proposes the following hypothesis:

- H5: Customer satisfaction affects the loyalty of insurance customers.

## RESEARCH METHODOLOGY

### Measures

Parasuraman et al. (1988) developed the SERVQUAL instrument consisting of five dimensions (tangibles, reliability, responsiveness, assurance, and empathy). Bala, Sandhu and Nagpal (2011) used the SERVQUAL scale with five dimensions and 16 questions and it was selected. This instrument was evaluated by middle and senior managers of several insurance companies to ensure that it fully well matched with terminology used in Turkey. As a result, tangible dimensions of the scale such as *insurance products' prices are fair* were added. Additionally, three entries were added to reliability: *insurance company offers quality products and services, all terms are clearly stated in the insurance contracts, and there are no unnecessary delays in the insurance company's claims payments*. This increased the total to 20 questions.

The difference between perception and expectation is accepted as a measure of service quality. While the perception scale explains what customers actually think about the service, the expectation scale describes what customers expect. The American Customer Satisfaction Index (ACSI) developed a customer satisfaction scale. We adopted it to the insurance industry in Turkey. Using more than one question for each latent variable increases the precision of the prediction compared to the use of a single question. Our questionnaire added three statements to measure customer satisfaction:

- When you consider your experience with your insurer, how would you evaluate your overall satisfaction level? on a 5-point Likert scale between *absolutely not satisfied* to *absolutely satisfied*,
- To what extent does your insurer meet your expectations? on a scale from *much below my expectation* to *much above my expectation*,
- When you think of a perfect insurance company in every respect, how close do you see your insurer to this ideal? ranked from *very far* to *very close*.

This study adapted Seppänen, Blomqvist and Sundqvist (2007) trust scale. The original trust scale consists of seven items. We adapted five items because the pilot study showed the translation of two expressions was not fully agreed by participants. Turkish insurance consumers often have a close relationship with agents and trust the insurance agency more, and may not notice the conceptual distinction between an insurance company and the agency. Therefore, this research model expands the Trust variable to evaluate two separate variables: *Trust in an Insurance Company* and *Trust in an Insurance Agent*. This study used Tsoukatos and Rand (2006) customer loyalty scale and adapted to the situation in Turkey. The scale was composed of 5 items with *strongly disagree* and *strongly agree* as anchors.

### Sampling and Data

The basis of insurance is the insurable interest. This exists when the policyholder obtains financial or other benefits from the continued existence of an insured object without repair or damage. Individuals must have an asset to have insurable interests. For this reason, we aimed to evaluate those who reached a certain age, have income and have insurable interests within the scope of the research. Higher levels of education usually translate into better employment opportunities and higher earnings (OECD, 2021). In Turkey, individuals aged 25 and more generally complete their higher education and start working to earn an income (OECD, 2021). Thus, this study is limited to those who are at least 25 years old. Additionally, the quality of insurance service is generally understood by the insured when a loss occurs. This is because insurance products contain intangible and future-oriented uncertainty.

Ankara, the second-largest city in Turkey, was chosen as the sample because of the convenience in terms of time and costs. Thus, the sample was determined as those over the age of 25, residing in Ankara, having at least one insurance product, and having suffered at least one loss. A pilot test of the survey was performed by the authors using 40 individuals. This was done face-to-face, and no problems were encountered with the questionnaire. There are 38 items in total in the survey prepared within the scope of the research. Accordingly, the number of observations needed was calculated as  $190 \text{ over } 38 * 5$ .

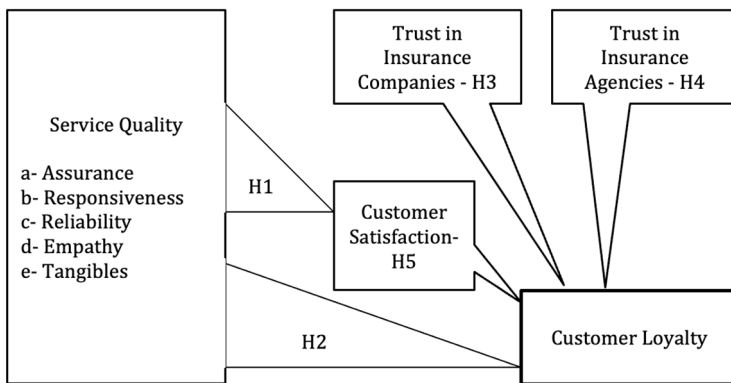


To conduct the full survey, the trade association for insurance agencies belonging to the Union of Chambers and Commodity Exchanges of Turkey was contacted to access members that would distribute the survey. Twenty agencies in Ankara were willing to participate. Their employees distributed the surveys via e-mail and WhatsApp application to those fitting the research criteria. Questionnaires were sent to 800 policyholders and 622 responses were returned, yielding a response rate of almost 78%. Those with incomplete and missing information were excluded, leaving a total of 600 to be analyzed.

### Research Model

There are many studies on the relationship between service quality, customer satisfaction, and loyalty (Anderson & Sullivan, 1993; Kiran & Diljit, 2017). Tsoukatos and Rand (2006) developed a model for the effect of the concrete and abstract dimensions of service quality with the dimensions of satisfaction and loyalty. Parasuraman et al. (1988) study is based on the model of service quality and dimensions created. Our research model (figure 1) contributes to the literature in terms of examining the dimensions of service quality, the level of trust of customers in two dimensions (trust in the insurance company and trust in the agency), and measuring the direct effect of customer satisfaction on customer loyalty.

**Figure 1.** Research Model



Source: Authors' research model.

### ANALYSIS

Data was analyzed through the SPSS 23 and AMOS 4. The 600 participants were 58% male and 42% female. More than half (56%) reported as single. Half of the participants were aged between 31 and 40. The majority (74%) completed a bachelor degree. Average monthly income between 2000 to 4000 TL was reported by 48%.

Reliability related the scale mean scores range from 3.41(customer satisfaction) to 3.93 (trust in agency). Cronbach Alpha coefficients of the variables are high (>0.70) and reliable (Hair, Anderson & Tahtam, 1998). Table 1 shows the model had acceptable levels of discriminant validity with the construct inter-correlations being less than the corresponding square root of the AVEs for each of the constructs ranged from 0.7 to 0.9 and greater than or equal to the suggested AVE criterion of 0.50 (Bagozzi & Yi, 1988).

**Table 1.** Average Variance Extracted (AVE) and Inter Construct Correlations

	AS	REL	EMP	RES	TAN	SAT	CTR	ATR	LOY
AS	<b>.767</b>								
REL	.731	<b>.788</b>							
EMP	.179	.089	<b>.739</b>						
RES	.714	.598	.229	<b>.863</b>					
TAN	.744	.699	.179	.844	<b>.861</b>				
SAT	.153	.157	-.325	.178	.261	<b>.745</b>			
CTR	.748	.753	-.142	.632	.691	.234	<b>.760</b>		
ATR	-.133	-.096	.169	.105	.085	.222	-.136	<b>.802</b>	
LOY	-.190	-.265	-.354	-.148	-.159	.477	.279	.553	<b>.761</b>

TAN = Tangibles, RES = Responsiveness, REL = Reliability, AS = Assurance, EMP = Empathy, SAT = Customer satisfaction, ATR = Trust in agency, CTR = Trust in company, LOY = Customer loyalty, SERV = Service quality

Source: Authors' analysis.

Hypotheses were tested using Structural Equation Modeling (SEM) providing efficiency in terms of the ability to comprehensively evaluate relationships and the transition from exploratory analysis to confirmatory analysis (Hair, Black, Babin, Anderson & Tatham, 2006). Table 2 indicates statistical significance has been tested as Goodness of Fit indices of the model applied and found (RMSEA=0.054; NFI=0.932; CFI=0.960; GFI=0.929; AGFI=0.894) within acceptable limits. The standardized path coefficients support that service quality ( $\beta=0.216$ ;  $t\text{-value}=4.601$ ) is an antecedent and that it positively affects customer satisfaction, which is in line with the findings of Cronin and Taylor (1992). Thus, H1 is supported (SEM Analysis 1). We also tested the relationship of service quality's dimensions on customer satisfaction (SEM Analysis 2) Coefficients of Reliance ( $\beta=0.017$ ;  $t\text{-value}=0.180$ ), Empathy ( $\beta=0.374$ ;  $t\text{-value}=6.040$ ) and Tangibles ( $\beta=0.412$ ;  $t\text{-value}=3.683$ ) are significant with customer satisfaction, while coefficient of Assurance ( $\beta=-0.087$ ;  $t\text{-value}=-0.776$ ) and Responsiveness ( $\beta=-0.153$ ;  $t\text{-value}=-1.525$ ) are not. Thus, H1a and H1b were rejected, but H1c,d,e are supported.

We also test the direct effect of service quality, customer satisfaction, trust in the insurance company, and trust in the insurance agency on loyalty (SEM Analysis 1). The argument that customer satisfaction ( $\beta=0.386$ ;  $t\text{-value}=5.811$ ), trust in the insurance company ( $\beta=0.179$ ;  $t\text{-value}=3.721$ ) and trust in the insurance agency ( $\beta=0.262$ ;  $t\text{-value}=5.006$ ) are antecedents and positively related to loyalty is also supported by the findings however service quality ( $\beta=-0.167$ ;  $t\text{-value}=6.268$ ) is negatively related to loyalty. Therefore, H2, H3, H4, H5 were supported.

Another test was to measure the effect of the dimensions of service quality on loyalty (SEM Analysis 2). Only Reliability ( $\beta=-0.109$ ;  $t\text{-value}=-3.272$ ) and Empathy ( $\beta=-0.116$ ;  $t\text{-value}=-4.248$ ) has significant but negative effect while Assurance ( $\beta=0.014$ ;  $t\text{-value}=0.331$ ), Responsiveness ( $\beta=-0.010$ ;  $t\text{-value}=-0.267$ ) and Tangibles ( $\beta=-0.028$ ;  $t\text{-value}=-0.677$ ) has not. Therefore, H2 (a, b, e) were rejected, H2c and H2d supported.

**Table 2.** SEM Analysis

SEM Analysis 1					
Hypothesis	Constructs	Estimate ( $\beta$ )	t	p	Results
H1	SAT <--- SERV	.216	4.601	.000	Accepted
H2	LOY <--- SERV	-.167	-6.268	.000	Accepted
H3	LOY <--- ATR	.262	5.006	.000	Accepted
H4	LOY <--- CTR	.179	3.721	.006	Accepted
H5	LOY <--- SAT	.368	5.811	.000	Accepted
Fit indices	Chi-square = 1146,273		d.f= 551	p = .000	
CMIN/DF = 2,93; RMSEA = 0.054; NFI = 0.932; CFI = 0.960; GFI = 0.929; AGFI = 0.894					
SEM Analysis 2					
Hypothesis	Constructs	Estimate ( $\beta$ )	t	p	Results
H1a	SAT <--- AS	-.087	-.776	.438	Rejected
H1b	SAT <--- RES	-.153	-.1525	.127	Rejected
H1c	SAT <--- REL	.017	.180	.000	Accepted
H1d	SAT <--- EMP	-.374	-6.040	.000	Accepted
H1e	SAT <--- TAN	.412	3.683	.000	Accepted
H2a	LOY <--- AS	.014	.331	.540	Rejected
H2b	LOY <--- RES	-.010	-.267	.590	Rejected
Fit indices	Chi-square = 885,593		d.f= 329	p = .000	
CMIN/DF = 3,3; RMSEA = 0.062; NFI = 0.894; CFI = 0.932; GFI = 0.891; AGFI = 0.863					

Source: Authors' analysis.

## DISCUSSION

This study examines the relationship between service quality, Turkish insurance customers' trust in insurance agencies versus insurance companies, customer loyalty, and satisfaction. Service quality dimensions such as reliability and tangibles were positive effects on customer satisfaction while empathy was a negative. The results show that assurance and responsiveness have no relationship to customer satisfaction. Insurance services are intangible, thus

making it challenging for customers to buy it. Tangibles such as marketing pieces, attractiveness of offices, employee uniforms, etc. may affect customer fulfillment. Reliability is important for the satisfaction because customers want minimum service standards such as routine insurance evaluation updates, customized planning services, reminder billing, etc. Potential reasons for the negative impact of empathy on customer satisfaction includes service employees' attitudes, organizational commitment, and/or empathy levels that inevitably vary over time. Our findings show service quality dimensions such as reliability and empathy negatively affect customer loyalty. Moreover, assurance, responsiveness, and tangibles did not significantly affect customer loyalty. Thus, the heterogeneity of employee empathy when interacting with customers can create a lack of reliability and result in sub-standard service to customers. This can lead to a loss of existing customers.

To deliver customer satisfaction by agencies, service must be top quality, relations with the firm must be long-term, and there must be a climate of trust between the parties. Since the trust factor is essential in insurance agencies and one-to-one communication with customers in providing services, agencies should adopt a relational marketing approach. Agents should develop and implement strategies to constantly improve their interactions with clients to establish long-term relationships (Karaman, 2021). We found that trust in the insurance agency affects the loyalty of insurance customers, and it is greater than trust to insurance companies in affecting customer loyalty. Trust is a foundation of insurance. Therefore, the more a client trusts the insurer, the higher level of loyalty. However, the organizations that Turkish insurance customers encounter are intermediaries. A typical client communicates with agents, brokers, or banks for most transactions. Therefore, customers perceive the agency and not the insurance company as the insurer, and this is the reason the variable of trust is dealt in two different dimensions in this study. The first measures confidence in the insurance company, while the second measures trust in the insurance agency. We also found that customer satisfaction affects the loyalty of insurance customers. It is essential to ensure customer satisfaction to establish long-term relationships and turn clients into loyal customers.

Our study provides insights into the drivers of the insurance sector in Turkey. The insurance industry is introverted regarding findings on service quality and its consequences. The Turkish insurance industry is no exception. Academic research using data to compare service and loyalty between insurance companies and agencies has not been conducted. The decision-makers

within insurance firms can use our findings towards appreciating how their customers think and thus implement proactive strategies to have stronger relationships enhancing customer loyalty. Quality-oriented service assists customer loyalty and the entire customer experience must be examined for quality delivery.

The structure of the insurance process includes the complexity of insurance products and contracts, the distance between the customer and the insurance company, the problems of negotiating prices, and the determination of risks borne by the insured; thus necessitating the existence of intermediaries between the insurer and individual clients. An agency can be more effective than insurance companies in terms reaching customers and maintaining communication. Insurance companies are dependent on its distribution channels. As intermediaries, agencies face two challenges in their relations with customers, the need to represent insurance companies and the need to convey insurance products using professional expertise. Moreover, an individual insurance agency can affect customer decisions between insurance companies. The results indicate the feeling of trust in insurance agencies increases loyalty. Thus, the qualifications of agents chosen by insurance companies to represent them become important.

## ■■■ CONCLUSIONS

Trust in insurance can be easily damaged by financial problems, misconduct, service failures, etc. Success depends on service quality that results in customer satisfaction and loyalty. The results of the study indicate that the insurance company is not as important as the bond with the insurance agency by the client. Trust is not reflected by a brand, but in relationships with customers. The importance of confidence by clients of insurance agents in Turkey is large. So much so that insurance agents, as the intermediary of the insurance company, are seen in the mind of the customers as the insurer. While this increases the importance of agencies, it can be viewed as a threat to insurance companies. Firms that want to create customer loyalty to them need to emphasize their brand directly to the public. Insurance companies should focus on quality-oriented service, maximize customer satisfaction and create a sense of trust in their customers. Furthermore, this process needs to be constantly controlled

and maintained. Advantages include more loyal customers, thus reducing policy turnover rates.

This study found that assurance and responsiveness have no effect on customer satisfaction as well as customer loyalty. It contributes to the literature by testing a model that includes the dimensions of service quality as well as comparing the trust to an insurance company and trust in the insurance agency to the loyalty of the customers resulting in satisfaction. Service quality affects customer satisfaction and customer satisfaction in this way affects customer loyalty. These findings should underscore how customers' trust in insurance companies as well as in insurance agencies affect their loyalty. Maintaining and developing established relationships based on trust, satisfying customers for creating loyalty, as well as retaining existing customers are paramount.

This analysis has limitations such as the need for an expanded cross-sectional study. A longitudinal analysis could help to assess causality and time-dependent effects among variables. The sample selection was limited to insurance clients in Turkey that were 25 years or older and experienced at least one insurance claim. Limits to conclusions would apply those who have not experienced an insured loss. Demographic variables should be further analyzed for measuring service quality in other regions. This would show customers in other areas perceive service quality and how they link this to satisfaction and loyalty. We posit the pandemic and the 2023 earthquakes have changed Turkish consumers' decision-making. Therefore, this study should be replicated in post-pandemic and post-earthquake conditions. Limitations also pertain to extrapolating our findings to insurance customers in other nations.

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