

The Effect Of Service Quality On Customer Satisfaction Pt. Car Life Insurance During The Covid-19 Pandemic

Karina Rizki Agustin¹, Erlina Puspitaloka Mahadewi^{2*}, Ahmad Irfandi³, Veza Azteria⁴

^{1,2,3,4} Universitas Esa Unggul Jakarta Indonesia.

* Corresponding author:

Email : : erlina.puspitaloka@esaunggul.ac.id

Abstract.

The present study about service quality on customer satisfaction PT. AJ Central Asia Raya (CAR Life Insurance) during pandemic covid-19. The experienced a decrease in the number of customers due to decreased income so that customers could not pay the premiums and difficulties in finding new customers due to limited employees in marketing insurance products due to the implementation of physical distancing. However, the company strives to keep customers able to use the company's services by continuing to focus on developing digitization of its services. This study aims to determine the quality of service and customer satisfaction at PT. AJ Central Asia Raya Jakarta Indonesia. The research method used is descriptive analysis. The data collection technique was carried out through the distribution of online questionnaires using google form. Samples were taken as many as 100 respondents with a population formula of non-probability sampling and the technique of determining the sample was using accidental sampling. Data processing techniques were carried out using normality test and univariate and bivariate data analysis. The results showed that there was an effect of service quality on customer satisfaction at PT AJ Central Asia Raya Jakarta Indonesia during pandemic covid-19.

Keywords: *Central asia raya life insurance, customer satisfaction, service quality, pandemic covid-19.*

I. INTRODUCTION

Insurance business competition in today's era of globalization and during pandemic covid-19 is increasingly rapid. The increasingly fierce competition requires business actors to have a competitive advantage in order to be able to survive and compete with other business competitors[1]. Efforts that can be done is to improve the quality of service. Service quality is one of the important factors in increasing competitiveness[2]. Expectations from customers are always changing so that the quality of service provided must also be adjusted. Customers will assess the services provided by a company by comparing from one company to other similar companies, also by comparing the services received with the services they expect. Service quality is a condition related to how far the service provider can provide a form of service that is in accordance with the expectations of its customers[3]. The insurance industry in Indonesia is considered to be growing very rapidly, where new insurance companies are popping up each other while insurance companies that have been around for a long time continue to develop existing businesses. Indirectly, the competition among insurance companies is getting tougher so that insurance companies are trying to provide the best service to provide satisfaction for their customers. Satisfaction for customers will be obtained from good service quality from the company. Because each

customer has a different desire or expected need, personal customer satisfaction is very difficult to achieve. Attention to the needs and satisfaction of service quality is a factor in the success of a business in the midst of this increasingly fierce competition between companies. Therefore, companies are required to be able to create and provide something different so that they can give a deep impression to customers, namely by providing satisfaction through good service quality[4].

Customer satisfaction is a manifestation and continuation in order to create customer loyalty in using the facilities and services provided by the company, as well as to remain every time a customer of the company. Customer satisfaction can be achieved by providing satisfactory service in accordance with customer expectations or even exceeding customer expectations. Customer satisfaction is the main indicator of the standard of a facility and as a measure of the quality of services provided. Customer satisfaction can be achieved through the best performance in providing services to customers. The best service delivery occurs when the company is able to maintain or improve the quality of services or services provided to customers[5]. Customer satisfaction is very important for a company in this study is a company engaged in insurance services, where good service plays a major role in providing satisfaction to its customers. With this service, it will bring up a level of satisfaction to customers, both positive and negative satisfaction. For insurance companies, customer satisfaction is very necessary, especially in the context of the company's existence, so that customers will continue to use the company's services[6]. Service quality and customer satisfaction are closely related. Quality provides an impetus to customers to forge a strong bond with the company. This kind of bond in the long term allows the company to carefully understand customer expectations and their needs, thus the company can increase customer satisfaction where the company maximizes a pleasant customer experience.

Service quality can be interpreted as an effort to fulfill customer needs and desires as well as the placement of delivery in balancing customer expectations. Service quality is reflected in customer satisfaction to reuse insurance services, customer satisfaction in using the services or products offered can be used as input by the management to improve and improve the quality of services provided, for that service employees should always monitor the satisfaction felt by the management. PT AJ Central Asia Raya (CAR) customers to achieve customer satisfaction[7]. The service quality is a form of consumer assessment of the level of service received (perceived service) with the level of service expected (expected service). Customer satisfaction is the level where the perceived satisfaction of using the product will be in accordance with the expectations of a consumer, if the satisfaction of using the product is much lower than consumer expectations, the buyer will feel dissatisfied. Conversely, if the use of the product meets expectations or exceeds expectations, the buyer will feel satisfied[8][9]. Customer satisfaction as the difference between expectations and use or expected results means that consumer satisfaction is created if consumers feel that the output or results of use are in line with expectations, or even exceed the expectations of

customers. Satisfaction is a person's feeling of satisfaction or disappointment resulting from a comparison of product performance or results with expectations. In line with research conducted that state service quality has a significant effect on customer satisfaction[10].

PT AJ Central Asia Raya (CAR Life Insurance) still has not been able to meet the dimensions of service quality, one of which is in service, the customer feels that the insurance claim process is less timely than the date promised by the company so that the customer has to come directly to the company. In this case it will cause a lot of time wasted for busy customers. It is not easy to be the best, apart from having to provide the best quality of service, there is also a factor in customer behavior patterns that are not easy to predict, especially in Indonesia, which consists of various cultures so that they have a variety of different behavior patterns[11]. In the field of life insurance, the object of research used in this research is PT AJ Central Asia Raya (CAR Life Insurance) in Jakarta Indonesia. It was chosen because this company has been established since 1975 until now, this company is still operating and is considered to have loyal customers or have used services for decades. In addition, previous researchers have carried out internships and made initial observations about the quality of services provided by the company according to or not with the expectations desired by each customer. This is supported by a statement submitted by the company that during the COVID-19 pandemic, the number of customers has differences due to the decrease in income so that customers cannot pay the premium. In addition, the limitations of employees in marketing insurance products are due to an appeal from the government to carry out Physical Distancing, one of which is by delaying or temporarily stopping various activities such as in schools, government and private offices, restaurants, shopping centers, permits for crowded events, and others. In response to this, PT AJ Central Asia Raya (CAR Life Insurance) seeks to keep customers able to use the company's services by continuing to focus on developing digitization of its services[12].

The reason is, the adoption of technology in the insurance industry, is also an added value for insurance companies. With the digital application, it will open the door for customers who have not been or have not been able to be embraced by the insurance industry. CAR Life Insurance views digital technology as important to improve services to customers. Changes in people's behavior must also be considered in providing the best service to customers. CAR Life Insurance continues to improve technology-based products and services by providing the best experience for customers. CAR Life Insurance is transforming digital services from upstream to downstream, starting from product information and payment, claim submission, to monitoring the status of claim processing[1]. In response to this, PT AJ Central Asia Raya (CAR Life Insurance) collaborates with financial product marketplace Cermati.com through Cermati Protect to market health insurance digitally[13]. This collaboration is a strategic collaboration with the aim of encouraging increased financial inclusion by the government through providing easy access to health

insurance online, quickly and safely in the current covid-19 pandemic era[14]. Although in some cases it still requires a wet stamp signature, the company anticipates by implementing very strict health protocols, namely by ensuring that the handling staff and customers are in good health, wearing masks, using face shields, washing hands and checking temperature before entering the company area, and do not make physical contact[15][16]. In addition, the researcher also wants to know the efforts that the company has implemented during the covid-19 pandemic to provide a positive or negative response to customer satisfaction[17].

II. METHODS

The research method used a quantitative with a descriptive approach. In this study, primary and secondary data, were collected. Primary data were collected from field studies or direct observation using questionnaires, while secondary data was obtained from data during interviews with the Underwriting division Manager and HR Division of CAR Life Insurance during pandemic[18]. Respondents were selected using the non-probability sampling method as many as 100 people using the accidental sampling technique. Data processing techniques were carried out using normality test and univariate and bivariate data analysis[19].

III. RESULT AND DISCUSSION

Normality test

The normality test aims to check that the data is normally or not normally distributed, as a reference used in this normality test using the Kolmogorov Smirnov test which is shown in table below :

Source: SPSS Output Results		Unstandardized Residual
N		100
Normal Parameters a.b	Mean	,0000000
	Std. Deviation	4,69182448
Most Extreme Differences	Absolute	,064
	Positive	,064
	Negative	-,056
Kolmogorov-Smirnov Z		,644
Asymp. Sig. (2-tailed)		,801

Fig 1. Normality Test of Research Variables Unstandardized Residual

From the description above, it is known that the Asym.Sig (2-tailed) value is 0.801 >. Thus, it is concluded that the Asym.Sig (2-tailed) value of all research variables has a significant value used at = 0.05. This means that the research variables are normally distributed, meaning that regression analysis can be done with data that have been normally distributed. Based on table Fig. 1. on the normality test, it can be seen that the data generated from filling the service quality questionnaire on customer

satisfaction of PT. Central Asia Raya Life Insurance shows that the value of Asymp.Sig. (2-tailed) is $0.801 > 0.05$ (alpha), then the result is that the data is normally distributed, that it can be concluded that the regression method in this study has met the assumption of normality.

Hypothesis testing

Based on Fig.2. it can be seen that the value of R which is a symbol of the coefficient. In the table above the correlation value is 0.805. after the Rcount is known to be 0.805, then to find out how much influence the X variable has on the Y variable by using the determinant coefficient R² which is expressed as a percentage. The results are as follows: $R^2 = (0.805)^2 \times 100\%$
 $= 64.80 \times 100\% = 64.8\%$

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.805 ^a	.647	.644	4,716

Fig 2. Simple Regression Test Results - Source: SPSS Output Results

From the results of the above calculations, it can be concluded that there is an effect of the X variable on Y by 64.8%. This value can be interpreted that the relationship between the two research variables is in the very close category. Through the table above also obtained the value of R Square or coefficient of determination which shows how good the regression model formed by the interaction of the independent variables and the dependent variable is. The coefficient of determination obtained is 64.8%. So it can be interpreted that the independent variable X has a contribution effect of 64.8% on the Y variable and the other 35.2% is influenced by other variables not examined. Based on Fig.3. it can be seen that Constant (a) is 3.358, while the value of Service Quality (b) is 1.026, so the regression equation can be written:

$$Y = a + bX = 3.538 + 1.026X.$$

The constant of 3.538 states that if there is no value of service quality, the value of customer satisfaction is 3.538. The X regression coefficient of 1.026 states that for every additional 1 value of Service Quality, the value of Customer Satisfaction is 1.026.

T-Test Result

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	3,538	4,463		,793	,430
Kualitas Pelayanan	1,026	,076	,805	13,409	,000

Fig 3. T Test Results - Source: SPSS Output Results

Direct Evidence and Tangibles

Tangibles with regard to attractiveness, physical facilities, equipment and materials used by the company and the appearance of employees. Statements regarding tangibles can be seen in based on the research results contained that it is known that the average overall score of respondents' responses to the Tangibles dimension has a score of 421 with very good criteria. This shows that PT. AJ Central Asia Raya has direct evidence consisting of facilities, equipment and employees as well as good communication facilities[3][7].

Reliability

This relates to the company's ability to provide accurate services from the first time without making any mistakes and deliver its services according to the agreed time. The statement regarding reliability can be seen based on the research results contained, it is known that the average overall score of respondents' responses to the Reliability dimension has a score of 399 with good criteria. This proves that PT. AJ Central Asia Raya has the ability to provide services spontaneously, immediately and satisfactorily.

Responsiveness

Regarding with the willingness and ability of employees to help customers and respond to their requests, as well as inform when services will be provided and then provide services quickly. Statements regarding Responsiveness can be seen based on the research results contained that the average overall score of respondents' responses to the responsiveness dimension has a score of 424 with very good criteria. This proves that PT. AJ Central Asia Raya has the ability to be responsive in helping or serving customers[20].

Empathy

Includes ease of making relationships, good communication, and understanding the needs of customers. The company understands the problems of its customers and acts in the interests of the customers and has comfortable operating hours. Statements regarding empathy can be seen based on the research results contained that the average overall score of respondents' responses to the Empathy dimension has a score of 395 with good criteria. This proves that PT. AJ Central Asia Raya provides convenience in making relationships, as well as communicating and paying attention to the needs of customers.

Guarantee

The behavior of employees is able to foster customer trust in the company and the company can create a sense of security for its customers. Assurance also means that employees are always courteous and have the knowledge and skills required to deal with any customer questions or concerns. Statement regarding the guarantee or assurance, can be seen based on the research results that the average overall score of respondents' responses to the Empathy dimension has a score of 395 with good criteria.

This proves that PT. AJ Central Asia Raya provides convenience in making relationships, as well as communicating and paying attention to the needs of customers[21].Based on the research results contained in table 5.5, it is known that the average overall score of respondents' responses to the assurance dimension has a score of 395 with good criteria.

This proves that PT. AJ Central Asia Raya provides guarantees in the form of knowledge, ability and courtesy, so that customers feel safe against dangers or risks that will arise or do not cause anxiety or doubt for customers. The following is an overview of the overall respondents' responses to the service quality variable which can be seen in Based on the research results contained that the average overall score of respondents' responses to the assurance dimension has a score of 395 with good criteria. This proves that PT. AJ Central Asia Raya provides guarantees in the form of knowledge, ability and courtesy, so that customers feel safe against dangers or risks that will arise or do not cause anxiety or doubt for customers.The following is an overview of the overall respondents' responses to the service quality variable which can be seen based on that the Assurance dimension has the highest score of 427 which indicates that PT AJ Central Asia Raya guarantees that every employee has the knowledge, ability and courtesy, so that customers feel safe against dangers and risks that will arise or do not cause anxiety. and doubts from customers. In addition, the empathy dimension has the lowest score of 395 but is still in the good category. Service Quality has an average score of 413 which indicates that Service Quality has good criteria.

Customer Satisfaction

Satisfaction or customer is a central concept in business and management discourse. There are four dimensions of customer satisfaction, namely expectations, suggested delivery of products or services, confirmation or disconfirmation, and complaining behavior[12][7].

1) Expectations

The company's ability to provide adjustments (customize) to consumers for a product or service that consumers want. Statements regarding expectations can be seen based on the research results contained that the average overall score of respondents' responses to the expectations dimension has a score of 388 with good criteria.

2) The suggested delivery of the product or service (perceived delivery of the product or service), the ability of service to consumers at the time of selling products or services. Statements regarding the delivery of recommended products or services can be based on the research results contained that the average overall score of respondents' responses to the dimensions of product or service delivery suggested has a score of 417 with good criteria.

3) Confirmation or Disconfirmation (confirmation or disconfirmation)

The company's ability to meet consumer needs with the aim that consumers are not disappointed and feel satisfied with products or services in accordance with company promises or vice versa. Statements regarding confirmation or disconfirmation can be seen based on the research results contained in table 5.9, it is known that the average overall score of respondents' responses to the confirmation or disconfirmation dimension has a score of 388 with good criteria.

4) Complaining behavior

The company's capacity to explain negative consumer feedback to positive. Statements regarding complaining behavior can be seen based on the research results contained in table 5.10, it is known that the average overall score of respondents' responses to the dimensions of complaining behavior has a score of 415 with good criteria. The following is a general description of the overall respondent's responses to the customer satisfaction variable which can be seen in the dimensions of the delivery of products or services that are suggested to have the highest score of 417 which indicates that PT AJ Central Asia Raya is considered to have the ability to deliver products or services so that it can make customers interested. In addition, the dimensions of expectations and complaining behavior have the lowest score of 388 but are still in the good category. Customer satisfaction has an average score of 402 which indicates that customer satisfaction has good criteria.

IV. CONCLUSION

Based on the results of the analysis described above, the results show that the variable (X) Service Quality has a significant effect on the variable (Y) Customer Satisfaction at PT. AJ CAR Life. This is shown from the results of the correlation analysis of 0.805 compared to the r-table level of significance 5% N = 100 of 0.195. Score count is large from r-table, it can be concluded that the null hypothesis (H0) is rejected and (Ha) is accepted. Result of a coefficient of determination of 64.8%, it has a positive effect, meaning that the higher the quality of service provided, the higher the customer satisfaction at PT. AJ CAR Life, while 35.2% is a factor that affects the Y variable from other factors not examined by researchers. The results of the t-test analysis, it is known that there is a significant influence on the variable (X) Service Quality and the variable (Y) Customer Satisfaction. This is evidenced by the results of the calculation of the t test of 13,409, while the t table is 1,664 at a significant level of 5% which means that Ha is accepted. In addition, the regression equation $Y=3.538+1.026X$ is also obtained. The equation is in accordance with the simple linear regression formula, namely $Y=a+bX$, where Y is a symbol of the dependent variable, a is a constant, b is the regression coefficient for the independent variable (X). so that it can be concluded from the results of the t test, there is an influence between the Y

variable on the X variable, in other words H_0 is accepted, namely there is an effect of Service Quality on Customer Satisfaction at PT. AJ CAR Life, it can be concluded that Service Quality closely affects Customer Satisfaction.

Service Quality has an average score of 413 which indicates that Service Quality has good criteria, with the Assurance dimension having the highest score of 427 which indicates that PT AJ Central Asia Raya guarantees that every employee has knowledge, ability and courtesy, so that customers feel safe against the dangers and risks that will arise or do not arise a sense of anxiety or doubt from their customers. In addition, the empathy dimension has the lowest score of 395 but is still in the good category. Customer satisfaction has an average score of 402 which indicates that customer satisfaction has good criteria, with the recommended product or service delivery dimension having the highest score of 417 which indicates that PT AJ Central Asia Raya is considered to have the ability to deliver products or services so that can attract customers. In addition, the dimensions of expectations and complaining behavior have the lowest score of 388 but are still in the good category. In the future researchers suggest that companies maintain their reputation with services that pay attention to the above variables so that they can survive and thrive in the upcoming pandemic and new normal.

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