The Relationship between Customers Relationship Quality and Marketing Activities in Insurance Company of Asia in Mazandaran Province

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ABSTRACT: The purpose of this study was to investigate the relationship between customer relationship quality and marketing activities in insurance company of Asia in Mazandaran province. The statistic population of this research was 113 employees of insurance companies of Asia. Data were collected using questionnaire and were analyzed; using Pearson correlation and linear regression. The results revealed that there was a significant relationship between customer relationship quality and marketing activities. Marketing activities led to increase the customer relationship quality. It was suggested to companies to obtain useful marketing activities by increasing the quality of communication with customers.

Keywords: Marketing activities, Customer relationship quality, Insurance Company of Asia.

INTRODUCTION

In recent years, the financial services sector in Asia insurance company has undergone tremendous changes. Increasing of technological advances, the entry of private insurance companies, privatization and liberalization of insurance industry, led to changes in expectations of this sector. Prior to this, the conventional wisdom was that the customers need to buy their own insurance from insurance companies and less efforts were made by the insurance companies, but this changes made by the insurance company to change its attitude towards clients and financial activities. All service agencies were trying to convince customers that used the services, and the intangible nature of services, be done in a way to benefit their marketing and their advantages were tangible and obvious. Globalization of trade, the economy and the dynamic and competitive, changed the role of customers in organizations. Today, not only competition between industries, but also between different industries become very high, knowledge the customers of company and their buying behavior, were created a competitive advantage for their respective companies. The organizations’ view to customers was not just as a mere consumer. Customers in todays’ organization, consist with the production of goods and services, doing procedures and processes, knowledge development and competitiveness, along members of the organization. Hence, the effective management and efficient relations with customers and creating and delivering value to them were the important topics of interest to researchers and managers (Nayeb-zade, 2006).

Regarding to the above results, in this new situation, the marketing methods did not work as before. More mature markets and the competition were tight and very abundant supply of demand faced and barely found new customers. Therefore, an urgent need was felt to maintain current customers. Companies were constantly searching for ways to maintain their relationships with valued customers and their loyal customers, since they were the most important source of revenue: (Bose and Bansel, 2002). The companies that have adopted the philosophy of marketing, meant to consider the customer and society, tried to create and continuously increase the customers’ satisfaction and quality of relations with them. Several factors were contributed to the development of such factors, such as quality, service support, and accountability. Customers can receive values from different companies to compare and choose the company that valued them. Perhaps, customers cannot compare the process to talk about, but make sure the comparison was done on their mind, when you decide to purchase a particular product, company or shop; they have come to the conclusion that its value was higher than other products. The problem is that the suppliers in the market today, industrial goods, and services required meeting the demands of customers that were limited and were less influenced by traditional marketing tools. The customer would see no difference among products in the market, if the brand name was no available for
customers they would replace it with another product, it revealed the decrease of customer loyalty. Price competition has lost its former significance and market-oriented and customer-driven organization, rather than competing on price think to maintain and improve customer loyalty (Christopher, 1996). The aim of the present study was to answer a question that whether there was a relationship between the marketing activities and the customer relationship quality in the insurance company of Asia in Mazandaran province.

**METHODODOLOGY**

This research was a descriptive, correlational research. The statistic population of the research was all staff of insurance company of Asia in Mazandaran province, who was 160 individuals, and 113 were chosen using simple random sampling. Criterion variables and the dependent variable were the quality of customer marketing relationship. The study was performed on the stage after a preliminary description of the measuring instruments and the way to answer the test was explained in detail for the participants. After obtaining the consent of the ethical considerations, the participants were insuring that the received information was used only in this study. The questionnaire was used to measure the marketing actions and quality of the relationship with customer, to measure the dimensions of marketing initiatives including customer-oriented and relationship-oriented standard questionnaire of Seyed Mohammad Moghimi, and to measure the characteristics of the service provider, there were used mutual disclosure Lalak questionnaire (2010).

The following questionnaire was measured the customer satisfaction, the relationship-oriented, the mutual disclosure variable and the characteristics of the provider service. The questionnaire was completed based on Likert five-point scale, the first 42 questions were related to the variables of marketing actions and the next 5 questions were about the quality of the customer relationship. The validity of the questionnaires of the quality of marketing actions and its components were approved by customer relationship marketing of several professors. Cronbach's alpha was used to determine the reliability of the questionnaire. Alpha was 0.88 for marketing action and was 0.86 for quality of relationship between customers, which revealed the satisfied validity. The research model was as follow:

![Conceptual model of the relationship between variables](image)

**RESULTS**

Kolmogorov-Smirnov test results indicated that the data was normally distributed (p≥0.05). The Pearson correlation coefficient was used to examine relationships between variables. The results were shown a significant
relationship between marketing activities and the quality of customer relationship marketing efforts of \( p \leq 0.05 \) and \( r = 0.305 \), and a linear regression model between them (Table 1).

**Table 1.** Table regression model, the relationship between marketing activities and quality marketing and customer relationship.

<table>
<thead>
<tr>
<th>Coefficients(^a)</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td>1.866</td>
<td>0.257</td>
<td>7.252</td>
<td>0.000</td>
</tr>
<tr>
<td>Customer relationship quality</td>
<td>0.369</td>
<td>0.085</td>
<td>0.382</td>
<td>4.360</td>
<td>0.000</td>
</tr>
</tbody>
</table>

\( a. \) Dependent Variable: marketing activities

The model equation was \( y = a + bx \) value \( a = 1.866 \) and \( b = .369 \) equation of the form (marketing activities) \( Y = 1.866 + .369 \) (Customer Relationship Quality) this was a direct linear relationship with the marketing activities, increase or decrease of the marketing activities led to increase or decrease of customer relationship quality. There were no significant relationship between the scale and quality of customer relationship (\( p \geq 0.05 \)). There was a significant relationship between relationship and the quality of the customer relationship, \( (r = 0.238, p \leq 0.05) \). Regression analysis showed a significant model. The regression equation was: \( Y = 2.161 + 308 \) (customer relationship quality), this relationship was linear and direct, meant increase or decrease of relationship led to increase or decrease, of the quality of the customer relationship. There was a significant relationship between disclosure interaction and the customer relationship quality \( (r = 0.455, p \leq 0.05) \). Regression analysis showed a significant model (Table 2). The regression equation was: \( Y = 0.820 + 0.799 \) (customer relationship quality), this was a direct linear relationship, increase or decrease of the reciprocal disclosure, led to increase or decrease of the customer relationship quality.

**Table 2.** Regression reciprocal relationship between disclosure interaction and the customer relationship quality.

<table>
<thead>
<tr>
<th>Coefficients(^a)</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td>0.820</td>
<td>0.404</td>
<td>2.031</td>
<td>0.045</td>
</tr>
<tr>
<td>Customer relationship quality</td>
<td>0.799</td>
<td>0.133</td>
<td>0.495</td>
<td>6.009</td>
<td>0.000</td>
</tr>
</tbody>
</table>

\( a. \) Dependent Variable: interaction discourse

There was a significant relationship between the characteristics of the service provider and customer relationship quality \( (r = 0.428, p \leq 0.05) \). Regression analysis showed a significant model (Table 3). The regression equation was: \( Y = 0.486 + 0.760 \) (customer relationship quality). This relationship was linear and direct, increase or decrease of the feature of service provider, led to increase or decrease of the customer relationship quality.

**Table 3.** Regression model, the relationship between the characteristics of the service provider and customer relationship quality.

<table>
<thead>
<tr>
<th>Coefficients(^a)</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td>0.486</td>
<td>0.416</td>
<td>1.167</td>
<td>0.246</td>
</tr>
<tr>
<td>Customer relationship quality</td>
<td>0.760</td>
<td>0.137</td>
<td>0.466</td>
<td>5.545</td>
<td>0.000</td>
</tr>
</tbody>
</table>

\( a. \) Dependent Variable: Service provider
CONCLUSION

The purpose of this study was to investigate the relationship between marketing activities and customer relationship quality. Regarding to the results, a significant relationship was found between the customer relationship quality and marketing activities. There was no significant relationship between the component of customer satisfaction and customer relationship quality. Other results revealed the relationship between the components of the customer satisfaction and the customer relationship quality, disclosure interaction and the quality of the relationship with the customer and provider characteristics associated with the customer service and quality. It can be concluded that the more improved the marketing activities and its components (including relationship, disclosure interaction and provider characteristics) the more upgraded the customer relationship quality in the insurance company of Asia in Mazandaran province. It should be noted that the components of customer-oriented marketing activities were not approved by components of customer satisfaction. There was not a very significant relationship between customer satisfaction and customer relationship quality in this company. These results suggested that by improving the marketing activities, the customer relationship quality would be formed in the insurance company of Asia in Mazandaran province. Scholars and researchers were confirmed the idea that enhancing the marketing activities in organizations, led to improve the quality of communication with customers and reached the trust and satisfaction of customers. It seems that the results were consistent with the findings of Alalak (2010), which aimed to investigate the impact of marketing activities on the quality of customer relationships with vendors, and revealed that the relationship of employees with customers, led to higher relationship quality.

Secondly, having better features, financial service providers, led to higher quality, and high-relationship quality, in turn, led to more frequent communication and also committed relationships with customers also led to satisfaction, customer loyalty and positive word of mouth marketing, and also in a research Cheng Chang et al (2012) were studied the quality of the services and indicated that there was a relationship between strong buyer-seller, depended on disclosure interaction and continuous tracking. Insurance companies and financial institutions can play an important role in reducing the risk of high-quality, create and enhance value for customers, provide error-free service, promote customer satisfaction and achieve the best practice and excellence in their service. To improve the customer service, insurance companies have detailed information about their clients to translate practices. It seemed that marketing was one of the helping companies to produce the required and appropriate information about the behavior of consumers. We can then use this information to provide high quality services in line with the strategy, which resulted in high customer satisfaction. Customer service, as a person and not just as a number, started an activity, which carried out to better understand of the characteristics and customer preferences. For this reason it was recommended that in such cases the insurance company of Asia considered learning about the preferences of individual customers, trying to understand and anticipate the changing needs of the customer. Integrating all insurance activities within a system can be helpful in the treatment and customer service, because all the required information was readily available to the customer.

REFERENCES