

**DETERMINANTS OF CUSTOMER SATISFACTION ON LIFE  
INSURANCE IN SRI LANKA**



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## ABSTRACT

This study examines the determinants of customer satisfaction with life insurance services in Sri Lanka, a nation with an emerging middle-class population and increased competition among insurance firms. With an appreciation that customer satisfaction leads to policy renewal and long-term profitability, the purpose of this study was to identify whether lifestyle concerns, customer awareness, type of policy, insurance firm reputation, and claim settlement have an effect on the satisfaction level of policyholders throughout the country. A systematic, quantitative approach was employed to collect and analyze the data. A proportionally allocated stratified sampling strategy was employed in the research to ensure representation from each of Sri Lanka's nine provinces. Univariate, Bivariate, and Multivariate Analysis are used to find out the level, relationship, and impact of the variable. The results showed that all the independent variables statistically significantly correlated with customer satisfaction. Among them, Lifestyle change and settlement of claims were most highly predictive, highlighting the importance of policy design according to customers' lifestyles and smooth, transparent procedures for claims settling. Multiple regression once more confirmed the collective explanatory power of the model with R-squared levels greater than 90%, indicating that the selected determinants explained the major proportion of variance in customer satisfaction. The results underscore the fact that increasing customer awareness, offering appropriate policy types, maintaining a good company reputation, and streamlining claims settlement processes are the main steps for increasing satisfaction in Sri Lankan life insurance. While the research has compelling evidence of such associations, its restrictions as being cross-sectional and self-reported caution in generalizing over time and across places. Overall, this study offers practical advice for insurers that seek to have long-term, trust-based relationships with policyholders in Sri Lanka's evolving insurance marketplace.

*Keywords: Customer Satisfaction; Life Insurance; Sri Lanka; Lifestyle change; Customer Awareness; Claim Settlement; Insurance Policy; Regression Analysis; Determinants of Satisfaction; Insurance Services.*

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