

Evaluation of the five senses and the perceived value of customer loyalty in the insurance industry using the Fuzzy Hierarchy Analysis (FAHP) method.

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Abstract

The purpose of this research is to evaluate the five senses and the perceived value of customer loyalty in the insurance industry using the Fuzzy Hierarchy Analysis (FAHP) method. The research method is applicable in terms of purpose and descriptive-survey based on the method of data collection. The statistical population of the research included 30 professors and specialists in the field of marketing management, and sampling was done in a targeted manner. The information and data needed for the research were collected through a questionnaire, and the paired comparison technique was used to prepare the questionnaire. The fuzzy hierarchical analysis technique was used to analyze the data. The results of fuzzy hierarchical analysis showed that the most important factors affecting customer loyalty are: perceived value, and five senses. It also showed that the most important dimensions of the five senses in the insurance industry are: sight, hearing, touch, smell, and taste, respectively; and the results showed that the most important dimensions of perceived value in the insurance industry are economic value, social value, perceptual value, and emotional value; and the most important dimensions of customer loyalty in the insurance industry are: behavioral loyalty, attitudinal loyalty, and emotional loyalty respectively. Also, the results of the statistical analysis showed that perceived value (economic value, social value, perceptual value, and emotional value) has a positive and significant effect on customer loyalty.

Keywords:

Five senses,
Perceived value,
Customer loyalty,
Behavioral loyalty,
Attitudinal loyalty

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Extended Abstract

Introduction

In order to create a positive relationship with customers, businesses must effectively manage marketing strategies as a tool to meet customer needs and build customer loyalty. While customer retention is an essential element in strengthening the company's profitability; loyalty is created with the aim of creating a long-term relationship between companies and their customers (Hwang et al, 2019). Previous articles have examined different ways of measuring loyalty and related factors that can strengthen the predictive power of the loyalty process (Baloglu et al, 2017, Tanford et al, 2013). Customer loyalty is the most important output of product and service providers (Lewin et al, 2015). One of the important factors in the formation of customer loyalty to products, services, and in general is the perceived value of a brand imprinted in the minds of customers. (Geuens et al, 2009). In his mind, each customer assigns one or more characteristics of human personality to each brand. Brand personality is a special characteristic that is perceived by the consumer, and is defined as a unique and valid term of the effort to give meaning to the creation of identity in the brand market. A number of insurance companies have increased the volume of their operations. In addition, insurance companies have enthusiastically adopted advanced information technologies in their operations. Since the central service is almost standardized and there is no doubt about the claim that competition in the insurance industry and other forms of it, such as service quality, takes time; therefore, competition is based on their ability to provide higher quality services to customers (Mualla, 2011).

Thus, the main question of the current research is: what are the five senses and the perceived value of customer loyalty in the insurance industry using the Fuzzy Hierarchy Analysis (FAHP) method?

Theoretical Framework

Perceived value

The perceived value of the brand through a complex process and a comprehensive approach is necessary to guide towards the desired repeat purchase behavior, and finally the perceived value is the consumer's overall assessment of the desirability of a product based on the perceptions he has of the receipts and payments. (Salehi Seghiani et al, 2019.)

Customer commitment

Customer loyalty to the organization is a category that is affected by many and diverse factors and conditions inside and outside the organization, the effect extent of which varies according to the type of organization from one organization to another. Accurately recognizing these factors and determining the effectiveness of each of them in helping managers to make the right decision is very important (Shiri et al, 2017).

Five senses

Sensory marketing is the process of identifying and satisfying customer needs and interests in a profitable way to engage them in two-way communication that brings the brand's personality to life and creates added value for target customers. In marketing, conducting research on emotions in consumer behavior has created a new chapter called sensory marketing; the way in which it engages the consumer's emotions and affects his judgment perception and behavior (Hasali Ashtiani & Deilmi Moazi, 2015).

Akbari et al, (2024) investigated the purpose of the current research; predicting consumer loyalty through the role of flow experience, perceived value, and corporate social responsibility. The results showed that attention, concentration, and the concept of time have

a significant effect on the flow experience. Other results showed that flow experience, perceived value, and corporate social responsibility have a significant effect on consumer loyalty at the $p < 0.05$ level. In this regard, it can be said that this company personalizes its customer experience by using the available information and creates it according to the individual needs of the customers. In this way, customers will feel that the necessary attention is given to them.

Khatami Firoz Abadi et al, (2023) investigated the identification and prediction of factors affecting customer loyalty in Iranian insurance companies using confirmatory factor analysis and artificial neural networks. After analyzing the results of the confirmatory factor analysis method; commitment factors, perceived quality, trust, perceived value, empathy, brand image, attractiveness of other options, customer satisfaction had an effect on customer loyalty in Iranian insurance companies, and the switching cost factor had little effect on customer loyalty. Finally, the target model of the research was designed to predict fidelity with 8 input neurons, 110 middle layer neurons, and 1 output; with an error level of 0.00992 and a regression of 0.98694.

Research methodology

The research method is applicable in terms of purpose and descriptive-survey based on the method of data collection. The statistical population of the research included 30 professors and specialists in the field of marketing management, and sampling was done in a targeted manner. The information and data needed for the research were collected through a questionnaire, and the paired comparison technique was used to prepare the questionnaire.

Research findings

The fuzzy hierarchical analysis technique was used to analyze the data. The results of fuzzy hierarchical analysis showed that the most important factors affecting customer loyalty are: perceived value, and five senses. It also showed that the most important dimensions of the five senses in the insurance industry are: sight, hearing, touch, smell, and taste, respectively; and the results showed that the most important dimensions of perceived value in the insurance industry are economic value, social value, perceptual value, and emotional value; and the most important dimensions of customer loyalty in the insurance industry are: behavioral loyalty, attitudinal loyalty, and emotional loyalty respectively. Also, the results of the statistical analysis showed that perceived value (economic value, social value, perceptual value, and emotional value) has a positive and significant effect on customer loyalty.

Conclusion

The current research was conducted with the aim of evaluating the five senses and the perceived value of customer loyalty in the insurance industry using the Fuzzy Hierarchy Analysis (FAHP) method. The results of this research are in agreement with the results of Akbari et al, (2024), Khatami Firoz Abadi et al, (2023), Ziad Alzaydi (2023), Rashed et al, (2023), Bahrami et al, (2022), Behruzi & Sohrabi (2022), Asgari & Fazeli (2022), Lv et al, (2020), and Hwang et al, (2019). Akbari et al, (2024) showed that attention, concentration, and the concept of time have a significant effect on the flow experience. Other results showed that flow experience, perceived value, and corporate social responsibility have a significant effect on consumer loyalty. In this regard, it can be said that this company personalizes its customer experience by using the available information, and creates it according to the individual needs of the customers. In this way, customers will feel that the necessary attention is given to them

According to the results of the research, the following suggestions were made:

- 1- By specifying the goals of the organization, organizational processes, the support of the managers of the organization to the employees, the system of rights and benefits, and the promotion system in the organization are among the things that can affect the perceived value.
- 2- Adequate knowledge of the buyers and target customers should be done because, in order to be able to create excellent and superior value for them, it should be done continuously to ensure the customer's interests.