Customer Relationship Management and Customer Retention in The Nigerian Insurance Industry

Inebimowei Freedom Kologa[1] (PhD) and Yussuph Adeniyi Ajibulu[2]
[1]Department of Insurance, Niger Delta University,
Wilberforce Island, Bayelsa State, Nigeria
[2]College of Insurance and Financial Management
Corresponding author: Inebimowei Freedom Kologa,
kologainebimowei@ndu.edu.ng

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Abstract
People buy insurance once but deal with the insurer again and again, so whether policyholders stay depends on how they are treated across many contacts. This study examined whether three dimensions of customer relationship management (CRM), namely customer orientation, effective communication and conflict handling, are related to customer retention in the Nigerian insurance industry. Relationship marketing theory framed the work. A cross-sectional survey administered a structured 16-item, five-point Likert questionnaire to 100 policyholders. The scales were highly reliable (Cronbach's α = .94–.95). In a hierarchical regression with gender, age group, tenure and renewal status as controls, the three dimensions added 88.3% to the explained variance in retention (ΔR^2 = .883, $p < .001$; adjusted R^2 = .93). Customer orientation (β = .42, $p < .001$) and conflict handling (β = .34, p = .001) were significantly related to retention, while the coefficient for effective communication was positive (β = .22, p = .064). The three dimensions and retention were strongly interrelated (r = .95–.96), indicating that respondents evaluate an insurer's relationship management as one integrated whole. Insurers, especially those adjusting after the 2025 recapitalization reforms, should run customer orientation, communication and complaint handling as one programme.

Keywords: *customer orientation, effective communication, conflict handling, customer retention, Nigerian insurance industry*

1.0 Introduction

Buying insurance is rarely a one-off event. The insured submit premiums, seek answers to questions, update their information, and renew the policy, and occasionally make claims, so the insurer is in regular contact with the policyholder. The manner in which each of these contacts is handled can make or break the likelihood of customer retention and/or timely renewal. CRM is the systematic approach to this. It involves knowledge of customer needs, establishing a relationship, managing every interaction and adding value with what the insurer knows about each customer (Payne & Frow, 2005). In insurance it can be written as customer service, communication and dealing with customer issues. These matter for retention as policyholders make judgement beyond the product. They also hold the insurer to account as to their treatment through the duration of the policy. These questions are more relevant to the Nigerian market. In 2025, the total gross premiums written was around ₦2.3 trillion, an increase of 47.3% from the total gross premiums written of₦1.56 trillion in 2024 (Middle East Insurance Review, 2026; Ojoko, 2026), while gross claims recorded were around ₦724.7

billion, which represents 31.5% of gross premiums written (BusinessDay, n.d.). However, the markets remain small compared to the economy. Penetration is at a meager 0.4% of GDP (BusinessDay, n.d.) and according to the 2023 EFInA survey, only 3% of adults (about 3.4 million) had a regulated insurance product, compared to 3% in 2020 and the majority of which was health cover (Eromosele et al., 2023). The rules have also changed. The Nigerian Insurance Industry Reform Act (NIIRA) 2025 increased minimum capital for life insurers from N2 billion to N10 billion, and non-life insurers from N2 billion to N15 billion while reinsurers were increased from N2 billion to N35 billion, the changes must be complied by 30 July 2026 (TheCable, 2025). By mid-August 2026 the regulator had verified 48 insurers and two reinsurers as compliant, and six operators had missed the deadline (Nairametrics, 2026). If new capital does widen coverage, holding on to the policyholder's insurers already have, and keeping their trust, becomes an obvious commercial priority.

Nigerian evidence is limited. Nwankwo and Ajemunigbohun (2013) surveyed 58 managers from 35 insurers and found that CRM positively influenced customer retention. Later studies examined single relationship dimensions or other outcomes, namely satisfaction (Kwajaffa, 2023), purchase decisions (Oluwabiyi et al., 2022), organizational performance (Odunmbaku et al., 2024) and patronage and loyalty among employees (Orogun et al., 2026). Evidence from Ghana, Kenya and elsewhere likewise links CRM, trust and satisfaction to retention and renewal (Amugune, 2015; Moon et al., 2025; Ofosu-Siaw Boateng, 2016; Tjizumaue & Atiku, 2024). Most of these studies treat CRM as a single broad construct, take their data from managers or employees instead of policyholders, or reach retention only through mediators such as trust and satisfaction. None tests customer orientation, effective communication and conflict handling jointly as predictors of retention among Nigerian policyholders, so insurers have little evidence on which relationship practice to put first.

This study therefore examines how customer orientation, effective communication and conflict handling relate to customer retention in the Nigerian insurance industry. Customer orientation is how far an insurer understands customer needs and puts them first. Effective communication is how clear, timely and useful the information passed to customers is. Conflict handling is how constructively the insurer deals with complaints and service problems. Customer retention is the customer's intention to continue, renew and maintain the relationship. There are three objectives, each concerned with one dimension and its relationship with retention, and they match the three hypotheses in Section 2.3.

2.0 Literature Review and Hypotheses Development

2.1 Theoretical Framework: Relationship Marketing Theory

Relationship marketing theory sees marketing as building and keeping long-term customer relationships, not as a series of separate sales. It was Berry (1983) who introduced the term into the field of services marketing arguing that it would be easier to win a customer to a service than to build and sustain the relationship. Grönroos (1994) applied the term "relationship marketing" to indicate a shift from the marketing mix to relationship marketing. Morgan and Hunt (1994) proposed that commitment and trust are the key mediating variables, because they encourage cooperation and a wish to preserve the relationship. The central idea is that retention and loyalty come from trust, commitment, communication and a belief that the firm acts in the customer's interest. A meta-analysis of 94 studies by Palmatier et al. (2006) found that relationship marketing generally improves performance and works best where the relationship matters more to the customer, as it does in services. This is appropriate for an insurance company, where the value is realized over time, the same company is repeatedly in contact with the same customer, and they have to rely on the company to actually pay them when they need it.

In the context of this study, customer orientation can be viewed as the insurer's attempt to know and act on the customers' needs. Good communication ensures the flow of information and minimizes confusion. Conflict handling allows the insurer to safeguard the relationship in case of complaint and/or a service failure. Relationship marketing is an attempt to sustain the relationship with the customer, which is known as customer retention. The customer should value the fact that his/her insurer understands him/her and is able to keep him/her informed, and deal with his/her problems constructively: when the customer feels valued, he should feel more indebted to stay with that insurer. These 3 practices are thus considered as factors that are likely to be associated with retention. This is very similar to the hypotheses presented in Section 2.3 and the findings are interpreted in relation to the theory presented in Section 4.4.

2.2 Empirical Review and Research Gap

Nigerian research on CRM and retention is limited. Nwankwo and Ajemunigbohun (2013) surveyed 58 marketing and underwriting managers from 35 randomly chosen insurers in the Nigerian metropolis. They found that CRM positively influenced retention. Orogun et al. (2026) sent 200 questionnaires to employees of selected insurers and received 189 usable responses; correlation and regression showed that relationship marketing was positively related to patronage, commitment, loyalty, trust and referring. Odunmbaku et al. (2024) surveyed 192 top and middle managers at Mansard, Anchor and Leadway in Ogun State. With customer orientation, conflict handling and effective communication as the CRM dimensions, they obtained an R^2 of .845 for organizational performance. Customer-side evidence is more limited. Kwajaffa (2023) used the Kruskal–Wallis technique on responses from 277 insurance customers and found that trust and shared values significantly affected satisfaction but communication did not. Oluwabiyi et al. (2022) applied multiple regression to 1,650 insurance consumers drawn from an estimated 375,000 and found that relationship marketing significantly influenced purchase decision (adjusted $R^2 = .420$). Adebayo and Afolayan (2025) added an exploratory, small-scale study of customers of selected insurers, looking at how customer service delivery strategies relate to dimensions of the customer relationship.

Studies from other African countries, Asia and the Middle East point the same way. Ofosu-Siaw Boateng (2016) applied structural equation modelling to questionnaires from 450 customers of 15 non-life insurers in Kumasi and found a significant positive effect of CRM on retention, with satisfaction partly mediating it. Amugune (2015) used a descriptive case design at Britam Kenya (65 of 102 questionnaires returned). Although the company had adopted several relationship-marketing practices, many respondents did not perceive strong relationship-marketing experiences. Moon et al. (2025) used PLS-SEM and necessary-condition analysis on 253 insurance customers. Approach, common grounding and communication raised trust, communication improved satisfaction, and trust and satisfaction influenced renewal intention. Newer studies add to this. Tjizumaue and Atiku (2024) applied variance-based structural equation modelling to 406 long-term insurance consumers in Windhoek; satisfaction affected loyalty directly, while service quality and customer protection affected it only indirectly, through satisfaction. Gün and Söyük (2025) analyzed 525 private health insurance owners in Türkiye and found that trust influenced perceived quality, satisfaction and repurchase intention, with satisfaction partly mediating between trust and repurchase. Hamad and Yaba (2024) set out to test the effect of CRM on retention, with satisfaction as a moderator, and in regression on data from 163 policyholders in Erbil reported that CRM significantly and positively affected satisfaction. Skaf et al. (2024) looked at technology and service quality as drivers of satisfaction and loyalty among insurance customers in Lebanon during a crisis. Taken together, these studies show that customer relationships matter for insurance outcomes, but they differ in the outcome studied and in how CRM is measured. The Nigerian retention studies relied on managers or employees and a broad CRM

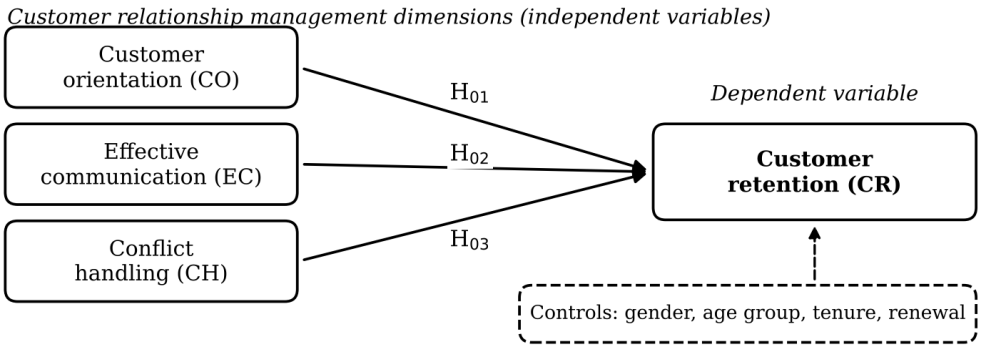
construct (Nwankwo & Ajemunigbohun, 2013; Orogun et al., 2026). The study that used the three dimensions examined here looked at organizational performance (Odunmbaku et al., 2024). The customer-level studies dealt with satisfaction or purchase decisions (Kwajaffa, 2023; Oluwabiyi et al., 2022). The international studies used mediated models, a single-company case, or satisfaction and loyalty outcomes (Amugune, 2015; Gün & Söyük, 2025; Moon et al., 2025; Ofosu-Siaw Boateng, 2016; Tjizumaue & Atiku, 2024). Payne and Frow (2005) also argue that CRM works best as a cross-functional, strategic process and not as a technology project, which supports looking at several practices together. None of the studies reviewed tests customer orientation, effective communication and conflict handling jointly as predictors of retention among Nigerian policyholders. This study addresses that gap.

2.3 Hypotheses Development

Customer orientation. An insurer that understands what customers need and offers relevant services gives policyholders a reason to stay, and customer-oriented CRM has been linked to better insurer outcomes (Nwankwo & Ajemunigbohun, 2013; Odunmbaku et al., 2024). *Effective communication.* Clear, timely and accessible information reduces uncertainty and builds trust. Communication has been shown to raise trust and satisfaction in insurance (Moon et al., 2025) and is among the more effective relationship-building strategies in the wider literature (Palmatier et al., 2006). Kwajaffa (2023), however, found no significant effect of communication on satisfaction, so its link with retention is an empirical question. *Conflict handling.* Responding to complaints and explaining how disputes are resolved can save a relationship that a service failure might otherwise end (Morgan & Hunt, 1994). This matters in a market where not all reported claims are settled (Middle East Insurance Review, 2026). On these grounds, the following null hypotheses were tested at the 5% level:

Figure 1

Conceptual Framework and Hypotheses



H_{01}: Customer orientation has no significant relationship with customer retention in the Nigerian insurance industry.

H_{02}: Effective communication has no significant relationship with customer retention in the Nigerian insurance industry.

H_{03}: Conflict handling has no significant relationship with customer retention in the Nigerian insurance industry.

3.0 Methodology

3.1 Design, Population and Sample

The study used a quantitative cross-sectional survey. The population was policyholders of insurers operating in Nigeria. They are suitable respondents because retention is a customer-level outcome and the study measures how customers see their insurers' relationship practices. Purposive sampling picked respondents who currently hold, or have recently renewed, a policy,

so that each had direct experience of an insurer's customer relationship practices. The aim was at least 80 valid responses. In all, 100 questionnaires were handed directly to policyholders and completed. Participation was voluntary and anonymous, respondents were told the academic purpose and confidentiality of the study, and no names were recorded. All 100 questionnaires were complete and usable.

3.2 Measures

Section A recorded age group, gender, type of policy, length of relationship with the current insurer and whether the respondent had renewed a policy with that insurer. Sections B to E held 16 statements rated from 1 (strongly disagree) to 5 (strongly agree). Four covered customer orientation (for example, attention to needs and understanding of customer needs), four covered effective communication (clarity, timeliness and ease of access to information, and help in understanding obligations), four covered conflict handling (reporting problems, response to complaints, explanation of the dispute process and resolution), and four covered customer retention (willingness to continue, to renew, to stay despite alternatives and to maintain the relationship). The first three were the independent variables and retention was the dependent variable. Each construct score is the mean of its items, and the Likert composites were treated as approximately interval-level measures (Norman, 2010). Insurance and research-methods experts checked the instrument for face and content validity before use. In the models, gender was a dummy variable (male = 1, other = 0), age group (1–5) and tenure (1–4) were ordinal scores, and renewal was a dummy variable (renewed = 1).

3.3 Data Screening and Analytical Procedure

Questionnaires were checked for completeness and out-of-range values. The analysis covered descriptive statistics and internal consistency by Cronbach's α, with .70 or above taken as acceptable (Nunnally, 1978; Tavakol & Dennick, 2011). It also used the Kaiser–Meyer–Olkin (KMO) index (Kaiser, 1974) with Bartlett's test, and confirmatory factor analysis (CFA) of the four-factor measurement model by maximum likelihood, with factor variances fixed at 1 and the factors allowed to correlate. Fit was judged with χ^2, χ^2/df, CFI, TLI, RMSEA and SRMR against the usual cut-offs (Hu & Bentler, 1999), and a single-factor model was fitted for comparison. Composite reliability (CR) and average variance extracted (AVE) were used for convergent validity, and the Fornell–Larcker criterion and the heterotrait–monotrait ratio (HTMT) for discriminant validity (Fornell & Larcker, 1981; Henseler et al., 2015). Relationships were tested with Pearson correlation and hierarchical multiple regression, with the controls entered in Model 1 and the three CRM dimensions added in Model 2 (Hair et al., 2019). The variance inflation factor (VIF) checked collinearity. HC3 standard errors (Long & Ervin, 2000) and 5,000-sample bootstrap intervals (Efron & Tibshirani, 1993) are reported as supplementary estimates for Model 2. The model was:

$$CR_i = \beta_0 + \beta_1 CO_i + \beta_2 EC_i + \beta_3 CH_i + \gamma' \mathbf{Z}_i + \varepsilon_i$$

where *CR* is customer retention, *CO* customer orientation, *EC* effective communication, *CH* conflict handling, **Z** the control variables and ε the error term. A null hypothesis was rejected where the coefficient for its variable in Model 2 had $p < .05$.

4.0 Results and Discussion

4.1 Respondent Profile

All 100 questionnaires were complete and within the 1–5 response range, so none was removed. Table 1 shows that 56% of respondents were men and 63% were aged 26–45. Motor insurance was the most common main policy, 63% had dealt with their insurer for one to six years, and 81% had renewed a policy with their current insurer.

Table 1

Respondent Profile (N = 100)

Variable	Category	*n*	%	Variable	Category	*n*	%
Gender	Male	56	56.0	Policy type	Motor	34	34.0
	Female	41	41.0		Health	24	24.0
	Prefer not to say	3	3.0		Life	24	24.0
Age group	18–25	10	10.0		Property	10	10.0
	26–35	36	36.0		Other	8	8.0
	36–45	27	27.0	Relationship length	Under 1 year	11	11.0
	46–55	18	18.0		1–3 years	40	40.0
	56 and above	9	9.0		4–6 years	23	23.0
Renewed policy	Yes	81	81.0		Over 6 years	26	26.0
	No	19	19.0				

Note. Percentages are of the 100 respondents.

4.2 Reliability and Measurement Model

Respondents were moderately positive on all four constructs (Table 2). Mean scores ranged from 3.44 to 3.46, and 51% to 54% of item responses were “agree” or “strongly agree”. Reliability was high for every construct (α = .94–.95), corrected item–total correlations ran from .84 to .90, and deleting an item would not have raised α.

Table 2

Descriptive Statistics and Reliability (N = 100)

Construct	Items	*M*	*SD*	Skew.	Kurt.	α	% Agree
Customer orientation (CO)	4	3.45	1.08	−0.47	−0.50	.949	54.0
Effective communication (EC)	4	3.44	1.08	−0.50	−0.31	.950	51.2
Conflict handling (CH)	4	3.45	1.05	−0.43	−0.43	.947	51.5
Customer retention (CR)	4	3.46	1.07	−0.50	−0.52	.943	51.5

Note. Scores are item means on a 1–5 scale. Skew. = skewness; Kurt. = excess kurtosis; α = Cronbach’s alpha; % Agree = share of item responses coded 4 or 5.

The KMO index was .98 and Bartlett’s test was significant, $\chi^2(120) = 2{,}292.98$, $p < .001$. The four-factor CFA model (Table 3) fitted well: $\chi^2(98) = 117.19$, $p = .091$, $\chi^2/df = 1.20$, CFI = .992, TLI = .990, RMSEA = .044 (90% CI [.000, .072]) and SRMR = .016. All standardised loadings were significant ($p < .001$) and ranged from .87 to .93. Composite reliability was .95 and AVE was .81 to .83 for every construct, which supports convergent validity (Fornell & Larcker, 1981). The constructs were strongly interrelated (latent correlations .99 to 1.00; HTMT ratios 1.00 to 1.02, Table 4), and a single-factor model fitted equally well, $\chi^2(104) = 119.02$, CFI =

.994, $\Delta\chi^2(6) = 1.83$, $p = .934$. Respondents therefore appear to form one overall impression of how their insurer manages relationships, which fits the relational view taken by the theory.

Table 3

Confirmatory Factor Analysis: Model Fit (N = 100)

Model	$\chi^2(df)$	p	χ^2/df	CFI	TLI	RMSEA [90% CI]	SRMR
Four-factor model	117.19 (98)	.091	1.20	.992	.990	.044 [.000, .072]	.016
Single-factor model	119.02 (104)	.149	1.14	.994	.993	.038 [.000, .067]	.016
Acceptable-fit criterion	—	> .05	< 3	≥ .90	≥ .90	≤ .08	≤ .08

Note. Maximum likelihood estimation; in the four-factor model the factors were allowed to correlate. Criteria follow Hu and Bentler (1999).

Table 4

Correlations, Discriminant Validity and Reliability

Construct	1	2	3	4
1. Customer orientation	**.95**	1.02	1.00	1.01
2. Effective communication	.96	**.95**	1.01	1.00
3. Conflict handling	.95	.96	**.95**	1.00
4. Customer retention	.95	.95	.95	**.94**

Note. Below the diagonal: Pearson correlations (all $p < .001$; Spearman $\rho = .92$–$.94$, all $p < .001$). Diagonal (bold): Cronbach's α. Above the diagonal: HTMT ratios.

4.3 Regression Results and Hypothesis Tests

Each CRM dimension correlated very strongly with retention (customer orientation $r = .95$, effective communication $r = .95$, conflict handling $r = .95$; all $p < .001$; Table 4; Figure 2), and the three dimensions averaged into one score correlated with retention at $r = .96$ ($R^2 = .925$). In the hierarchical regression (Table 5), the controls alone explained little variance in Model 1 ($R^2 = .052$, $F(4, 95) = 1.31$, $p = .272$). Adding the three dimensions in Model 2 raised R^2 to .935 (adjusted $R^2 = .930$; $F(7, 92) = 189.53$, $p < .001$), an increase of .883 ($\Delta F(3, 92) = 417.51$, $p < .001$; Cohen's $f^2 = 13.61$ for the block). The Durbin–Watson statistic was 1.99, the Koenker–Breusch–Pagan test showed no heteroscedasticity ($\chi^2(7) = 7.12$, $p = .416$), and residuals were normal (Shapiro–Wilk $p = .312$). VIF values were 14.13 to 19.24 for the three dimensions, reflecting their shared variance as facets of one relational construct, and 1.03 to 1.09 for the controls.

Table 5

Coefficients of Model 2 Predicting Customer Retention

Predictor	*B*	*SE*	β	*p*	HC3 *p*	95% CI	Boot. 95% CI	VIF
Constant	0.084	0.159	—	.600	.592	[−0.23, 0.40]	[−0.18, 0.39]	—
Gender (male)	−0.134	0.058	−.062	.023	.032	[−0.25, −0.02]	[−0.26, −0.02]	1.03
Age group	−0.047	0.026	−.050	.072	.106	[−0.10, 0.00]	[−0.10, 0.01]	1.08

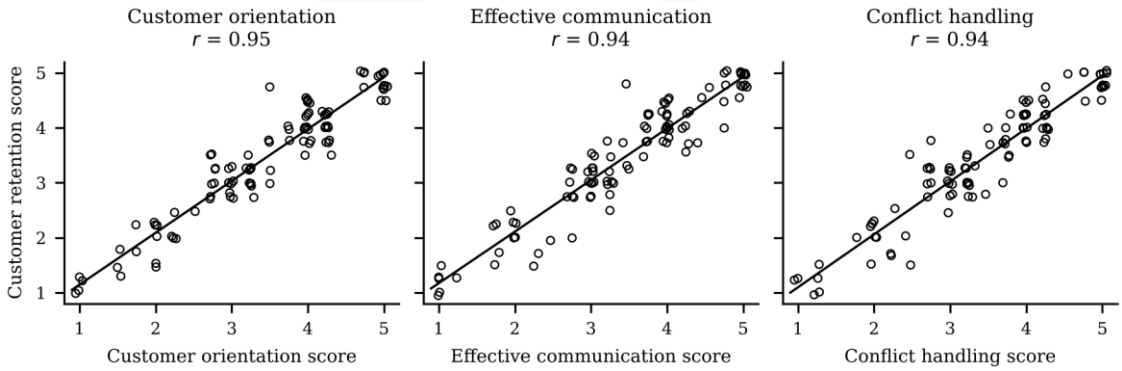
Predictor	*B*	*SE*	β	*p*	HC3 *p*	95% CI	Boot. 95% CI	VIF
Tenure	0.032	0.030	.029	.287	.282	[−0.03, 0.09]	[−0.03, 0.08]	1.06
Renewed policy	0.160	0.075	.059	.035	.050	[0.01, 0.31]	[0.00, 0.30]	1.09
Customer orientation	0.411	0.107	.416	< .001	< .001	[0.20, 0.62]	[0.21, 0.61]	16.67
Effective communication	0.216	0.116	.218	.064	.105	[−0.01, 0.45]	[−0.03, 0.47]	19.24
Conflict handling	0.349	0.102	.343	.001	.016	[0.15, 0.55]	[0.09, 0.60]	14.13

Note. $N = 100$. *B* = unstandardized coefficient; β = standardized coefficient; HC3 *p* = *p* value using heteroscedasticity-consistent standard errors; CI = confidence interval (bootstrap: 5,000 resamples); VIF = variance inflation factor.

Customer orientation (B = 0.41, β = .42, t(92) = 3.83, p < .001) and conflict handling (B = 0.35, β = .34, t(92) = 3.44, p = .001) were significantly related to retention, so H01 and H03 were rejected. The results of the assessment of effective communication were positive but not significant at the 5% level (β = .22, t(92) = 1.87, p = .064), thus failing to reject the H02. As the three dimensions are coupled, the coefficients are interpreted as the relationship between relationship management and retention in combination. Other controls were with age group, no difference was found on the retention measure (B = −0.13, p = .023), and tenure was not significant (B = 0.16, p = .035).

Figure 2

Customer Retention by Customer Orientation, Effective Communication and Conflict Handling Scores



Note. $N = 100$. Points are jittered slightly for visibility; lines are bivariate least-squares fits.

4.4 Discussion

The main result is how closely relationship management and retention move together. All three weeks of the three CRM dimensions together explained nearly all of the variation in retention ($\Delta R^2 = .883$) beyond the controls. These support the relationship marketing concept that customers who feel understood, informed and fairly treated when issues arise will be more likely to remain and make the commitment again (Berry, 1983; Morgan & Hunt, 1994) and the meta-analysis that shows the highest positive result in services (Palmatier et al., 2006). It confirms earlier Nigerian findings on the relationship between CRM and performance, namely that the relationship is strong for the three dimensions (Nwankwo & Ajemunigbohun, 2013) and is also in line with the CRM–performance link that Ofosu-Siaw Boateng (2016) documented on the customer level for Ghana. It is also found in recent studies conducted

internationally that loyalty and repurchase intention of customers of insurance companies are a result of trust, perceived quality and satisfaction (Gün & Söyük, 2025; Tjizumaue & Atiku, 2024), and that consumers' satisfaction with insurance products is increased by CRM (Hamad & Yaba, 2024). The one impression of the relationship captured in this measure is representative of the trust and satisfaction these studies report.

The coefficient for customer orientation and conflict handling showed great significance with retention, while the coefficient for effective communication showed positive but is not significant. This is consistent with Kwajaffa (2023) finding that communication was not a significant factor in satisfaction and it fits with communication improving satisfaction and trust (Moon et al., 2025), as satisfaction could act as the pathway for communication to improve retention. The dimensions were correlated at .95 to .96, and one of the dimensions was a summary of four; so, it seems that the respondents evaluate an insurer's relationship management in total. One possible explanation is that policyholders develop a general impression of their insurer's understanding, informing, and caring for them, and that this impression is carried with them as they decide to stay. The Nigerian market lends credibility to it. How complaints and claims are handled might influence the level of trust in the entire sector as only 3% of adults have a regulated policy (Eromosele et al., 2023) and in 2025 non-life and life insurers settled 75.5% and 65.5% of reported claims, respectively (Middle East Insurance Review, 2026). For insurers the take-home message is that having a customer focus, communicating and dealing with complaints are connected and a positive change in one area is likely to reflect in the others.

5.0 Conclusion, Implications and Recommendations

5.1 Conclusion

The study investigated the relationship between customer orientation, effective communication and conflict handling to customer retention in Nigerian insurance industry. Gender, age group, and tenure and renewal controlled; three additional dimensions accounted for an additional 88% of the variance in retention. The factors which were significantly related to retention were customer orientation (H01) and conflict handling (H03), and effective communication (H02) was positive but not significant at the 5% level. The study not only provides customer-level evidence of retention in Nigeria but also tests the three dimensions together with policyholders' intentions to retain and demonstrates that the policyholders' experience of relationship management is one seamless whole.

5.2 Implications and Recommendations

Theoretical implications. The results support relationship marketing theory in Nigerian insurance by linking the perceived quality of the relationship to the intention to continue it, and they indicate that customer orientation, communication and conflict handling are experienced as one relational whole. *Practical implications.* These practices should be conducted as a single programme by insurers. Front line staff need to be trained in what customers need and want, need to know policies and obligations and have access to information that is clear, timely and easy to access, complaints and disputes should be clearly visible, explained and address problems promptly. Measuring the renewal and retention rates of customers could reveal the areas of the relationship that are flagging. The new capital requirements are being met by 48 insurers and two reinsurers by mid-August 2026 (Nairametrics, 2026), so recapitalised firms may turn to service instead, in which case it will be good to have a joined-up relationship programme.

5.3 Limitations and Future Research

The study used a cross-sectional design and a purposive sample of 100 policyholders, and retention was measured as intention and attitude, with renewal recorded separately. Larger probability samples across regions and policy types, actual renewal and lapse data, ratings from more than one source of data and testing for changes in the relationships as the market reacts to the NIIRA 2025 recapitalization would be useful in the future.

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