

The implication of today's fiercely competitive environment calls for players in the insurance industry to focus strategically on revenue momentum, improved profitability and increased customer retention. Achieving the three goals depend greatly; on the customer service quality. From the viewpoint of understanding why customers defect; from one insurance company to another, insurance service quality was assessed to gauge customer satisfaction in the industry. Survey research design was adopted. Two-stage, sampling was adopted in the study. This involved first picking a systematic sample of 13 insurance companies and then 10 customers from each insurance company. Data was analyzed in SPSS using frequencies and percentages. The insurance industry seems to be weak in service quality issues relating to availability; of ample customer parking space, issuance of error free records and communications,) effective use of internet for business transaction, meeting of strict service delivery, deadlines and promptness in customer service delivery. Any sound quality intervention strategy should thus prioritize closing the gaps between expectations and perceptions in the dimensions beginning with tangibles, reliability, responsiveness, assurance and empathy respectively. There is need for insurers to rethink their quality strategies.