



Press Release

J.D. Power and Associates Reports: Satisfaction with Price is Lower among Auto Insurance Customers Who Bundle Policies

Amica Mutual Ranks Highest among Auto Insurers for a 12th Consecutive Year

WESTLAKE VILLAGE, Calif.: 28 June 2011 — Satisfaction with price among auto-only insurance customers is now comparable to levels once reserved for customers who bundled auto and homeowners policies, according to the J.D. Power and Associates 2011 U.S. National Auto Insurance StudySM released today.

The study measures [customer satisfaction with auto insurance companies](#) across five factors: interaction; price; policy offerings; billing and payment; and claims. The study finds that satisfaction among auto insurance customers who have their homeowners policy with another insurer or who only have an auto policy, has increased considerably from 2010 (up 21 and 26 index points, respectively, on a 1,000-point scale). In comparison, satisfaction among auto insurance customers who have their homeowners policy with the same insurer averages 727, increasing by only 7 points from 2010.

“For the first time, satisfaction with price is higher among unbundled customers than among bundled customers,” said Jeremy Bowler, senior director of the insurance practice at J.D. Power and Associates. “Customers have come to expect a discount for holding multiple policies with their insurer, and it appears that the positive effect of this discount has become diluted.”

According to Bowler, while only 58 percent of customers bundle their auto and homeowners policies with the same insurer, the bundling of any additional products with auto insurance has increased significantly in 2011 to 77 percent (compared with 70% in 2010). As a result, discounts for multiple policies are among the most prevalent discounts reported by customers, along with discounts for being a safe driver.

“While discounts for multiple policies and discounts for being a safe driver are more prevalent, there isn’t a huge effect on satisfaction when customers receive these discounts,” said Bowler. “In comparison, accident forgiveness, ticket forgiveness and claims-free discounts are less common in the marketplace and have a dramatic impact on satisfaction—each creating more than a 40-point lift in satisfaction with discounts.”

Amica Mutual ranks highest in customer satisfaction with auto insurance companies for a 12th consecutive year, with a score of 843. Erie Insurance (825) and Shelter (816) follow in the rankings. New Jersey Manufacturers Insurance Company and USAA also achieve high levels of customer satisfaction, although they are not included in the rankings due to the closed natures of their respective memberships.¹

Overall satisfaction averages 790, rebounding from 777 in 2010. This increase is the result of an improvement across all factors driving satisfaction, particularly the billing and payment and interaction factors.

¹ New Jersey Manufacturers Insurance Co. is an insurance provider open only to New Jersey Business & Industry Association members, State of New Jersey employees, NJM’s previously insured drivers, and/or previous/current auto/homeowner policyholders. USAA is an insurance provider open only to U.S. military personnel and their families.

The interaction factor is the most important driver of satisfaction. This study finds the following emerging trends in customer service interaction in 2011:

- More than 80 percent of customers who interact with their insurer through its website were able to complete their entire interaction online.
- Customers who purchase their policy through a call center representative tend to use the insurer's website as a complementary channel for service needs and interact with their insurer nearly as often through the call center as through the website.
- Customers who use emerging technologies (such as email, online chat or smartphone apps) as complementary channels to their purchase channel are significantly more satisfied than are those using only their purchase channel to meet their service needs. This increase in satisfaction is more pronounced among agent-serviced customers who use these emerging technologies.

To view the management discussion, which examines how digital media is rapidly shaping service expectations of customers now and into the future, based on study findings, please click [here](#).

The 2011 U.S. National Auto Insurance Study is based on nearly 28,000 responses from auto insurance policyholders. The study was fielded between March and May 2011.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing forecasting, performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit [JDPower.com](#). J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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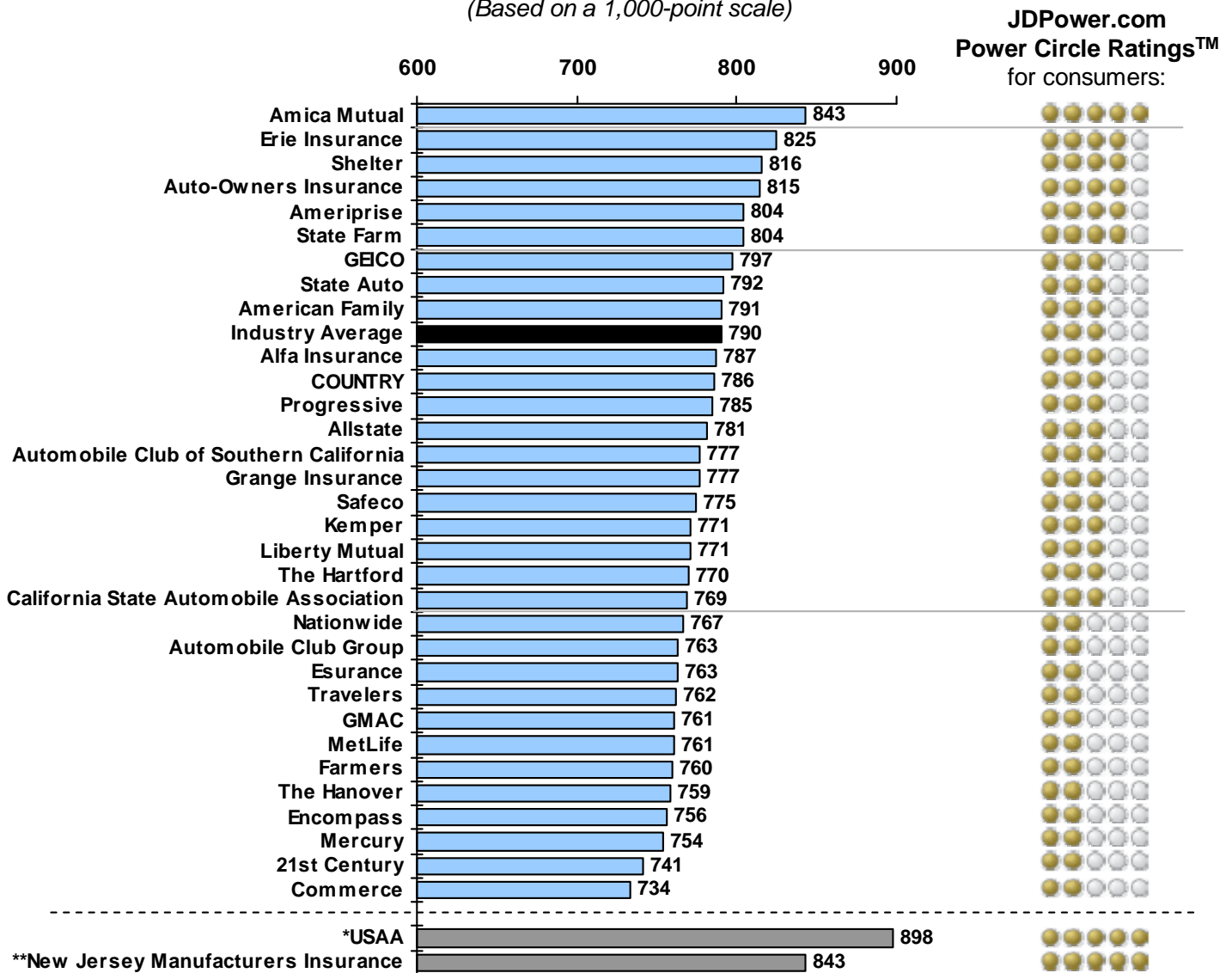
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NOTE: One chart follows.

J.D. Power and Associates 2011 U.S. National Auto Insurance StudySM

Customer Satisfaction Index Ranking (Based on a 1,000-point scale)



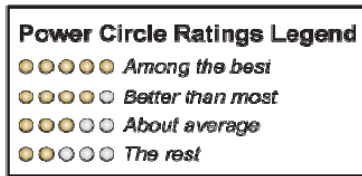
Note: Infinity P&C was previously inadvertently included in the rankings, but has been removed because of small sample size. This change does not affect index scores, rank positions or PowerCircle Ratings for any other ranked brands.

*USAA is an insurance provider open only to U.S. military personnel and their families and therefore is not included in the rankings.

**New Jersey Manufacturers Insurance Co. is an insurance provider open only to New Jersey Business & Industry Association members, State of New Jersey employees, NJM's previously insured drivers, and/or previous/current auto/homeowner policyholders and therefore is not included in the rankings.

Included in the study but not ranked due to not meeting the minimum sample size, market share threshold or localized availability are: Allied; American National Property & Casualty (ANPAC); CHUBB; Farm Bureau Mutual Group; Horace Mann; Infinity P&C; Kentucky Farm Bureau; North Carolina Farm Bureau; Tennessee Farm Bureau; Texas Farm Bureau; and Safety Insurance.

Source: J.D. Power and Associates 2011 U.S. National Auto Insurance StudySM



Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2011 U.S. National Auto Insurance StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit jdpower.com/faqs. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates survey results without the express prior written consent of J.D. Power and Associates.