



## Press Release

### **J.D. Power and Associates Reports: Satisfaction Increases Considerably among Auto Insurance Claimants, Due to Dramatic Improvements in Settlement Timing and Perceptions of Fairness**

#### Auto-Owners Ranks Highest in Satisfying Auto Insurance Customers with the Claims Process For a Second Consecutive Year

**WESTLAKE VILLAGE, Calif.: 5 November 2009** — Auto insurance customers are significantly more satisfied with the claims process in 2009, compared with 2008, according to the J.D. Power and Associates 2009 Auto Claims Satisfaction Study<sup>SM</sup> released today.

The study finds that [overall satisfaction among auto insurance claimants](#) averages 842 on a 1,000-point scale, an increase of 24 points from 2008. This improvement is driven in part by increased satisfaction with settlement of the claim, as claimants are more satisfied with the time it took to settle the claim and the fairness of the claim settlement this year. In addition, cycle time has decreased to 12.6 days in 2009 from 14.8 days in 2008.

“The current economic situation appears to be having a positive effect on the auto claims experience,” said Jeremy Bowler, senior director of the insurance practice at J.D. Power and Associates. “The rate of road accidents is generally down, and consequently, fewer customers are filing claims and getting their vehicles repaired. As a result, repair facilities have a lower volume of work, which has considerably shortened the time it takes to schedule and start repairs, all of which contribute to the two-day shortening of claim cycle time. In fact, 96 percent of claimants report having received a repair appointment at their desired date and time, which has a significant impact on satisfaction.”

Higher levels of customer satisfaction may benefit an insurer’s bottom line, as more satisfied customers are considerably more likely to both renew with their insurer and recommend their insurer to others, compared with less satisfied customers. For example, among customers whose insurers achieve high levels of satisfaction (scores of 858 or higher), 65 percent say they “definitely will” renew with their insurer, while only 43 percent of customers whose insurers have low satisfaction levels (scores of 818 or lower) say the same. In addition, 57 percent of customers whose insurers achieve high levels of satisfaction say they “definitely will” recommend their insurer to others, compared with only 35 percent of customers whose insurers have low satisfaction levels.

The study also finds that claimant expectations and satisfaction vary considerably across the six different repair claim paths they may experience, depending on who they deal with at various points in the process. For example, satisfaction tends to be higher among customers whose claims experience involves reporting their claim to their local agent, rather than directly to the insurer. Despite differences in the various paths, simply following up with the claimant at the end of the claims process may provide a substantial lift in satisfaction across all experiences.

“While insurance providers often have their own unique strategy to handle claims, it’s important that providers focus on optimizing the process to improve satisfaction,” said Bowler. “Some claimants may have only one contact point with the insurance provider throughout the entire process, making that one contact even more crucial in determining the customer’s overall satisfaction with the claims experience.”

The study measures claimant satisfaction with the claims process for an auto physical damage loss. Depending upon the complexity of a claim, the customer may experience all or only some of the following factors: first notice of loss; service interaction; appraisal; repair process; rental experience; and claim settlement.

With a score of 883, Auto-Owners ranks highest in providing a satisfying claims experience for auto insurance customers for a second consecutive year. Auto-Owners performs particularly well in the first notice of loss, service interaction and claim settlement factors. GMAC follows Auto-Owners in the rankings with a score of 871, and The Hartford ranks third with a score of 870. USAA, which is open only to U.S. military personnel and their families, and therefore is not included in the rankings, also achieves a high level of customer satisfaction.

The 2009 Auto Claims Satisfaction Study is based on 11,616 responses from auto insurance customers who filed a claim within the past 12 months with their current auto insurance provider. The study excludes customers who only had glass/windshield damage and theft/stolen vehicle, or only roadside assistance claims. The study was fielded from June to July 2009.

For more information, read an [article](#) or view [ratings of insurance customer satisfaction with the claims process](#) at [JDPower.com](#).

#### **About J.D. Power and Associates**

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#### **Media Relations Contacts:**

Jeff Perlman; Brandware Public Relations; Agoura Hills, Calif.; (818) 317-3070; [jperlman@brandwaregroup.com](mailto:jperlman@brandwaregroup.com)

John Tews; J.D. Power and Associates; Troy, Mich.; (248) 312-4119; [media.relations@jdpa.com](mailto:media.relations@jdpa.com)

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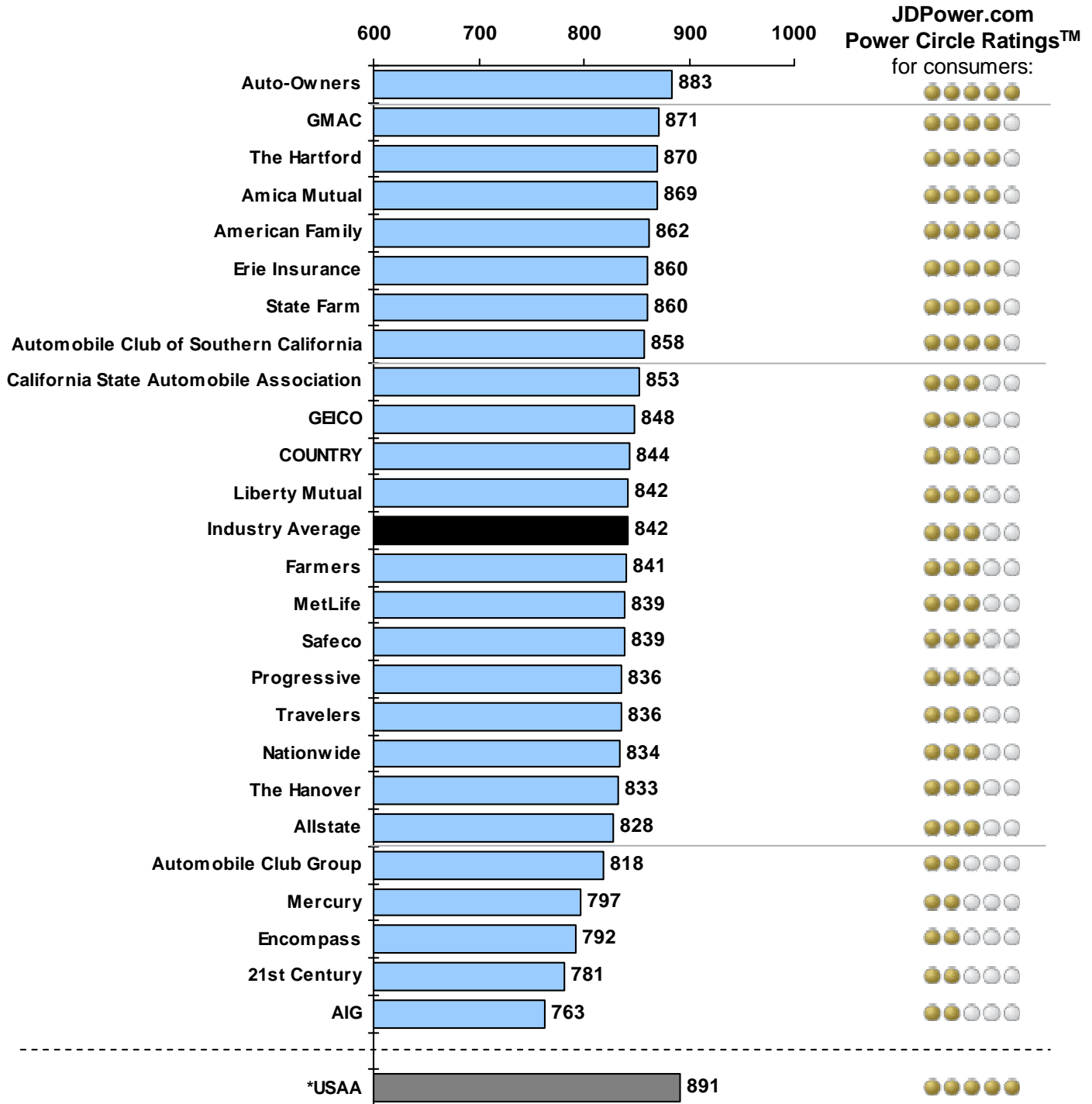
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NOTE: One chart follows.

# J.D. Power and Associates 2009 Auto Claims Satisfaction Study<sup>SM</sup>

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



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

Source: J.D. Power and Associates 2009 Auto Claims Satisfaction Study<sup>SM</sup>

**Power Circle Ratings Legend**

- Among the best
- Better than most
- About average
- The rest

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 2009 Auto Claims Satisfaction Study<sup>SM</sup> as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle Ratings<sup>TM</sup> are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit [jdpower.com/faqs](http://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.