

Auto Insurance Websites Surpass Agents in Importance to Customer Interaction, J.D. Power FindsCustomer Experience Increasingly Being Driven by Digital Interactions with Insurers

TROY, Mich.: 11 June 2020 – Remember all the talk that digital transformation would disrupt the auto insurance industry? Well, it's real. According to the J.D. Power 2020 U.S. Auto Insurance Study,SM released today, insurance company websites—for the first time in the study's 21-year history—officially surpass agents in terms of importance to client interaction and service by providing higher customer satisfaction.

"We've seen this trend developing for several years, but this is the first time that the digital channel has become the preferred means of interacting with auto insurers, exceeding one-on-one communication with agents," said **Robert Lajdziak, senior consultant for insurance intelligence at J.D. Power**. "This has huge implications for the industry because it puts the focus squarely on digital investment to notably expand creating seamless customer touch points. It's an area in which the major national carriers excel, versus hyper-local, albeit knowledgeable, agent networks."

Following are some of the key findings of the 2020 study:

- **Digital investments pay dividends:** Customer experience with auto insurer websites contributes more to satisfaction than agents, accounting for 34% of an insurer's total interaction score. That's one percentage point higher than in the agent channel, which accounts for 33% of total interaction satisfaction. This trend toward increased reliance on the digital channel and decreased reliance on the agent channel has been building steadily for more than a decade.
- **Record high satisfaction driven in part by digital:** Overall customer satisfaction with auto insurers improves in 2020 to a record high of 835 (on a 1,000-point scale). National carriers such as GEICO, State Farm and Allstate have earned some of the most significant gains, together ranking highest in six of the 11 regions in the study, aided by the growth of their digital channels.
- **Trust is critical, but insurers have work to do:** There is a strong correlation between scores for trust and those for overall satisfaction. On average, a one-point increase in trust (on a 5-point scale) would correlate with a 118-point increase in overall satisfaction. Despite the importance of trust, only 42% of all auto insurance customers say they "strongly agree" that they trust their insurer. By fulfilling service expectations and putting customers' interests first, among other customer-centric initiatives, insurers can succeed in this critical-to-retention metric.
- **Loyalty heavily influenced by claim history:** Customers are least likely to renew their policies when part of an insurance claim is denied. Conversely, when customers have experienced a claim that was fully approved and settled, satisfaction is significantly higher and generates the greatest likelihood of renewal. What's more, those customers who experienced sub-optimal claim outcomes and remained with their carrier were more diligent about understanding their policy and what it covers going forward.

Following are the highest-ranking auto insurance brands by region:

California: **Wawanesa**

Central: **Auto-Owners Insurance**

Florida: **Allstate**

Mid-Atlantic: **State Farm**
New England: **Amica Mutual**
New York: **State Farm**
North Central: **GEICO**
Northwest: **GEICO**
Southeast: **Farm Bureau Insurance—Tennessee**
Southwest: **American Family** and **GEICO** (in a tie)
Texas: **Texas Farm Bureau**

The 2020 U.S. Auto Insurance Study, now in its 21st year, examines customer satisfaction in five factors (in alphabetical order): billing process and policy information; claims; interaction; policy offerings; and price. The study is based on responses from 40,123 auto insurance customers and was fielded in February-March 2020.

For more information about the U.S. Auto Insurance Study, visit <https://www.jdpower.com/business/resource/jd-power-us-auto-insurance-satisfaction-study>.

To view the online press release, please visit <http://www.jdpower.com/pr-id/2020065>.

J.D. Power is a global leader in consumer insights, advisory services and data and analytics. These capabilities enable J.D. Power to help its clients drive customer satisfaction, growth and profitability. Established in 1968, J.D. Power has offices serving North America, Asia Pacific and Europe.

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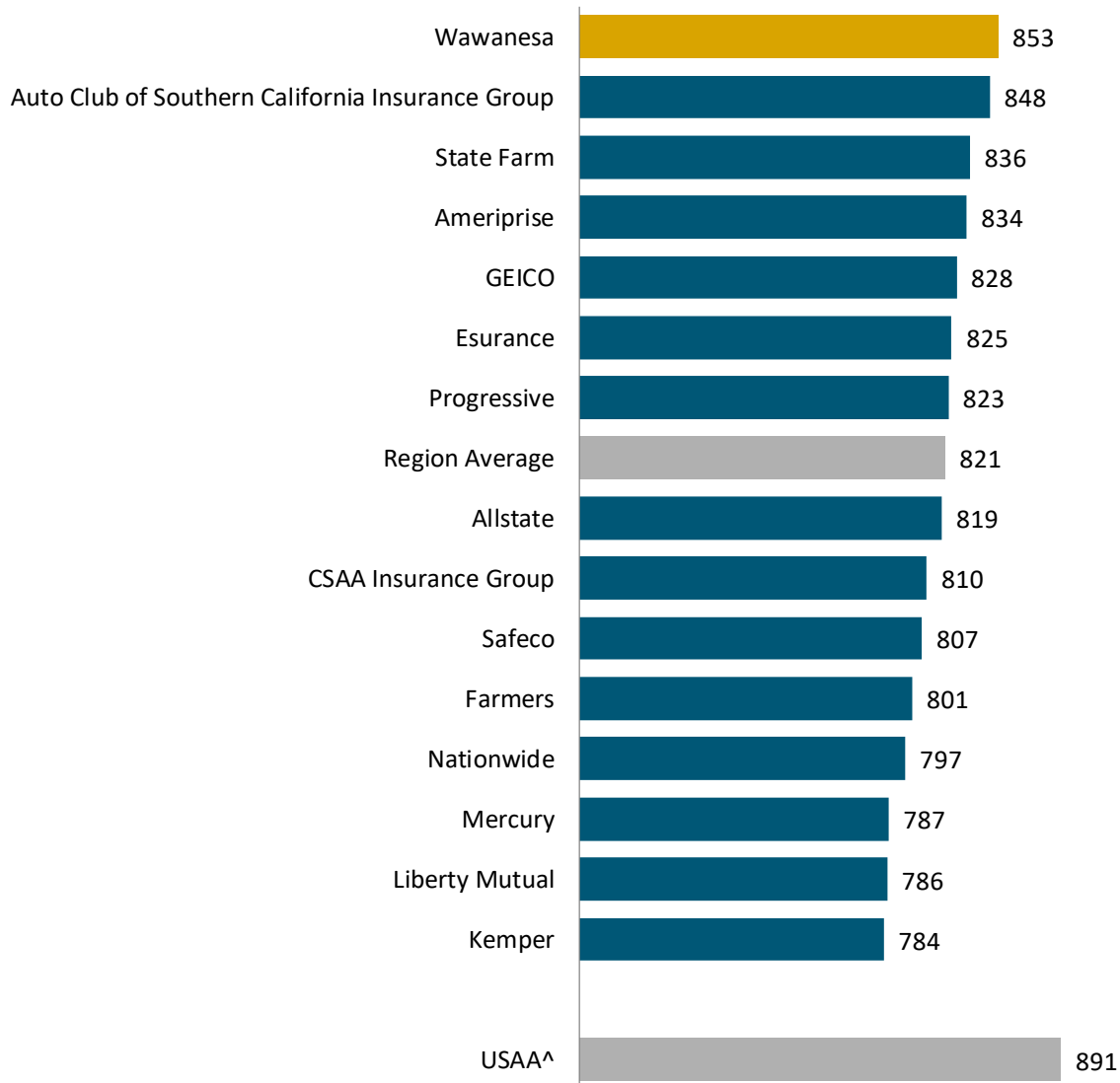
NOTE: Eleven charts follow.

J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

California



Note: [^]Brand is not rank eligible because it does not meet study award criteria.

Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

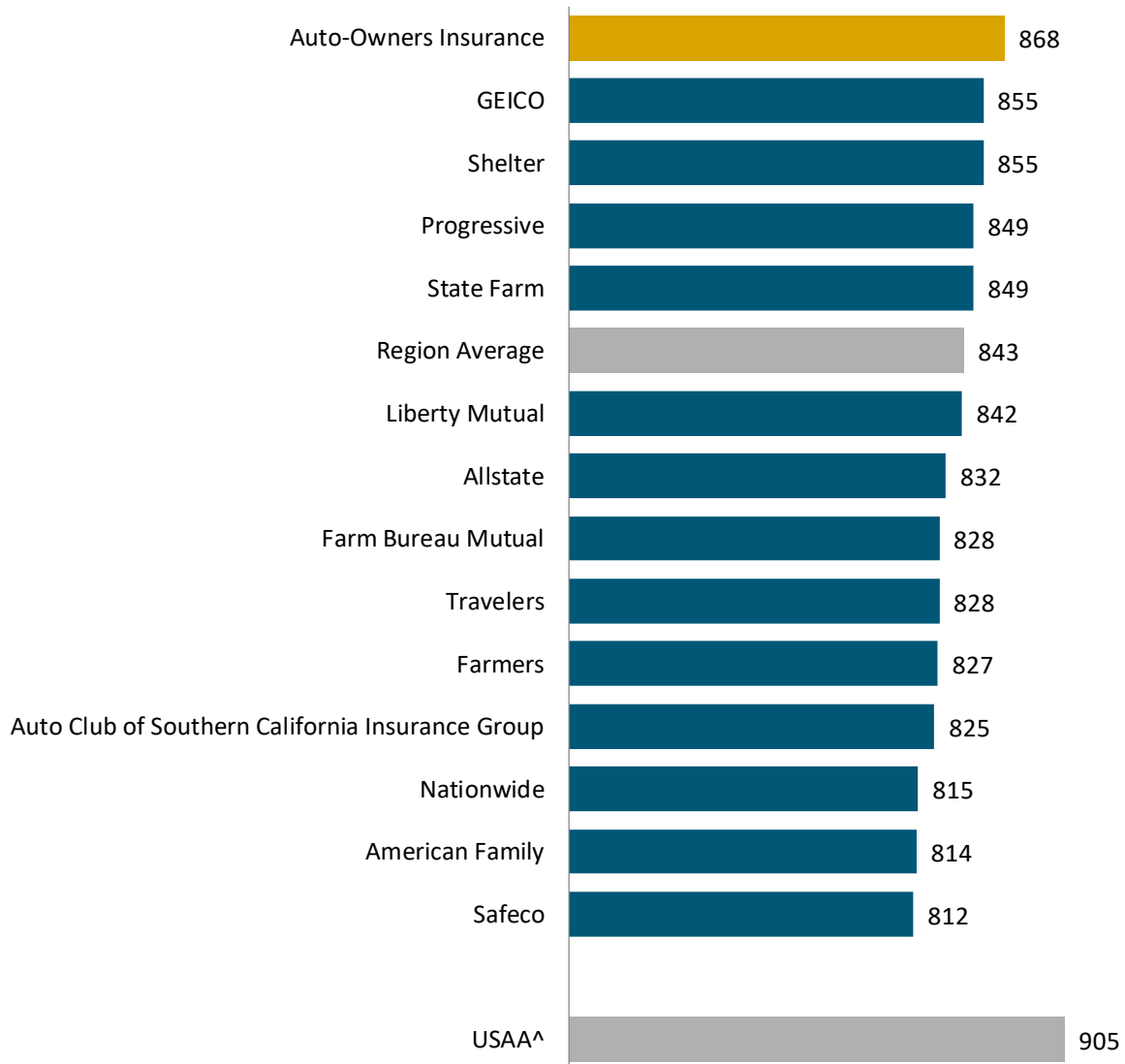
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Central



Note: [^]Brand is not rank eligible because it does not meet study award criteria; Central includes Arkansas, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma and South Dakota.

Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

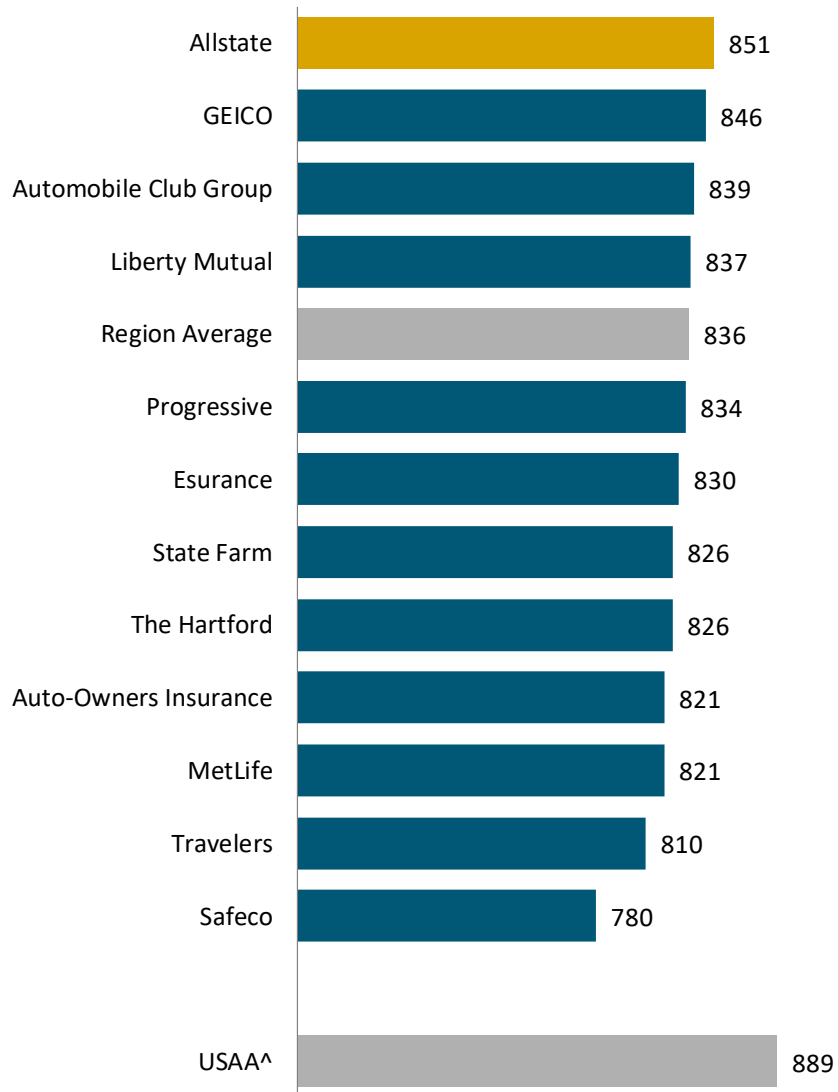
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Florida



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Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

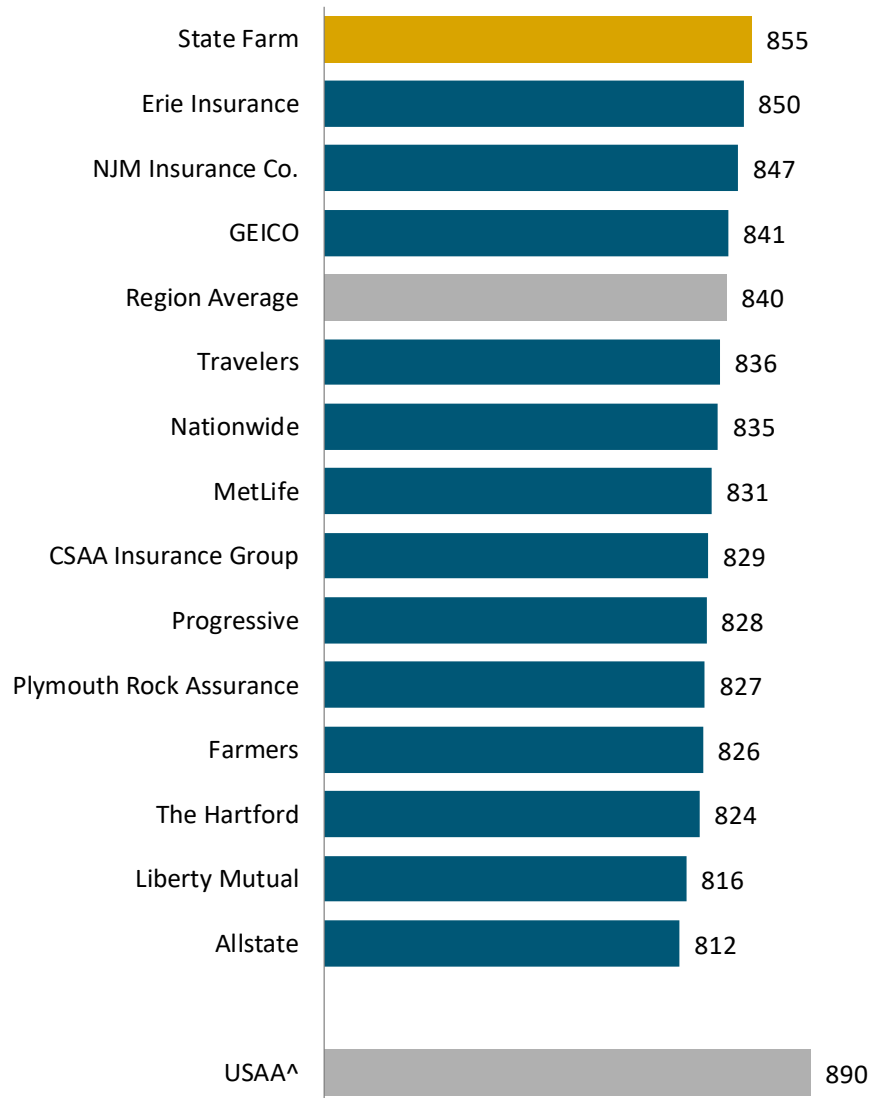
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Mid-Atlantic



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Mid-Atlantic includes Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia and West Virginia.

Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

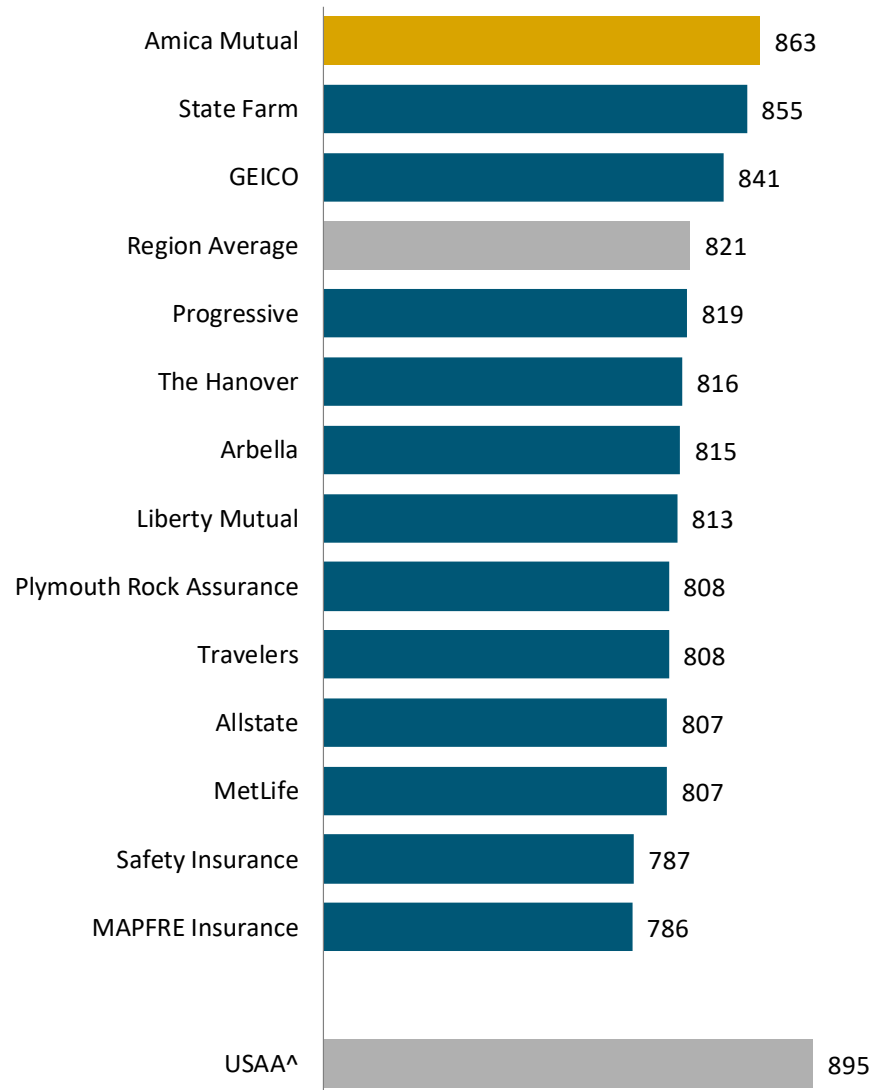
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

New England



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New England includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

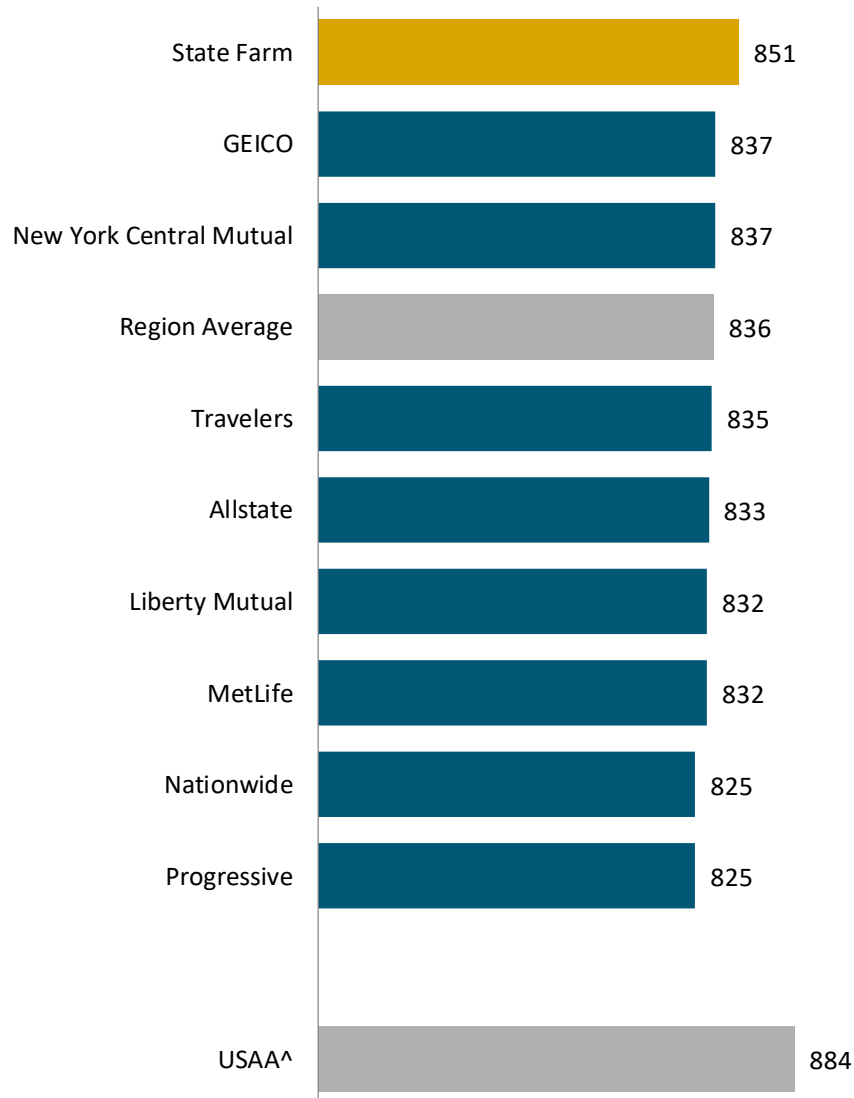
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

New York



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Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

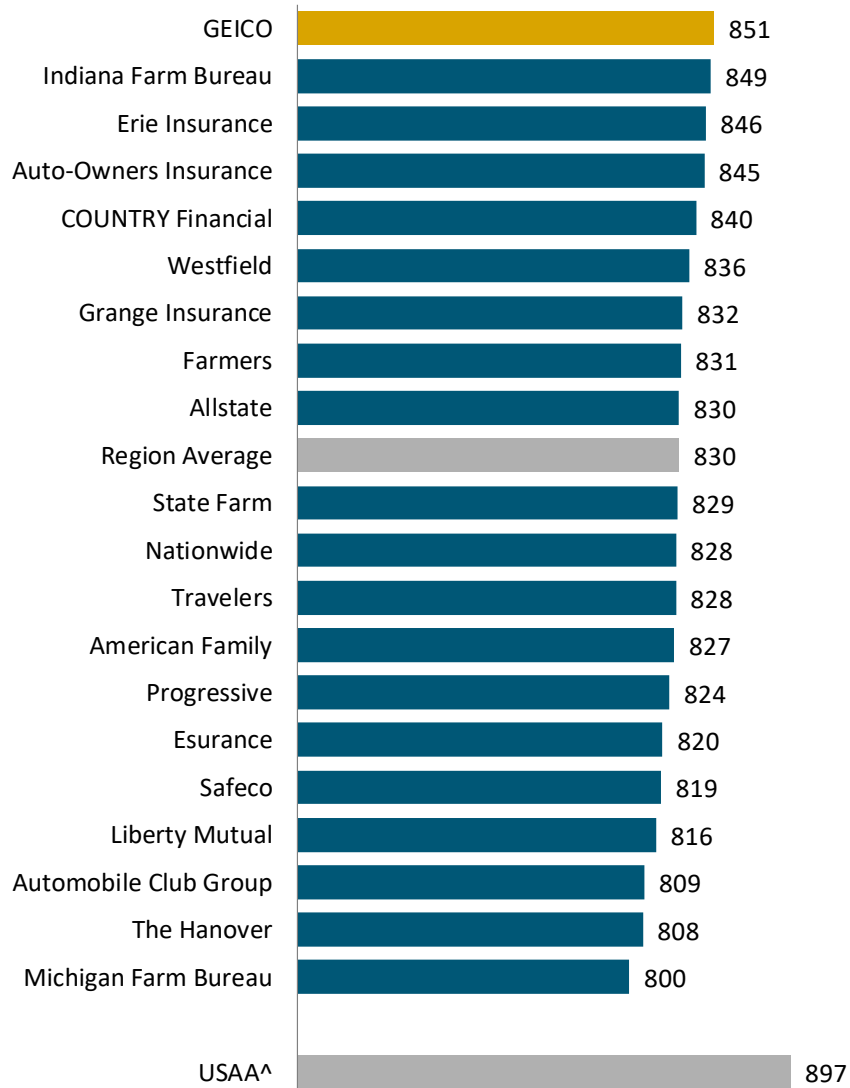
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

North Central



Note: [^]Brand is not rank eligible because it does not meet study award criteria;
North Central includes Illinois, Indiana, Michigan, Ohio and Wisconsin.

Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

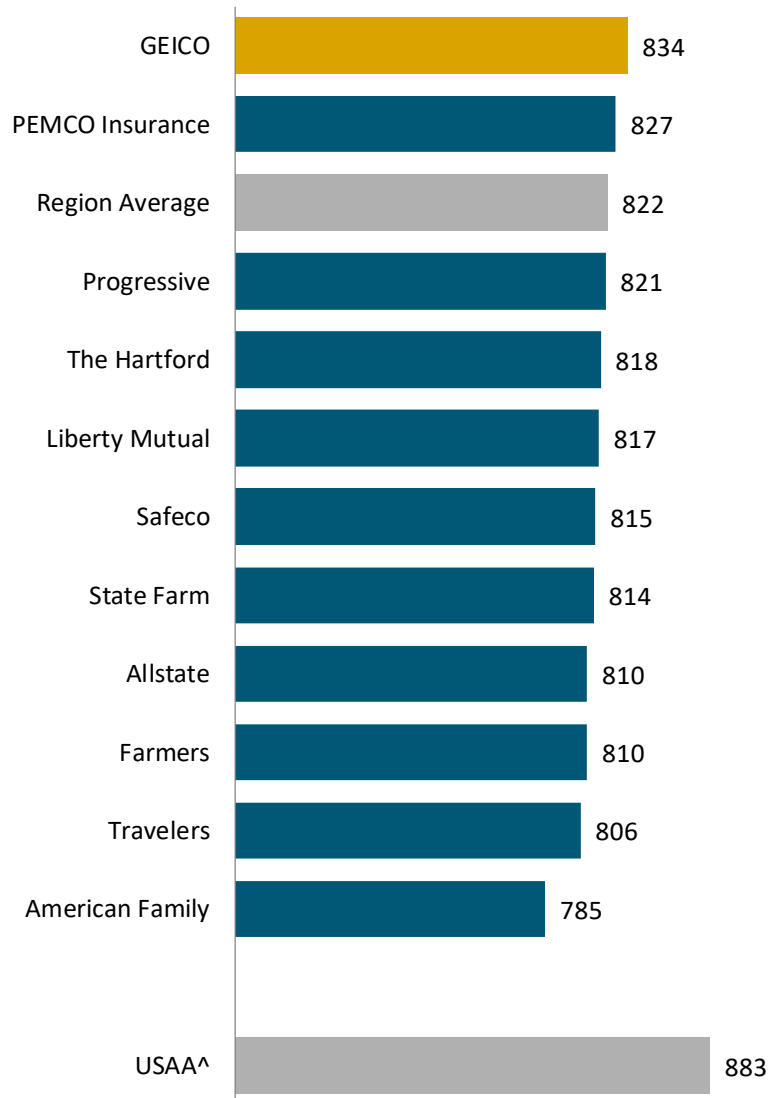
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Northwest



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Northwest includes Idaho, Montana, Oregon, Washington and Wyoming.

Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

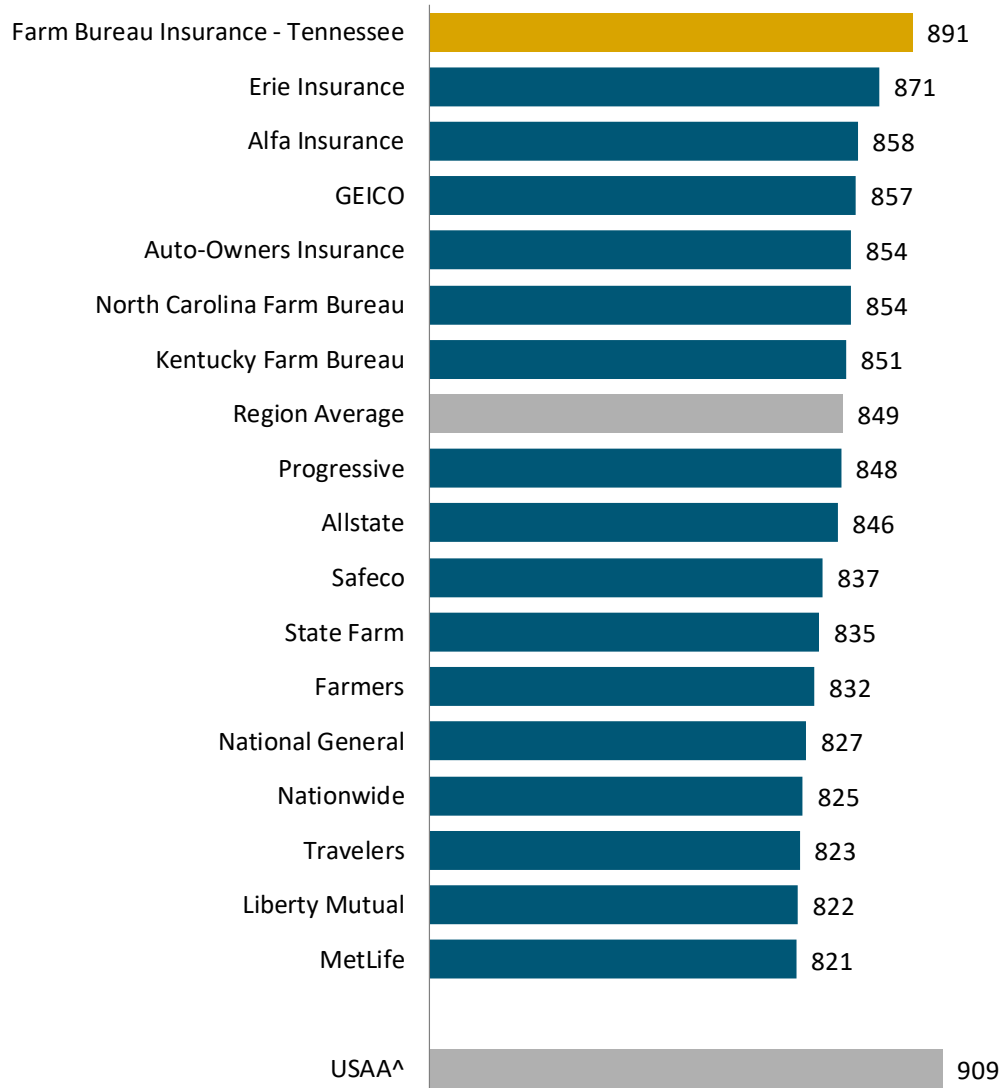
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Southeast



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Southeast includes Alabama, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.

Source: J.D. Power 2020 U.S. Auto Insurance Satisfaction StudySM

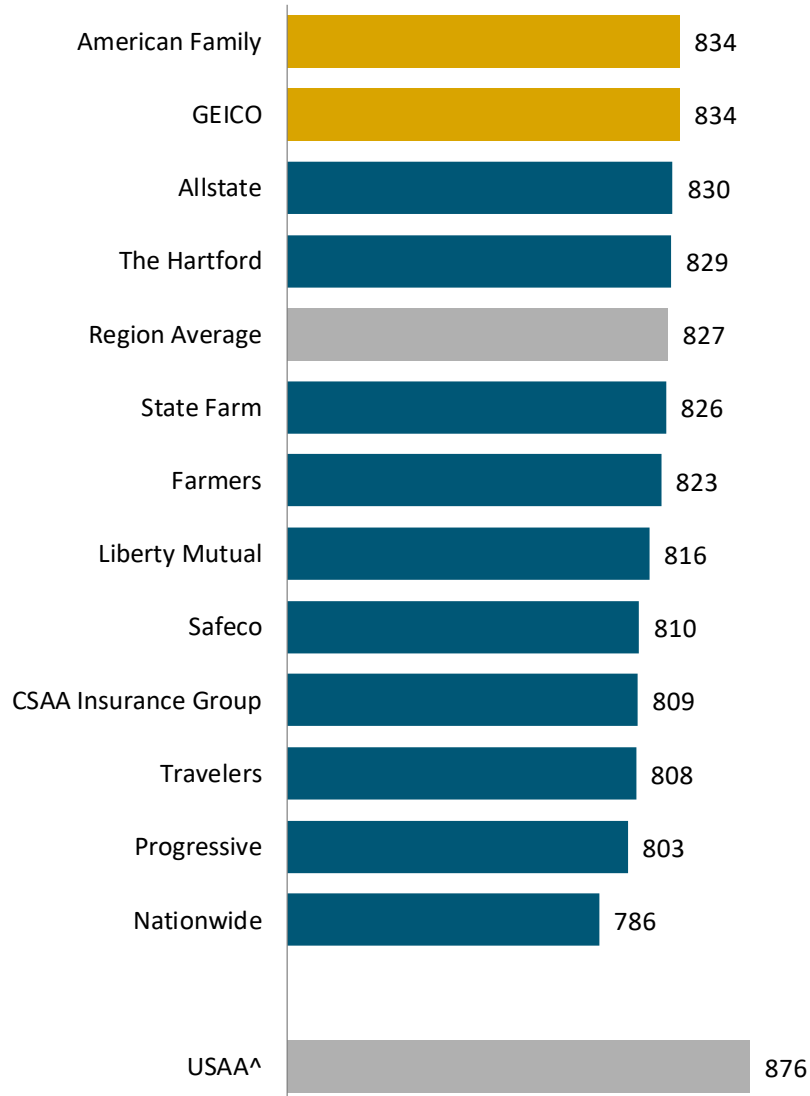
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Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

Southwest



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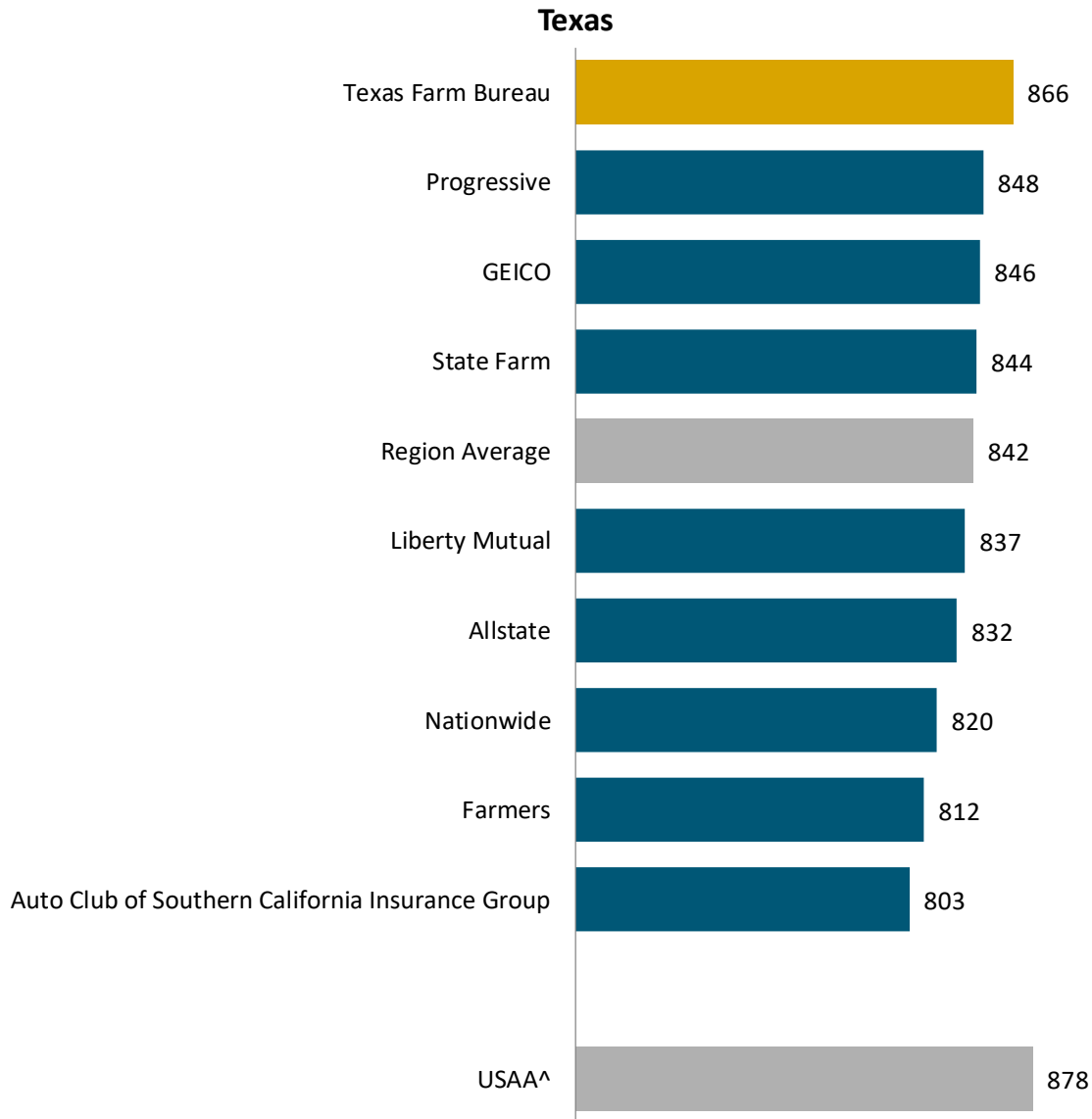
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Overall Customer Satisfaction Index Ranking

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