

**Auto Insurance Customer Satisfaction Stalls Despite \$18 Billion in Premium Relief, J.D. Power Finds**Weaknesses in Self-Service Communications Channels Overshadow Pandemic-Driven Refunds

**TROY, Mich.: 15 June 2021** — The auto insurance industry voluntarily returned more than \$18 billion in auto insurance premiums to customers in 2020 to address the sharp decline in miles driven during the COVID-19 pandemic. Despite the magnitude of this historic relief effort, the J.D. Power 2021 U.S. Auto Insurance Study,<sup>SM</sup> released today, finds that overall customer satisfaction with auto insurers is flat, following four consecutive years of improvement.

“What we’re seeing in this year’s study is a case of insurers delivering with their actions but missing the mark on effective communication to their customers,” said **Robert Lajdziak, senior consultant for insurance intelligence at J.D. Power**. “The refunds provided to customers during the pandemic were significant, representing nearly 7% of total industry premiums, but only half of customers were even aware of them. Worse, when customers needed to communicate with their insurers, either via phone, website or chat, many came away feeling less satisfied with the result than in the past.”

Following are some of the key findings of the 2021 study:

- **Overall satisfaction stagnates:** Overall customer satisfaction with auto insurance providers is 835 (on a 1,000-point scale) this year, unchanged from a year ago. This is the first time since 2017 that auto insurance customer satisfaction has not improved year over year.
- **Insurers miss the mark in communication:** While price is the lowest-scoring factor in the study, it has seen the greatest improvement year over year. This improvement is overshadowed by significant declines in satisfaction with interaction. Satisfaction with the assisted online channel, which is comprised of chat and e-mail functions, declines 12 points from a year ago, with decreases also seen in contact center (-5), website (-3) and local agent (-1).
- **Customer awareness of COVID-19 relief efforts boosts brand perception:** As of March 2021, just 52% of auto insurance customers were aware of their insurer’s COVID-19 premium relief efforts. Overall brand impressions are significantly higher among customers who were aware of these relief efforts, which was also reflected in their intent to renew their policy.
- **Pandemic as catalyst to telematics growth:** More than one-third (34%) of auto insurance customers say they are willing to try usage-based insurance (UBI), which uses telematics technology to track customer driving patterns and includes discounts based on safe driving and fewer miles driven. Currently, 16% of customers say they are already using the technology, which is double the volume seen just five years ago and is the largest year-over-year increase to date.
- **Ready to switch at hint of a premium increase:** Nearly half (45%) of auto insurance customers say they would switch if they could receive a savings of \$200 or less. Of those who recently switched due to a premium increase, 57% did so for increases of \$200 or less.

The study measures customer satisfaction with auto insurance in 11 geographic regions. Highest-ranking auto insurers and scores, by region, are as follows:

California: **Wawanesa** (853) (for a second consecutive year)  
Central: **Shelter** (856)  
Florida: **State Farm** (848)  
Mid-Atlantic: **NJM Insurance Co.** (867)  
New England: **Amica Mutual** (867) (for a ninth consecutive year)  
New York: **State Farm** (859) (for a second consecutive year)  
North Central: **Erie Insurance** (857)  
Northwest: **State Farm** (844)  
Southeast: **Farm Bureau Insurance - Tennessee** (883) (for a 10<sup>th</sup> consecutive year)  
Southwest: **American Family** (850) (for a second consecutive year)  
Texas: **Texas Farm Bureau** (850) (for a 10<sup>th</sup> consecutive year)

The 2021 U.S. Auto Insurance Study, now in its 22<sup>nd</sup> 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 38,938 auto insurance customers and was fielded in February-March 2021.

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/2021063>.

#### **About J.D. Power**

**J.D. Power** is a global leader in consumer insights, advisory services and data and analytics. A pioneer in the use of big data, artificial intelligence (AI) and algorithmic modeling capabilities to understand consumer behavior, J.D. Power has been delivering incisive industry intelligence on customer interactions with brands and products for more than 50 years. The world's leading businesses across major industries rely on J.D. Power to guide their customer-facing strategies.

J.D. Power is headquartered in Troy, Mich., and has offices in North America, Europe and Asia Pacific. To learn more about the company's business offerings, visit [JDPower.com/business](https://www.jdpower.com/business). The J.D. Power auto shopping tool can be found at [JDPower.com](https://www.jdpower.com).

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**About J.D. Power and Advertising/Promotional Rules:** [www.jdpower.com/business/about-us/press-release-info](https://www.jdpower.com/business/about-us/press-release-info)

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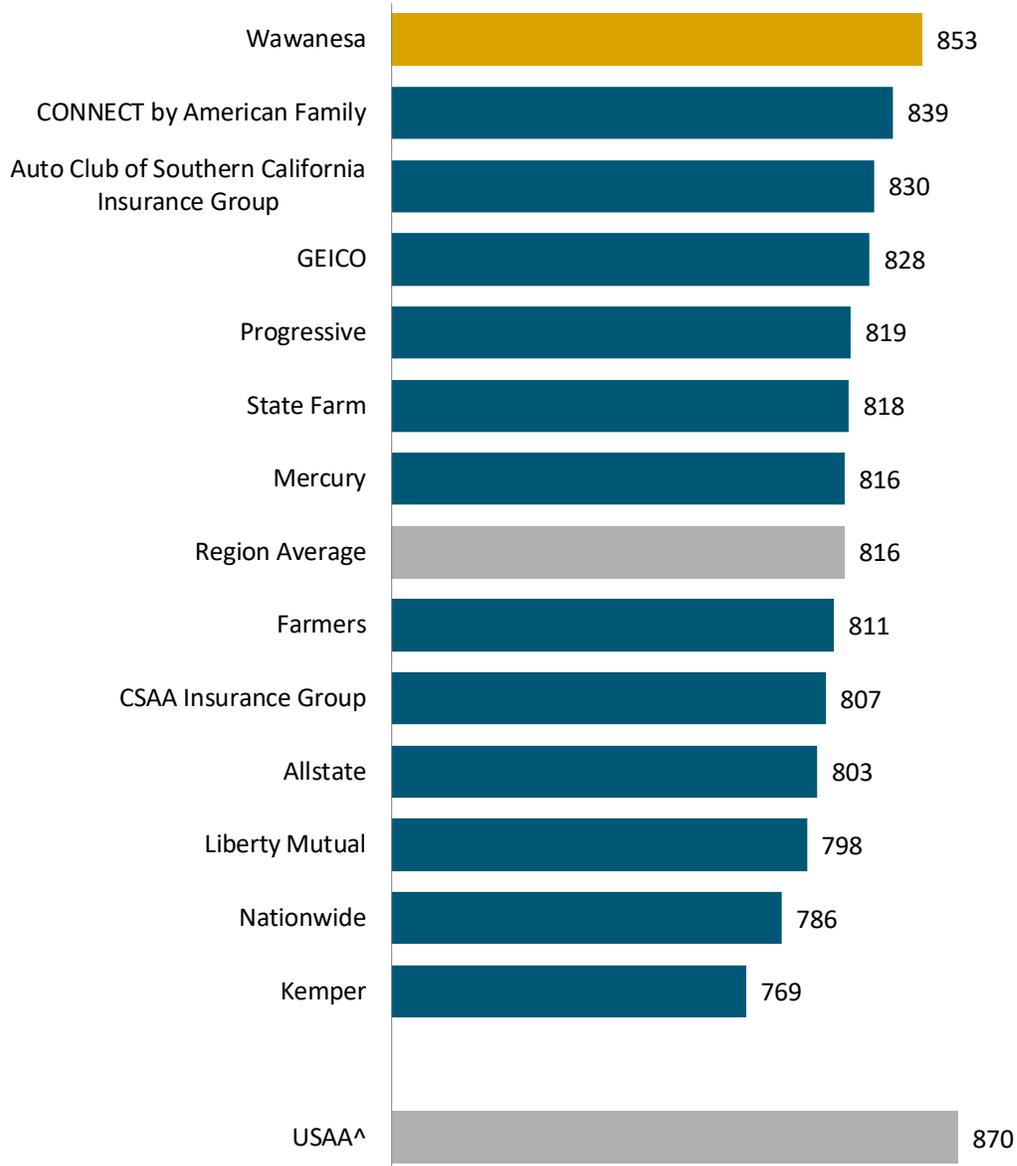
NOTE: Eleven charts follow.

# J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### California



Note: <sup>^</sup>Brand is not rank eligible because it does not meet study award criteria.

Source: J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

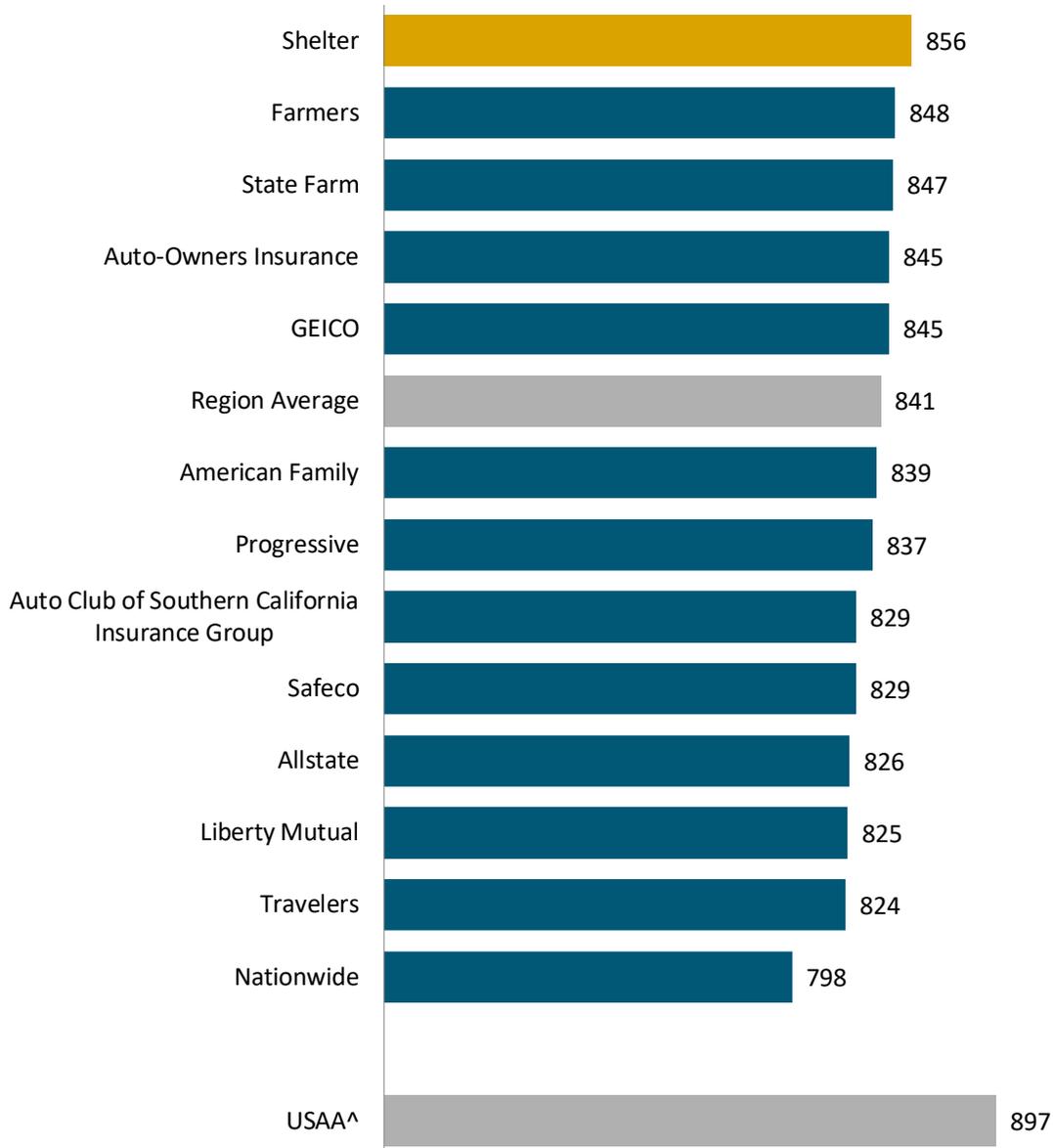
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## Overall Customer Satisfaction Index Ranking

(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 2021 U.S. Auto Insurance Study<sup>SM</sup>

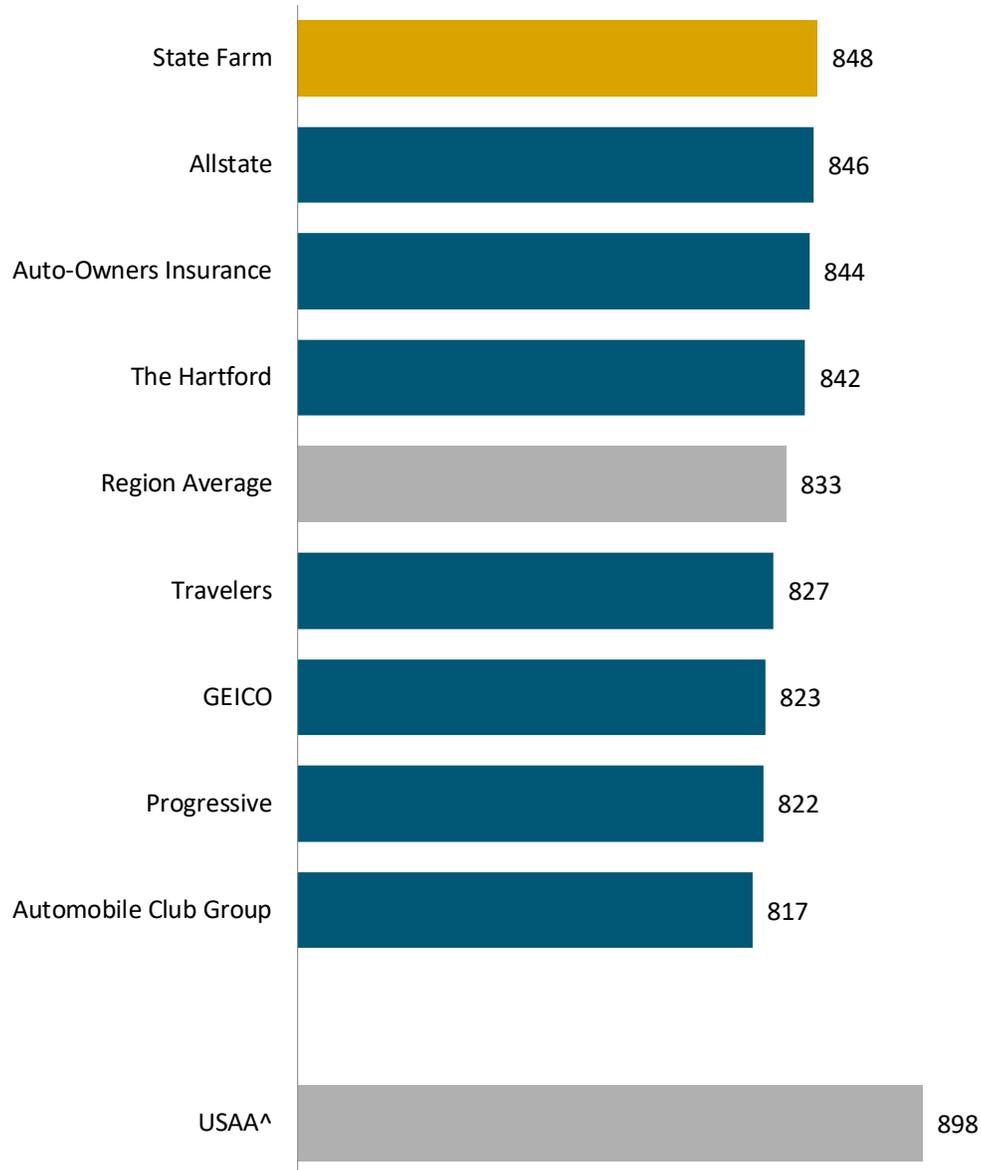
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### Florida



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

Source: J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

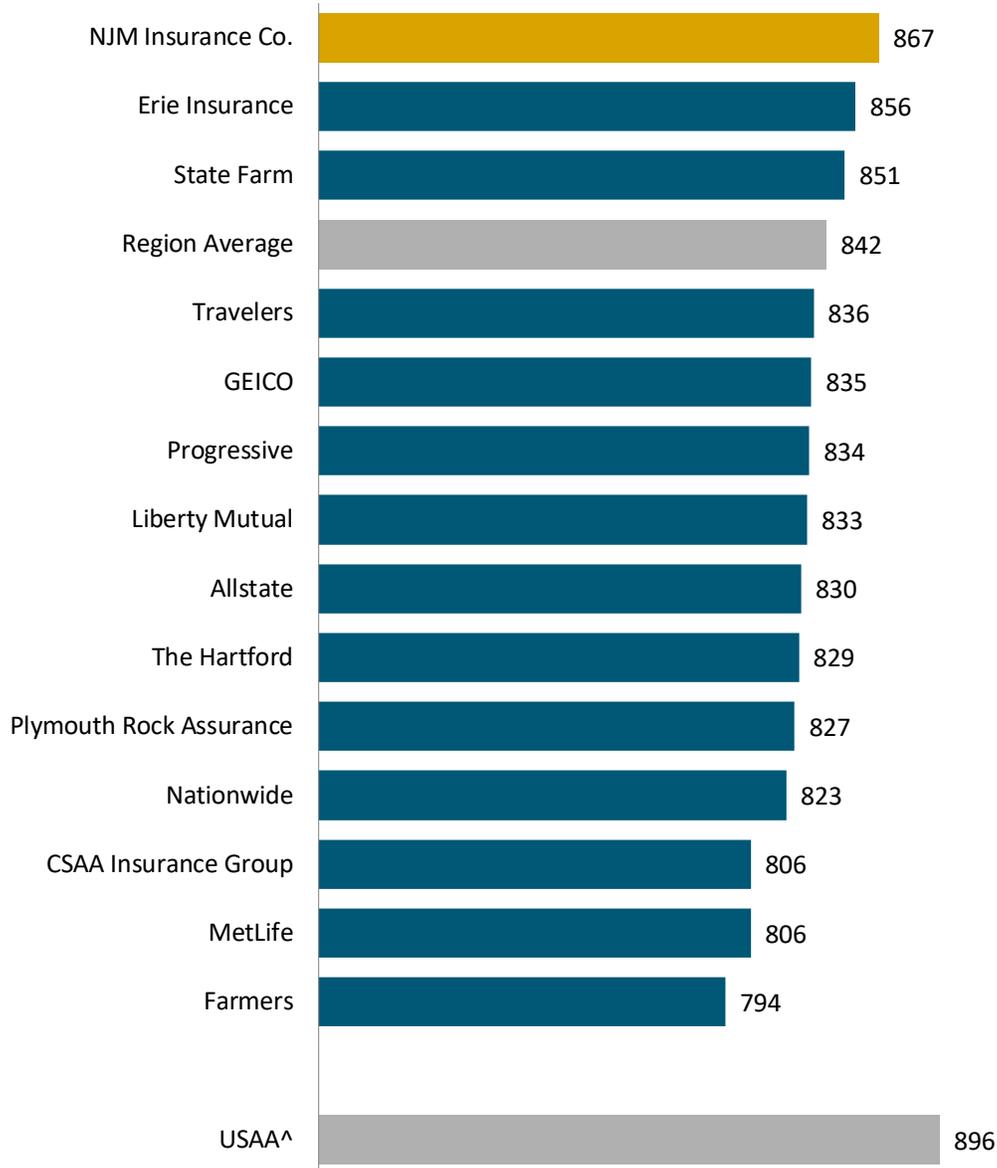
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### Mid-Atlantic



Note: ^Brand is not rank eligible because it does not meet study award criteria;

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

Source: J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

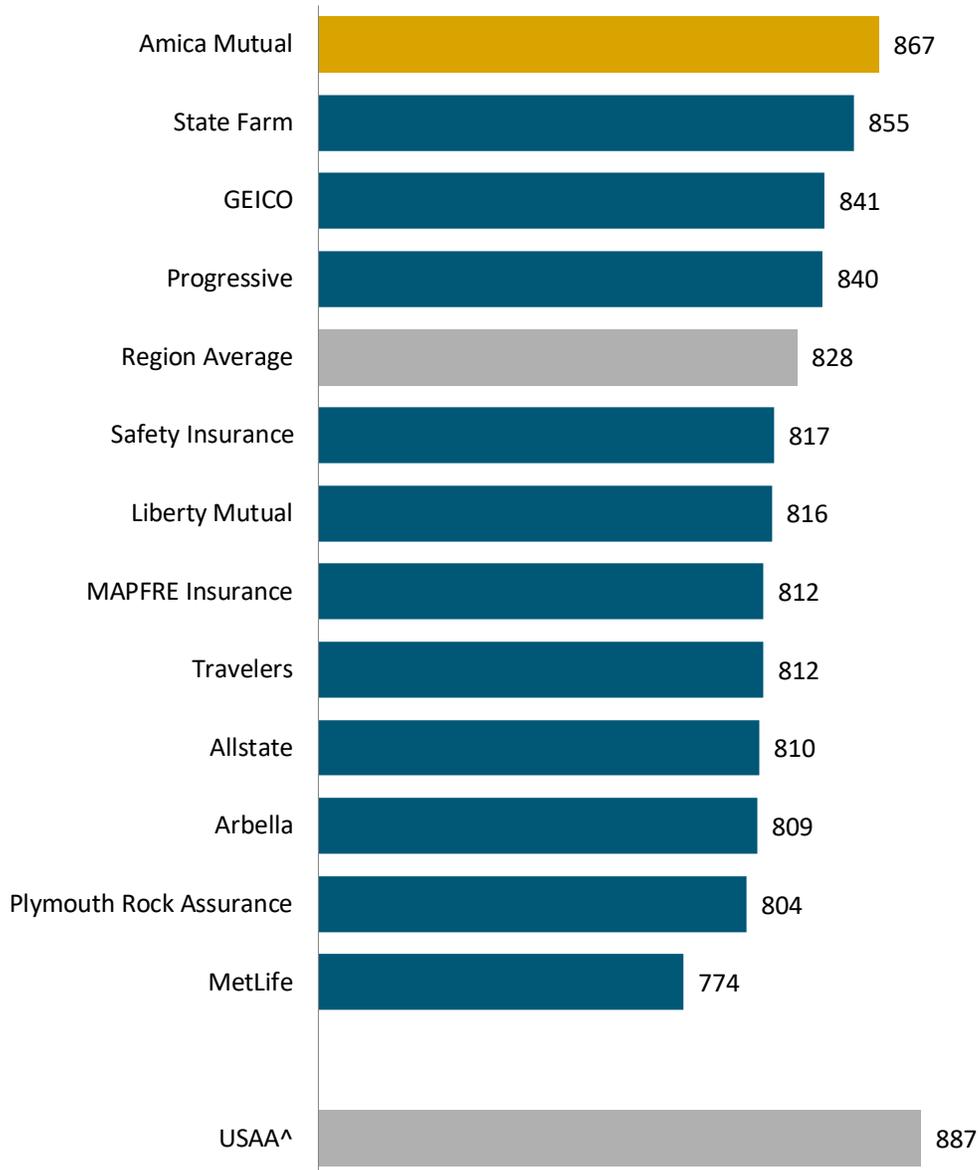
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### New England



Note: <sup>^</sup>Brand is not rank eligible because it does not meet study award criteria;  
New England includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

Source: J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

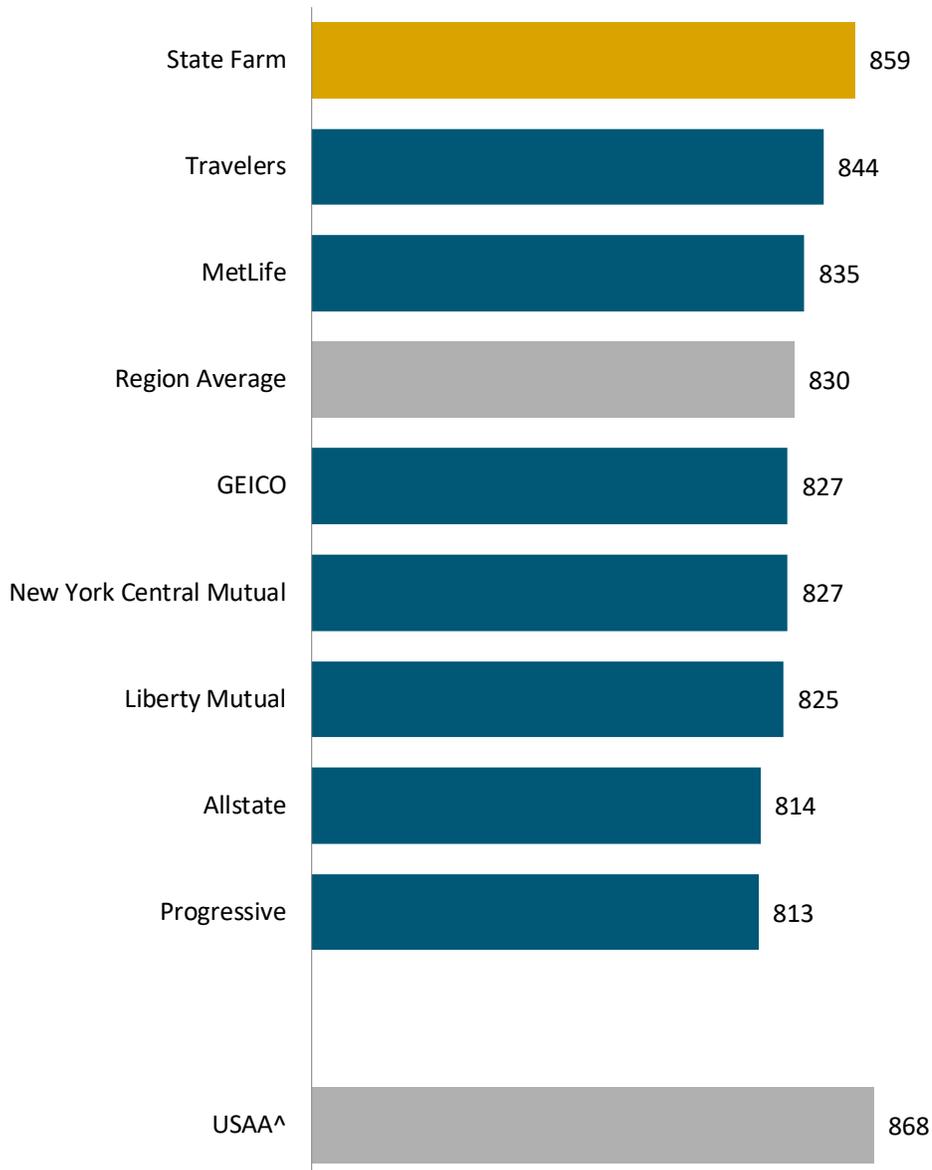
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### New York



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Source: J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

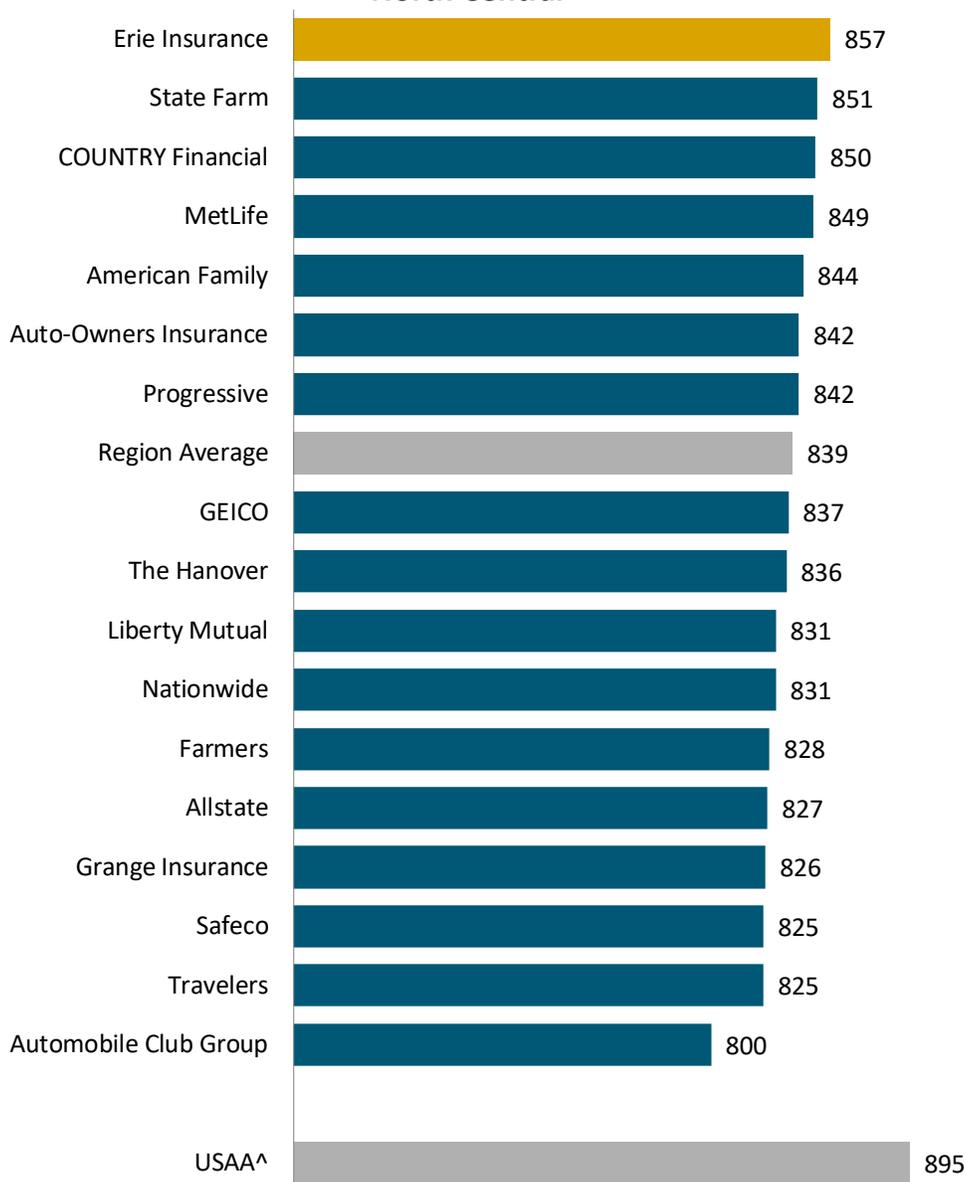
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### North Central



Note: <sup>^</sup>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 2021 U.S. Auto Insurance Study<sup>SM</sup>

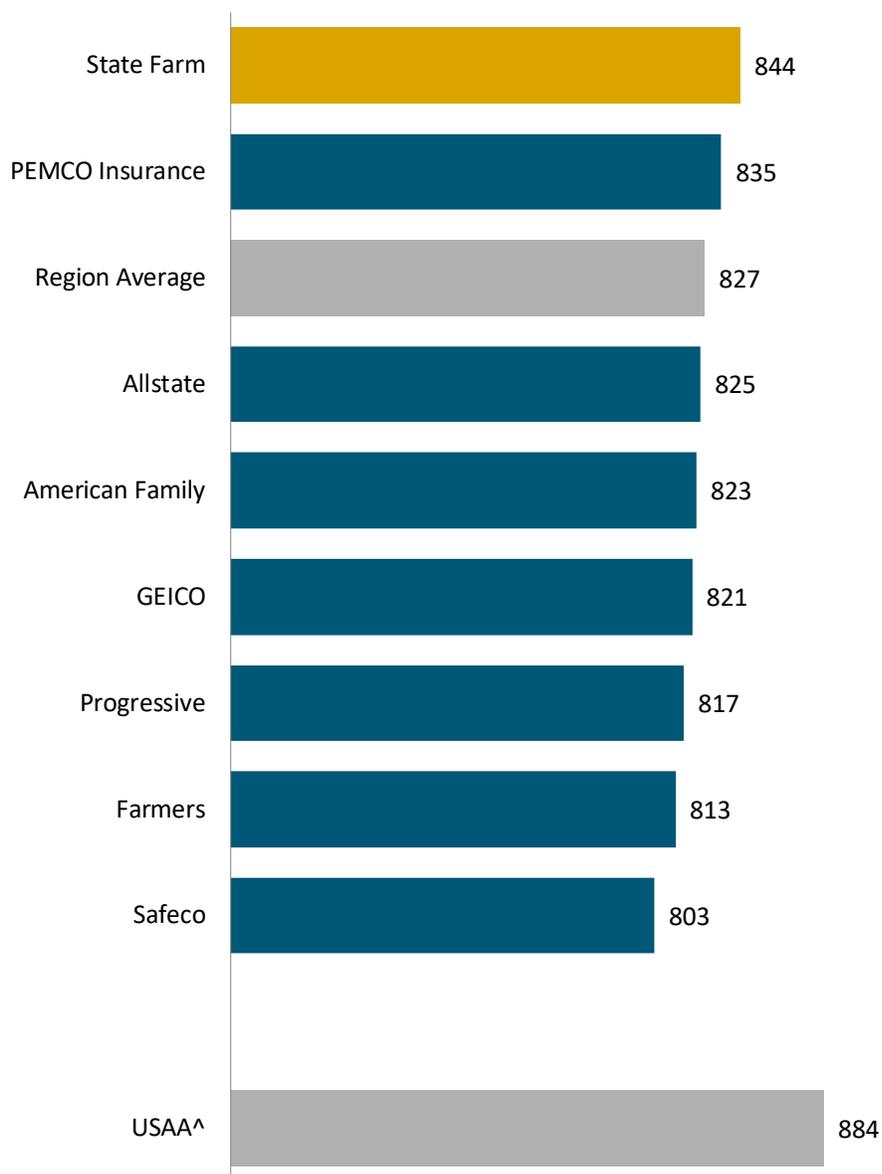
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### Northwest



Note: ^Brand is not rank eligible because it does not meet study award criteria;  
Northwest includes Idaho, Montana, Oregon, Washington and Wyoming.

Source: J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

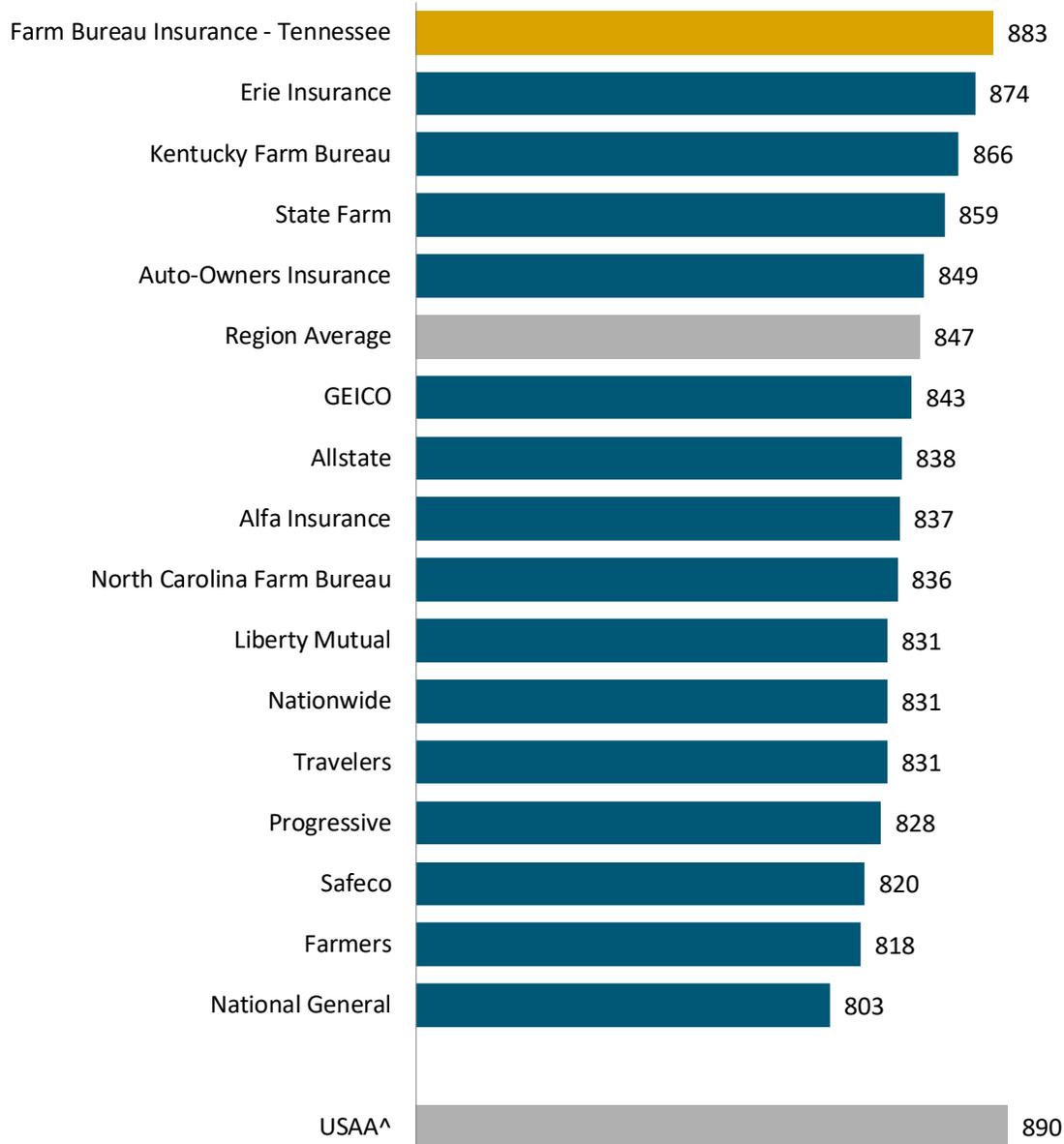
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### Southeast



Note: ^Brand is not rank eligible because it does not meet study award criteria;  
Southeast includes Alabama, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.

Source: J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

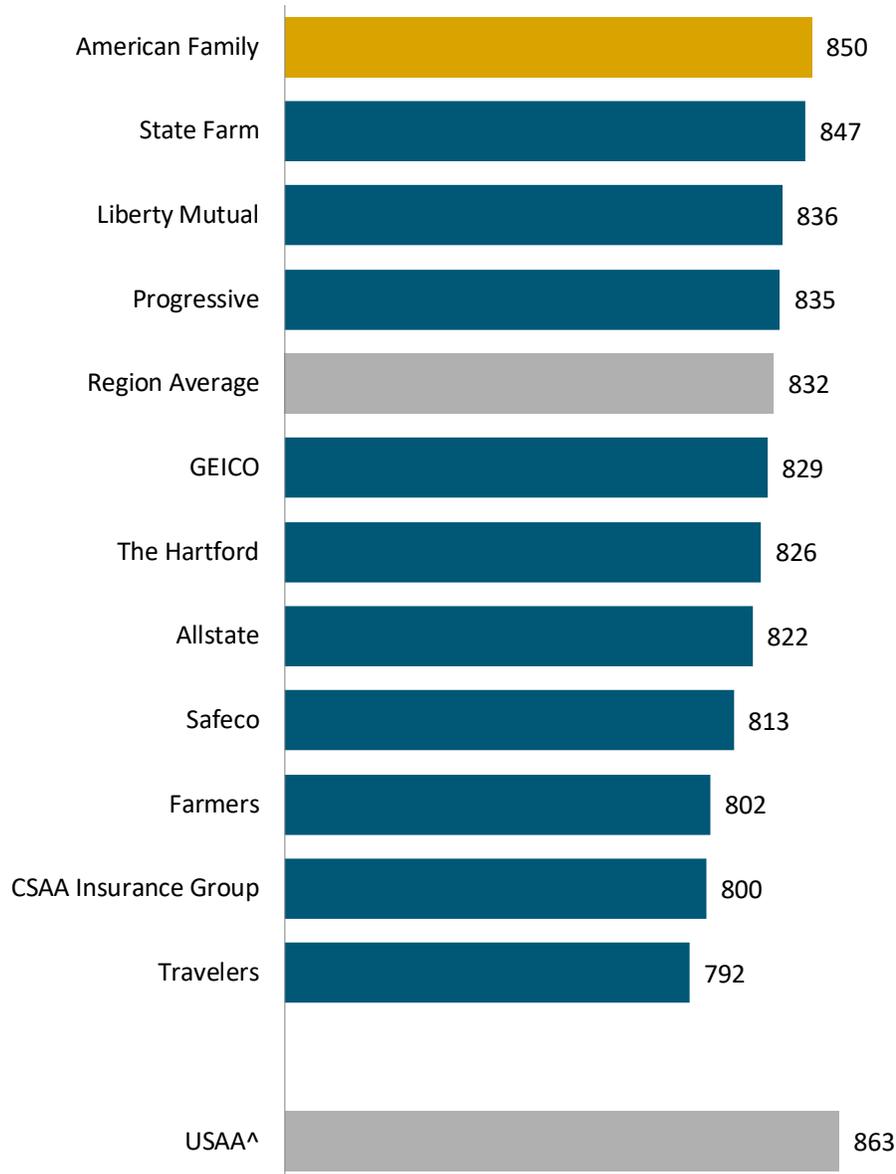
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### Southwest



Note: ^Brand is not rank eligible because it does not meet study award criteria;  
Southwest includes Arizona, Colorado, Nevada, New Mexico and Utah.

Source: J.D. Power 2021 U.S. Auto Insurance Study<sup>SM</sup>

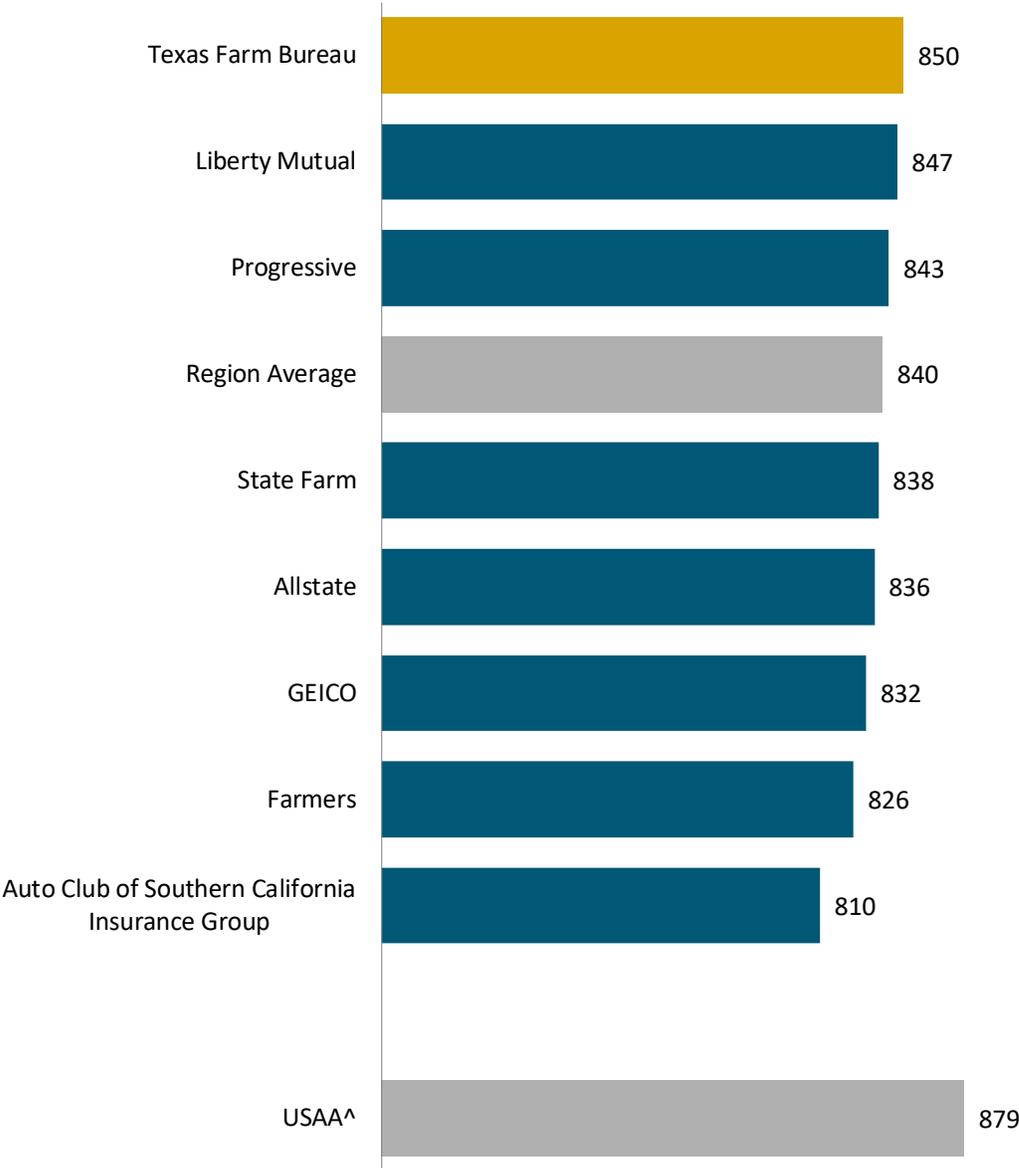
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## Overall Customer Satisfaction Index Ranking

(Based on a 1,000-point scale)

### Texas



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