

**J.D. Power Asia Pacific Reports:
Price Hikes Spark Sharp Decline in Customer Satisfaction with Auto Insurance Providers**

[AIU Insurance Company and Saison Automobile & Fire Insurance Rank Highest in Their Respective Segments in Both the Auto Insurance Shopping Satisfaction Study and the Auto Insurance Satisfaction Study for a Second Consecutive Year](#)

TOKYO: 22 July 2014 — Premium increases under a new rating scheme have a negative impact on customer satisfaction with direct-type insurers, according to the J.D. Power Asia Pacific 2014 Japan Auto Insurance Shopping Satisfaction StudySM and the J.D. Power Asia Pacific 2014 Japan Auto Insurance Satisfaction Study,SM both released today.

The Japan Auto Insurance Shopping Satisfaction Study, in its third year, measures satisfaction with the contact person or channel at the time of the policy purchase among customers who recently purchased auto insurance for the first time or switched insurance companies. Overall satisfaction is measured in three factors: policy offering, price and distribution channel.

The Japan Auto Insurance Satisfaction Study, now in its 11th year, measures overall satisfaction among current auto insurance (voluntary insurance) customers during the term of their auto insurance policy. Overall satisfaction is measured in five factors: policy offering, price, policy statement, interaction and claims.

Both studies segment insurance companies based on their primary selling methods: agency-type insurers and direct-type insurers. Agency-type insurers primarily sell policies and interact with customers through insurance agencies, such as specialized agencies or automobile dealerships. Direct insurers sell policies and interact with customers directly, principally via the Internet or phone. Satisfaction is calculated on a 1,000-point scale.

The Japan Auto Insurance Shopping Satisfaction Study finds that overall satisfaction with agency-type insurers averages 564 in 2014, a 10-point decline from 2013, while satisfaction with direct-type insurers averages 624, down 23 points from last year. The decline in satisfaction with direct insurers is primarily due to a 27-point drop in price satisfaction year over year.

Similarly, the Japan Auto Insurance Satisfaction Study finds a decline in overall satisfaction with both agency and direct insurers, driven by an increase in the percentage of customers who experience a premium increase, due in part to the General Insurance Rating Organization of Japan's insurance rate plan. According to the study, 31 percent of current policyholders indicate their premiums have increased during the past year, up from 29 percent in 2013. As a result, satisfaction with agency insurers averages 602, down 17 points, while satisfaction with direct-type insurers averages 615 in 2014, a 26-point decrease from 2013. Satisfaction in the policy offering and price factors declines by 30 points and 29 points, respectively.

While insurance premiums are increasing, the number of times insurance providers are contacting their customers is decreasing. Only 49 percent of customers indicate they were contacted by their insurance company during the past year, compared with 55 percent in 2013.

"The increase in premiums has negatively impacted satisfaction with direct-type insurers, for which low premiums is a key attribute," said Chie Numami, senior manager, J.D. Power Asia Pacific. "With

the increases in premiums as a result of the government rate scheme that went into effect in early 2013, it is critical that insurance providers proactively communicate with customers to make them aware of rate hikes and to reinforce the value of their insurance policy. Effective communication can increase satisfaction and foster loyalty.”

KEY FINDINGS

- The Japan Auto Insurance Shopping Satisfaction Study finds that insurance premiums for customers who purchased auto insurance for the first time in 2014 are ¥1,141 higher than among those who purchased insurance for the first time in 2013.
- While overall satisfaction with agency-type insurers at the time of policy purchase declines by 10 points, the insurance shopping study finds the average premium amount in 2014 has remained the same as in 2013 (¥60,844).
- Satisfaction with the contact person or sales channel at the time of the policy purchase averages 632 in 2014, down 15 points from 2013, according to the insurance shopping study. Furthermore, 63 percent of customers indicate the contact person with whom they spoke provided useful advice about insurance coverage options and compensation details, or policy riders, compared with 68 percent in 2013. Satisfaction among customers who receive advice about compensation details or policy riders averages 588, which is 90 points higher than among those who were not provided such information.
- In the Japan Auto Insurance Satisfaction Study, interaction satisfaction, which measures satisfaction with the agency that serves as the point of contact for renewal procedures, change of policy details and inquiries, has declined to 667 in 2014 from 688 in 2013.

Japan Auto Insurance Customer Satisfaction Rankings

In the Japan Auto Insurance Shopping Satisfaction Study, AIU Insurance Company ranks highest in customer satisfaction in the agency-type insurers segment for a third consecutive year, achieving a score of 600. AIU Insurance Company performs particularly well across all three factors. Nisshin Fire and Marine Insurance ranks second (592) and Fuji Fire and Marine Insurance ranks third (576); both perform well across all three factors.

In the Insurance Shopping Satisfaction Study direct-type insurers segment, Saison Automobile and Fire Insurance ranks highest in customer satisfaction for a second consecutive year, achieving a score of 641 and performing particularly well in the policy offering factor. SBI Insurance ranks second (638) and performs particularly well in the price factor. E.design Insurance ranks third (624), performing well in the policy offering and price factors.

In the Japan Auto Insurance Satisfaction Study, AIU Insurance Company ranks highest in customer satisfaction in the agency-type insurers segment for a second consecutive year, achieving a score of 650. AIU Insurance Company performs particularly well across all five factors. Fuji Fire and Marine Insurance and Nipponkoa Insurance rank second in a tie (614 each), and each insurer performs particularly well across all five factors.

Saison Automobile and Fire Insurance ranks highest in customer satisfaction among direct-type insurers for a second consecutive year, achieving a score of 627 and performing particularly well in the policy offering factor. Sony Assurance ranks second (624), performing particularly well in the interaction and claims factors, while SBI Insurance ranks third (617), performing particularly well in the price factor.

The Japan Auto Insurance Shopping Satisfaction Study is based on responses from 8,345 auto insurance (voluntary insurance) customers who recently purchased auto insurance (including customers who switched from another insurance company). The online study was fielded in May 2014. The Japan Auto Insurance Satisfaction Study, based on online responses from 9,065 auto insurance (voluntary insurance) customers, was fielded in May 2014.

About J.D. Power Asia Pacific

J.D. Power Asia Pacific has offices in Tokyo, Singapore, Beijing, Shanghai and Bangkok that conduct customer satisfaction research and provide consulting services in the automotive, information technology and finance industries. Together, the five offices bring the language of customer satisfaction to consumers and businesses in Australia, China, India, Indonesia, Japan, Malaysia, Philippines, Taiwan, Thailand and Vietnam. Information regarding J.D. Power Asia Pacific and its products can be accessed through the Internet at japan.jdpower.com.

About McGraw Hill Financial www.mhfi.com

Media Relations Contacts

Shizue Hidaka; J.D. Power Asia Pacific; Metro City Kamiyacho 8F; 5-1-5 Toranomon; Minato-ku, Tokyo; Japan 105-0001; Phone +81-3-4550-8060; shizue.hidaka@jdpower.co.jp

John Tews; Director, Media Relations; J.D. Power; 320 E. Big Beaver; 5th Floor, Suite 500, Troy, MI, 48083 USA; 001 248-680-6218; john.tews@jdpa.com

No advertising or other promotional use can be made of the information in this release without the express prior written consent of J.D. Power. www.jdpower.com

#

(Page 3 of 3)

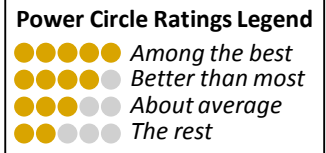
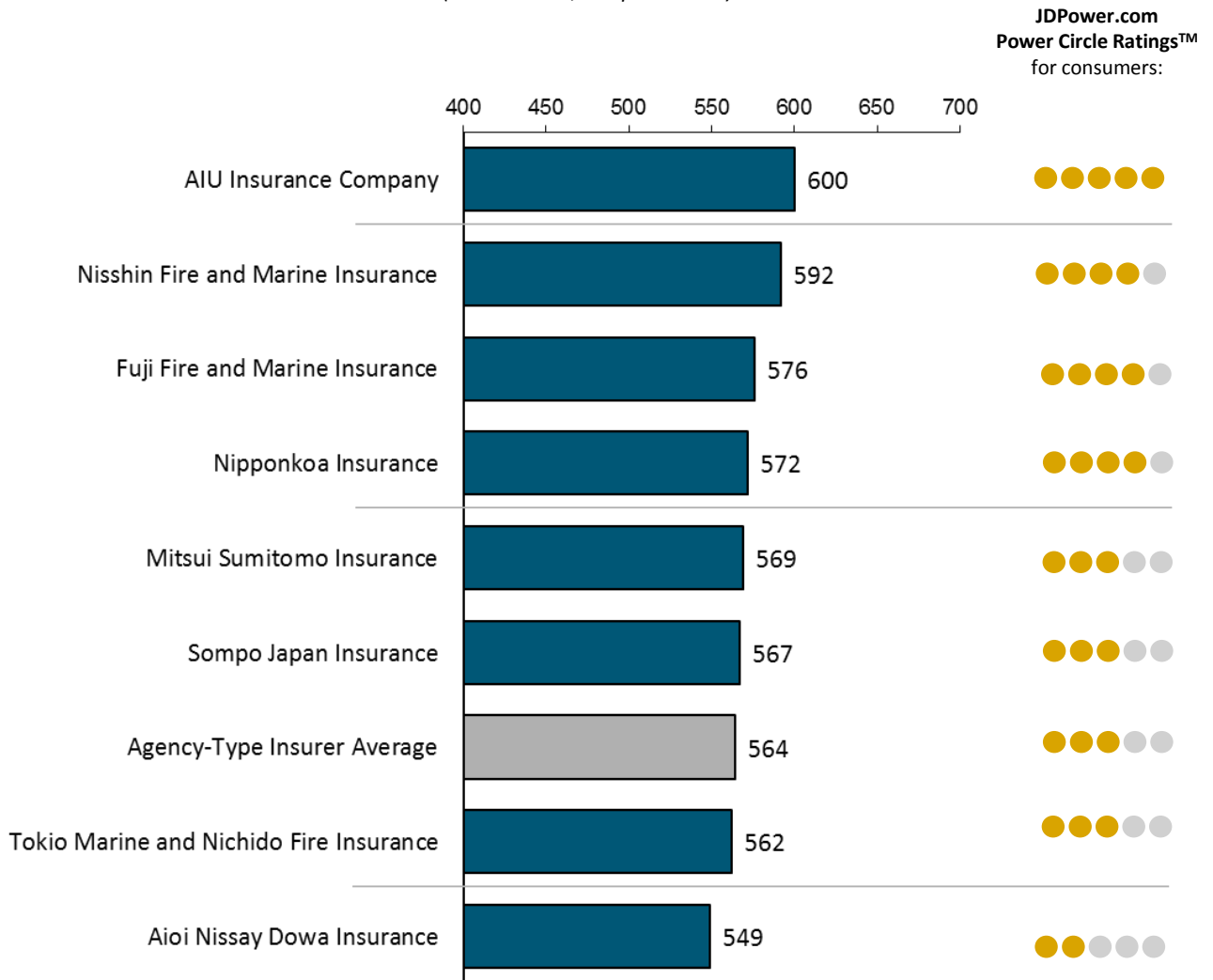
Note: Four charts follow.

J.D. Power Asia Pacific 2014 Japan Auto Insurance Shopping Satisfaction StudySM

Overall Satisfaction Rankings

Agency-Type Insurers

(Based on a 1,000-point scale)



Included in the study but not ranked due to small sample size are ACE Insurance, Asahi Fire & Marine Insurance, Kyoei Fire & Marine Insurance and Secom General Insurance.

Source: J.D. Power Asia Pacific 2014 Japan Auto Insurance Shopping Satisfaction StudySM

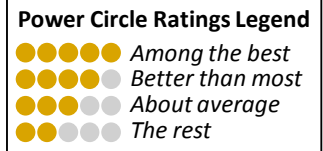
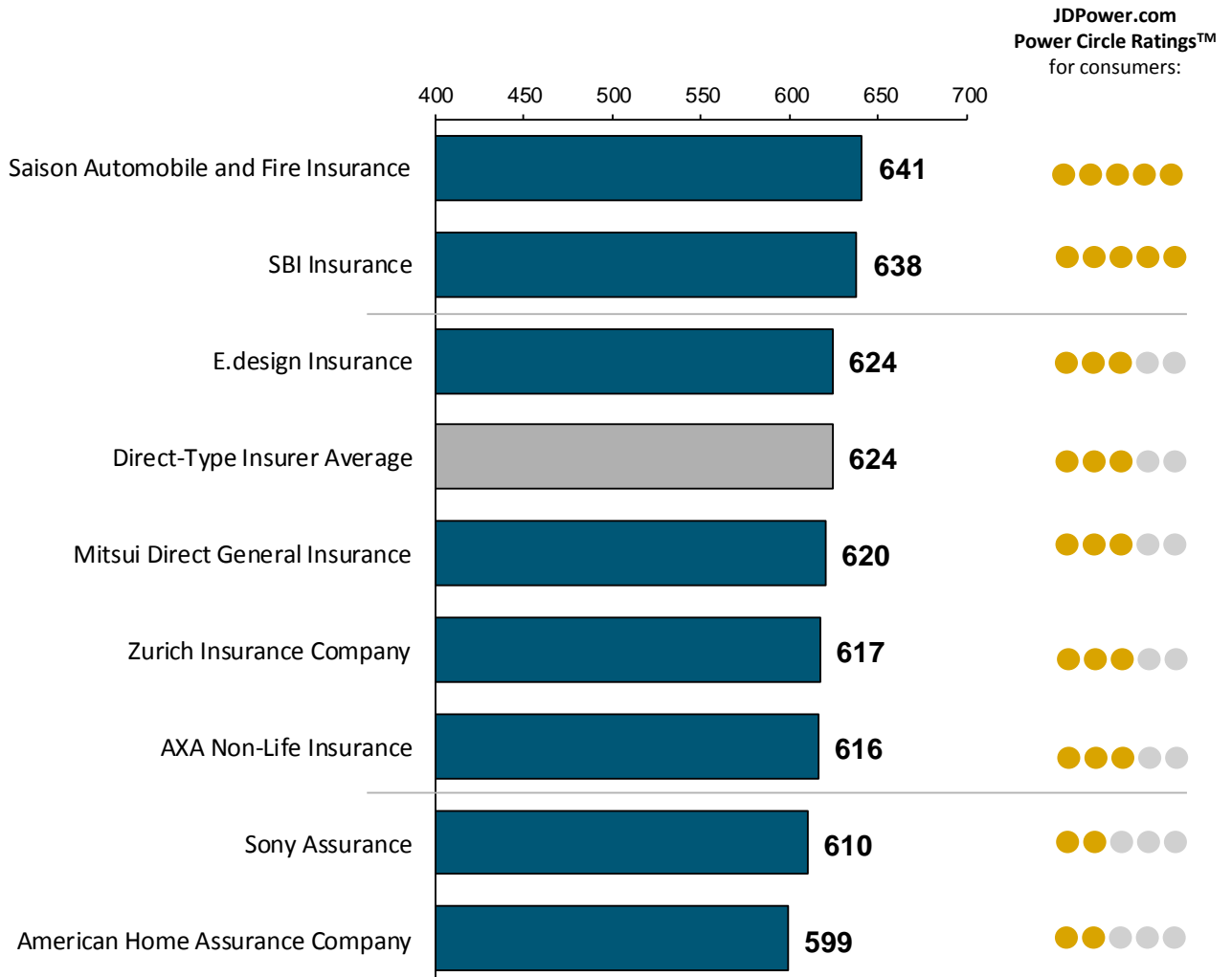
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power Asia Pacific as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power Asia Pacific survey results without the express prior written consent of J.D. Power Asia Pacific.

J.D. Power Asia Pacific 2014 Japan Auto Insurance Shopping Satisfaction StudySM

Overall Satisfaction Rankings

Direct-Type Insurers

(Based on a 1,000-point scale)



Included in the study but not ranked due to small sample size are Generali and Sompo 24 Insurance.

Source: J.D. Power Asia Pacific 2014 Japan Auto Insurance Shopping Satisfaction StudySM

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power Asia Pacific as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power Asia Pacific survey results without the express prior written consent of J.D. Power Asia Pacific.

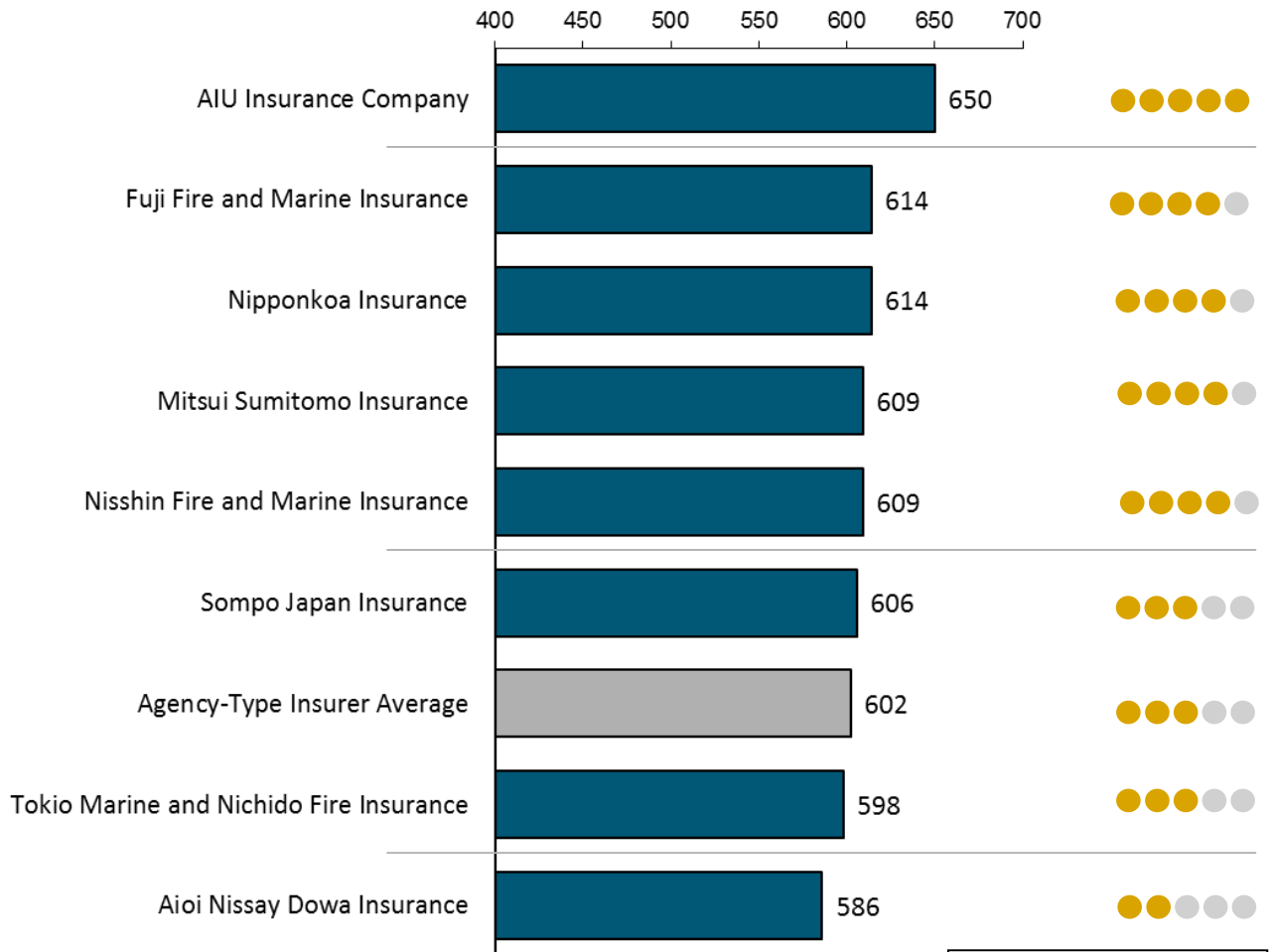
J.D. Power Asia Pacific 2014 Japan Auto Insurance Satisfaction StudySM

Overall Satisfaction Rankings

Agency-Type Insurers

(Based on a 1,000-point scale)

JDPower.com
Power Circle RatingsTM
for consumers:



Power Circle Ratings Legend

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

Included in the study but not ranked due to small sample size are ACE Insurance, Asahi Fire & Marine Insurance, Kyoei Fire & Marine Insurance and Secom General Insurance.

Source: J.D. Power Asia Pacific 2014 Japan Auto Insurance Satisfaction StudySM

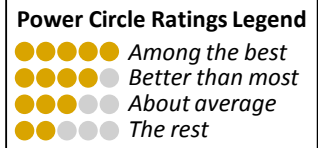
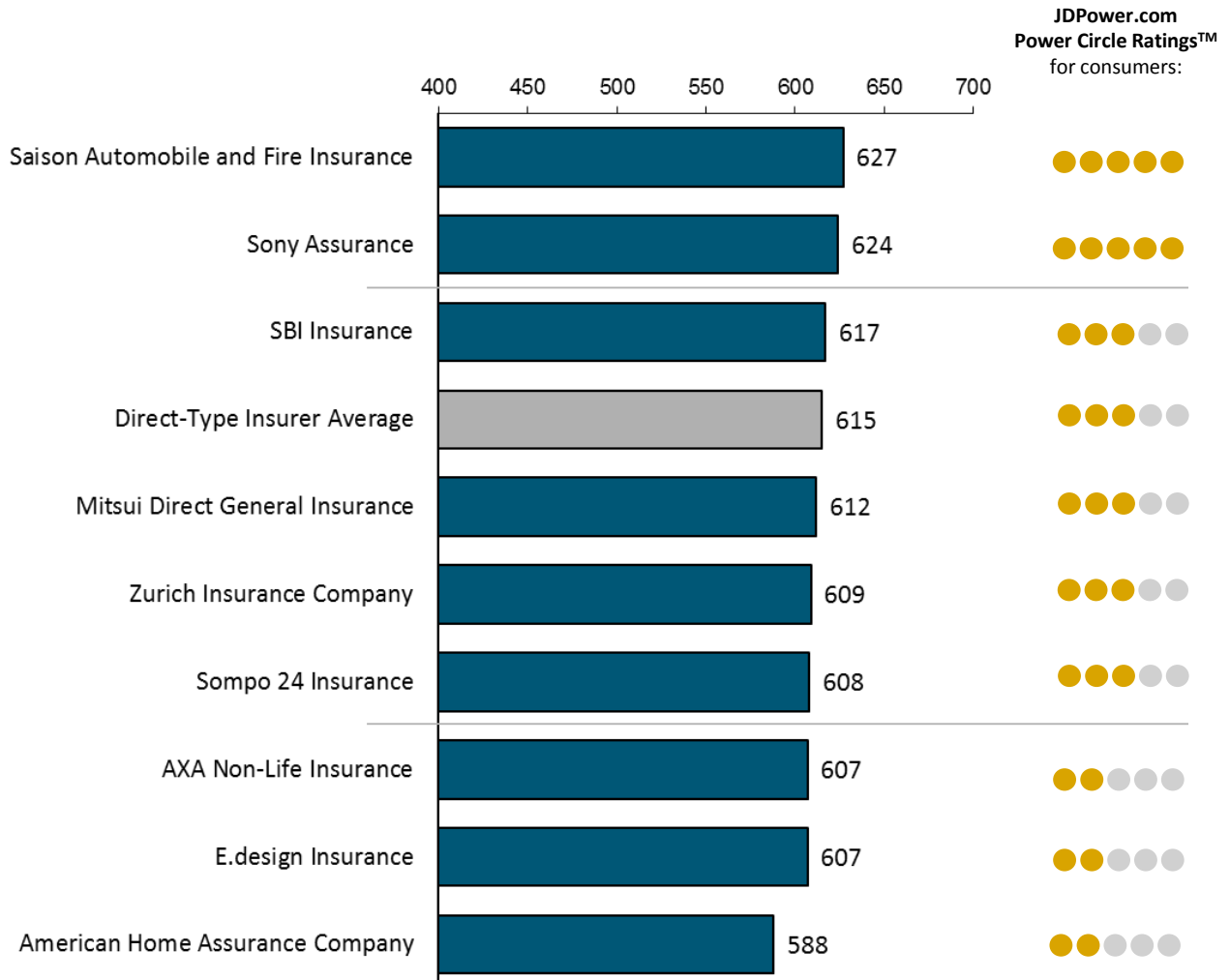
Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power Asia Pacific as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power Asia Pacific survey results without the express prior written consent of J.D. Power Asia Pacific.

J.D. Power Asia Pacific 2014 Japan Auto Insurance Satisfaction StudySM

Overall Satisfaction Rankings

Direct-Type Insurers

(Based on a 1,000-point scale)



Included in the study but not ranked due to small sample size is Generali.

Source: J.D. Power Asia Pacific 2014 Japan Auto Insurance Satisfaction StudySM

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power Asia Pacific as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power Asia Pacific survey results without the express prior written consent of J.D. Power Asia Pacific.