

Life Insurance Customer Satisfaction Reaches All-Time High, J.D. Power Finds

State Farm Ranks Highest in Life Insurance Customer Satisfaction for Fourth Consecutive Year

COSTA MESA, Calif.: 17 Oct. 2017 — Improved economic conditions, favorable pricing and better customer engagement have driven customer satisfaction with U.S. life insurance plans to a record high, according to the J.D. Power 2017 U.S. Life Insurance Study,SM released today.

“U.S. life insurers have been doing a great job of converting increased demand into more engaged, more educated and, ultimately, more satisfied customers,” said **Gregory Hoeg, Vice President, Insurance Practice at J.D. Power**. “As improving economic conditions have driven more interest in life insurance plans, the industry leaders have seized on that momentum as an opportunity to help customers better understand their policies and billing statements, which improves their perception of the value they receive for the money they spend on premiums—a critical component of insurance customer satisfaction.”

Following are key findings of the study:

- **Record high customer satisfaction:** Satisfaction among individual life insurance customers has reached an all-time high of 785 (on a 1,000-point scale), up by a significant 16 index points from 2016.
- **Price is a key driver of higher satisfaction:** The increase in overall satisfaction among life insurance customers is being driven by improvements in all studied factors, but price emerges as the highest-weighted factor with the largest year-over-year improvement. Price satisfaction has jumped to 764 in 2017 from 747 in 2016.
- **Improved engagement among new customers helps drive price satisfaction:** Price satisfaction increases the most among newer customers—those who have a tenure with an insurer of less than four years—improving by 35 points in 2017, compared with a 13-point increase among those who have been customers for more than three years. The proportion of newer customers who say they “completely understand” their billing statements has increased by 20 percentage points year over year.
- **Discounts matter, but wearables fail to gain traction:** Discounts have a significant effect on overall satisfaction and particularly price satisfaction. The specific discounts driving the highest overall satisfaction are multiple policy discounts. The much-hyped use of wearables as a discount tool has failed to gain any significant traction as of this year’s study.

Insurer Rankings

State Farm ranks highest in life insurance customer satisfaction for a fourth consecutive year, with a score of 853. State Farm is the industry leader in providing policy discounts (67% vs. 40% industry average). **MetLife** ranks second with a score of 812 and **Pacific Life** ranks third with a score of 808.

The 2017 U.S. Life Insurance Study is based on responses from 6,138 individual life insurance customers. The study was fielded in June-July 2017.

For more information about the U.S. Life Insurance Study, visit <http://www.jdpower.com/resource/us-individual-life-insurance-study>.

See the online press release at <http://www.jdpower.com/pr-id/2017185>.

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 is headquartered in Costa Mesa, Calif., and has offices serving North/South America, Asia Pacific and Europe. J.D. Power is a portfolio company of XIO Group, a global alternative investments and private equity firm headquartered in London, and is led by its four founders: Athene Li, Joseph Pacini, Murphy Qiao and Carsten Geyer.

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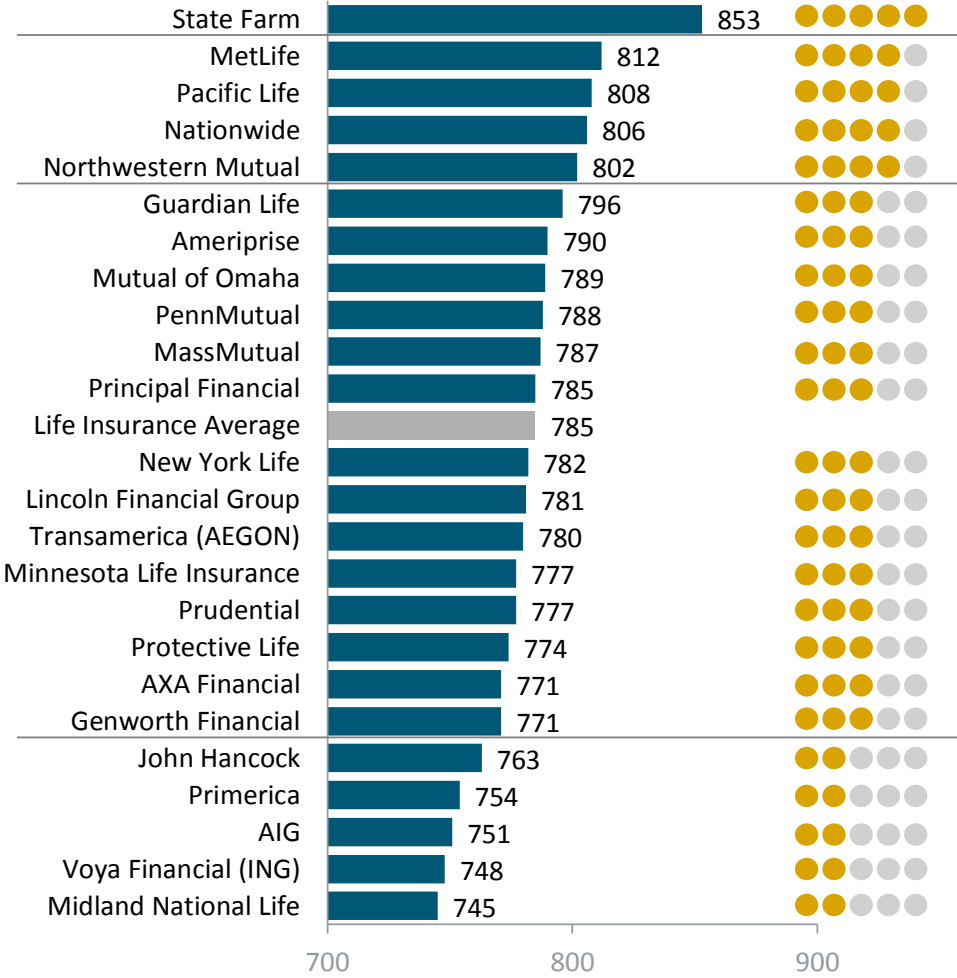
NOTE: Two charts follow.

J.D. Power 2017 U.S. Life Insurance StudySM

Overall Customer Satisfaction Index Ranking Individual Life

(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

Note: Included in the study but not award-eligible due to small sample size is Legal & General America.

Source: J.D. Power 2017 U.S. Life Insurance StudySM

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J.D. Power 2017 U.S. Life Insurance StudySM

Award-Eligible Insurance Companies Included in the Study

<u>Insurer</u>	<u>CEO</u>	<u>Company Location</u>
AIG	Brian Duperreault	New York, N.Y.
AXA Financial	Mark Pearson	New York, N.Y.
Ameriprise	James Cracchiolo	Minneapolis, Minn.
Genworth Financial	Thomas McInerney	Richmond, Va.
Guardian Life	Deanna Mulligan	New York, N.Y.
John Hancock	Michael Doughty	Boston, Mass.
Lincoln Financial Group	Dennis R. Glass	Radnor, Pa.
MassMutual	Roger Crandall	Springfield, Mass.
MetLife	Steven Kandarian	New York, N.Y.
Midland National Life	Esfandiyar Dinshaw	Sioux Falls, S.D.
Minnesota Life Insurance	Christopher M. Hilger	St. Paul, Minn.
Mutual of Omaha	James Blackledge	Omaha, Neb.
Nationwide	Stephen Rasmussen	Columbus, Ohio
New York Life	Theodore Mathas	New York, N.Y.
Northwestern Mutual	John Schlifske	Milwaukee, Wis.
Pacific Life	James Morris	Newport Beach, Calif.
PennMutual	Eileen McDonnell	Horsham, Pa.
Primerica	Glenn Williams	Duluth, Ga.
Principal Financial	Daniel Houston	Des Moines, Iowa
Protective Life	Richard Bielen	Birmingham, Ala.
Prudential	John Strangfeld Jr.	Newark, N.J.
State Farm	Michael Tipsord	Bloomington, Ill.
Transamerica (AEGON)	Blake Steven Bostwick	Cedar Rapids, Iowa
Voya Financial (ING)	Rodney Martin Jr.	New York, N.Y.

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