

**Life Insurance and Annuity Providers Are More Customer-Centric but Gaps Remain, J.D. Power Finds**Northwestern Mutual and RiverSource Rank Highest in Respective Product Lines

**COSTA MESA, Calif.: 31 Oct. 2019** — Individual life insurance and annuity providers have begun the process of shifting their approach from producer focused to end-customer focused by introducing more online access capabilities and more frequent customer touch points, but they still have a long way to go to catch up to providers in other financial services and insurance industries in which J.D. Power conducts studies when it comes to overall customer satisfaction. However, according to the J.D. Power 2019 U.S. Life Insurance Study,<sup>SM</sup> released today, overall customer satisfaction with individual life insurance and annuity providers still lags far behind that of most other financial and insurance providers.

“For many years, life insurance and annuity providers viewed their ‘customer’ as the producers that sell their products,” said **Robert M. Lajdziak, Senior Consultant of Insurance Intelligence at J.D. Power**. “More recently, that focus has begun to shift to end-user customers in the form of better and more frequent interactions and the availability of online access to policy information. These are important steps for the industry because customer satisfaction with life insurance and annuity products is directly linked to the value customers perceive, and the more that value equation is reinforced through regular, positive interactions, the more customer satisfaction improves.”

The 2019 study finds that the overall satisfaction score for providers of annuity products is 776 (on a 1,000-point scale) and the average score for providers of individual life insurance products is 761. These products rank near the bottom when compared with financial services and other insurance products measured by J.D. Power such as retail banking (807), full-service investor (835) and auto insurance (831).

**Study Rankings**

**Northwestern Mutual** ranks highest among individual life insurance providers with a score of 810. **State Farm** (808) ranks second and **Mutual of Omaha** (795) ranks third.

**RiverSource** ranks highest among annuity providers with a score of 814. **New York Life** (808) ranks second and **TIAA** (804) ranks third.

The J.D. Power 2019 U.S. Life Insurance Study is a syndicated benchmarking study profiling the experiences of customers of the largest life insurance and annuity companies in the United States. The study is based on responses from 6,249 individual life insurance customers and 3,586 annuity customers, and was fielded from June through August 2019.

To measure customer satisfaction, critical-to-customer experience factors are examined using an index model. The model identifies the dominant factors that impact customer satisfaction and behavior and provides a benchmark of excellence for each. The U.S. Life Insurance Study measures overall customer satisfaction based on performance in six factors (in alphabetical order): application and orientation; communications; interaction; product offerings; price; and statements.

The study was redesigned this year to include annuities, in addition to individual life insurance. Two new study factors affecting the customer experience have been added: application and orientation process and ongoing communications. The study also examines brand image for the first time, specifically how well a company’s image meets customers’ experiences and how brand awareness affects its ability to grow.

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

See the online press release at <http://www.jdpower.com/pr-id/2019208>.

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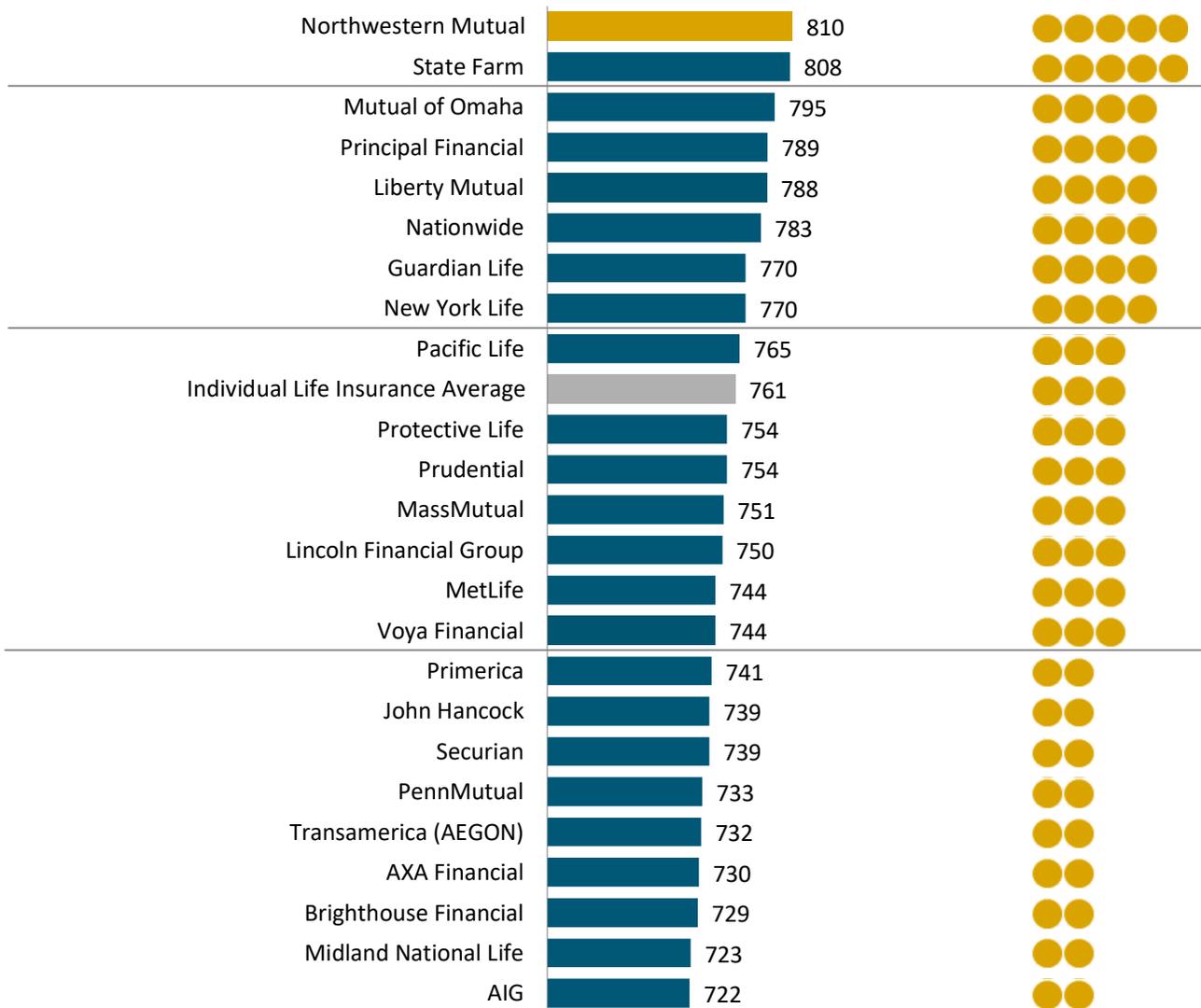
NOTE: Two charts follow.

# J.D. Power 2019 U.S. Life Insurance Study<sup>SM</sup>

## Overall Customer Satisfaction Index Ranking Individual Life Insurance

(Based on a 1,000-point scale)

JDPower.com  
Power Circle Ratings<sup>TM</sup>  
for consumers:



Source: J.D. Power 2019 U.S. Life Insurance Study<sup>SM</sup>

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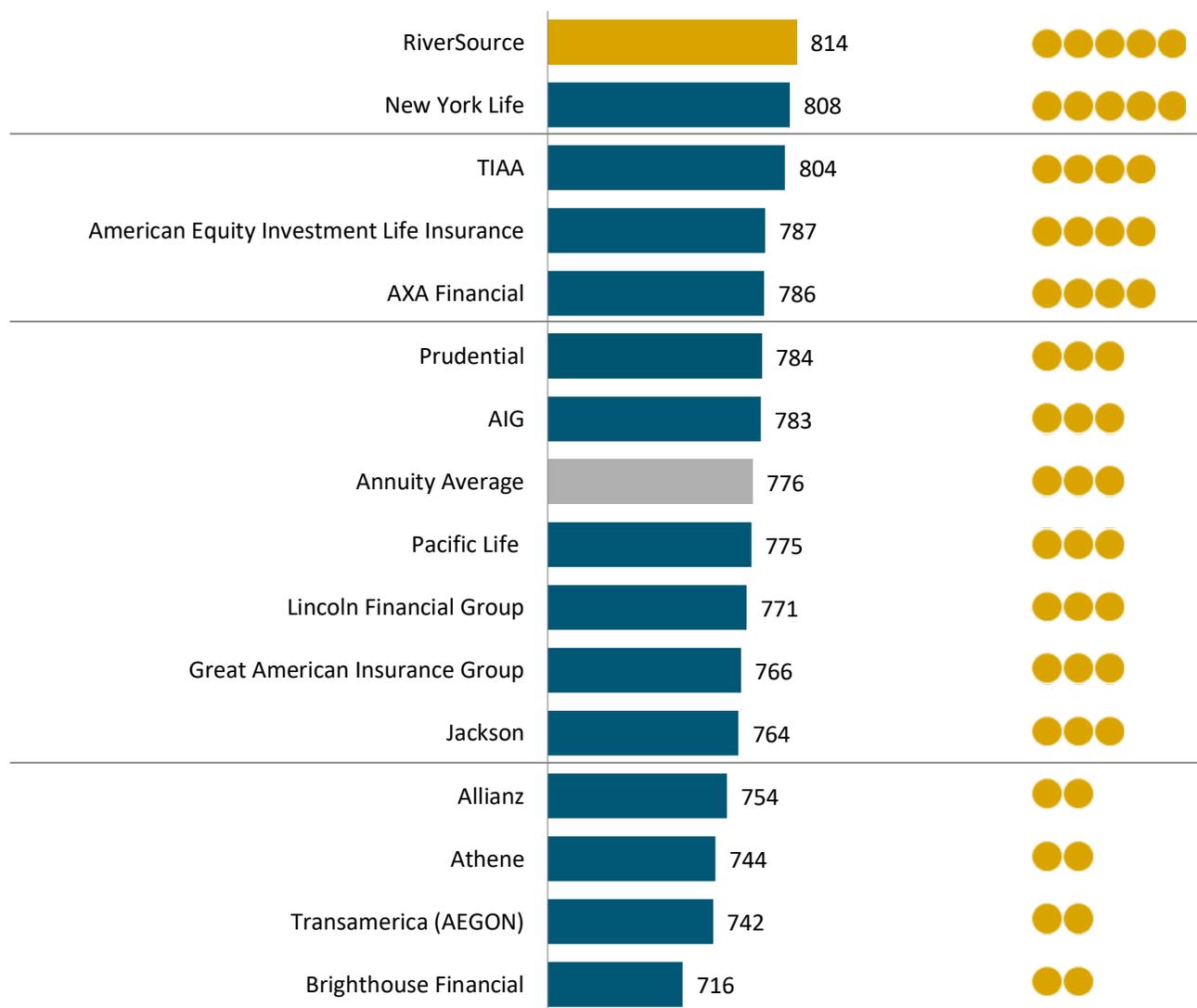
# J.D. Power 2019 U.S. Life Insurance Study<sup>SM</sup>

## Overall Customer Satisfaction Index Ranking

### Annuity

(Based on a 1,000-point scale)

JDPower.com  
Power Circle Ratings<sup>TM</sup>  
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 Midland National Life.

Source: J.D. Power 2019 U.S. Life Insurance Study<sup>SM</sup>

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