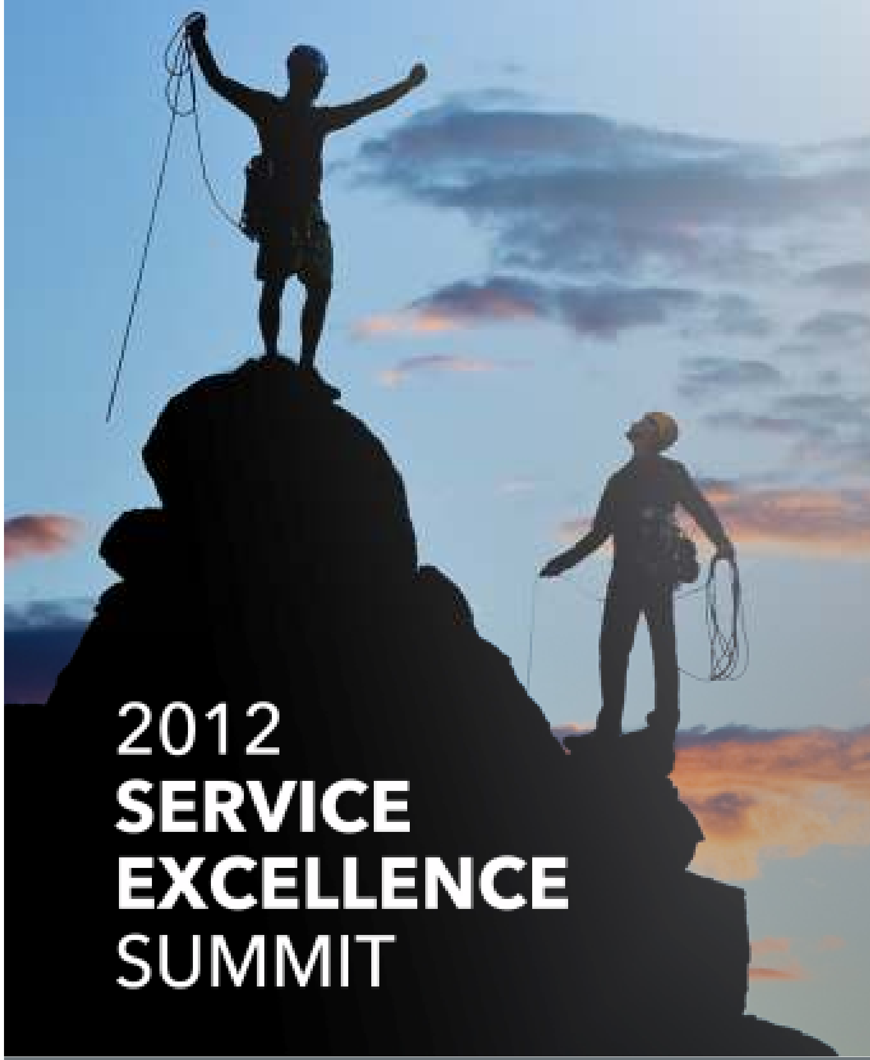
J.D. POWER AND ASSOCIATES®

2012 Study Review and Enhancements



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The McGraw·Hill Companies

Customer Life Cycle - Purchase

Purchase

- Insurance Shopping Study (ISS)
- Insurance Website Evaluation Study (IWES)

Customer Life Cycle – Policy Service

Policy Service

- Auto Insurance Study (AIS)
- Homeowners Insurance Study (HIS)

Customer Life Cycle - Claims

Claims

- Auto Claims Study (ACS)
- Property Claims Study (PCS)

Customer Life Cycle - Renewal

Renewal

- Retention metrics incorporated into the Auto Insurance Study and Insurance Shopping Study

2012 Events and Study Publish Months

Wave 1 Auto Claims on Acutrend	January 26
Canada Insurance Roundtable	*February 16*
Service Excellence Summit	*March 14-15*
Property Claims Study	March 29
Wave 2 Auto Claims on Acutrend	April 17
Insurance Shopping Study	April 25
Website Evaluation Study	May 24
Auto Insurance Study	June 20
Wave 3 Auto Claims on Acutrend	July 17
Canadian Auto/Home Insurance Studies	Sep/Oct
Homeowners Insurance Study	September 25
Auto Claims Study	October 24
Insurance Claims Edge	*November*

Products Continue to Evolve in 2012

- **Analysis Tool Enhancements**
  - **KPI Simulators** — Available for Auto Insurance Study (AIS), Auto and Property Claims Studies
  - **Improved file navigation** — all chart variables and KPIs will be identified clearly in data sets (SPSS and mTAB)
  - **Report charting tools** — providing dynamic charting tools for recreating AIS report graphics
- **Sampling Enhancements**
  - Several surveys are increasing sample / improving methodology
- **Questionnaire Enhancements**
  - Thanks to everyone who provided feedback!

Insurance Shopping Study

Insurance Shopping Study (ISS)—What's New 2012?

Survey / Analysis : Based on client feedback, substantial enhancements in 2012:

- ***Channel Optimization and Role of Website**:* Deeper insights into sales channel usage; order of obtaining quotes
- ***Negotiation / Asking for the Sale**:* Measure the impact of providing multiple quotes (price and coverage options) on conversion
- ***Quote Satisfaction**:* Measure customer satisfaction with the quoting process for every brand quoted
- ***Customer Segmentation**:* New segmentation schemes to better understand shopper motivations and drivers
- Streamlined survey to improve the survey experience and flow
  - Enhancement impacted purchase funnel quote and close rates; quote rates increased by 19%, so we will be bridging data.
- ***Quarterly Shopping Monitor**:* Measure shopping on a quarterly basis to gauge near-term changes to shopping rates

Insurance Shopping Study (ISS)—What's New 2012?

Profiled Carriers	Sample Sizes
21st Century	738
ACG	493
ACSC	538
Allied*	262
Allstate	884
American Family	646
Ameriprise*	263
Amica Mutual	394
Auto-Owners Insurance	416
Erie Insurance	462
Esurance	541
Farmers	750
GEICO	912

Profiled Carriers	Sample Sizes
GMAC	332
The Hartford	746
Liberty Mutual	750
Mercury	427
MetLife	704
Nationwide	745
NCNU *(Formerly CSAA)*	334
Progressive	899
Safeco	728
State Farm	909
Travelers	750
USAA	753

**Denotes new carrier for 2012.*

Property Claims Satisfaction Study (PCS)

Property Claims Study Overview

- Dedicated study focuses on the dynamics of the property claims experience among homeowners.
  - No longer including claims for renters and condo policies in 2012
- Variable questions that are unique for:
  - Type of claim and damage (e.g. damage to home vs. contents)
  - Servicing model (direct, agent, mixed, etc.)
  - Appraisal / Repair model (Staff vs. independent appraisal, preferred repair network, remediation contractors, etc.)
- Questionnaire focused on key performance metrics that drive each factor of the claims experience:
  - First Notice of Loss
  - Appraisal Process
  - Repair Process
  - Settlement
  - Claim Servicing (Local agents and Claim professionals)
- Benchmarks top 20 insurers in 2012

Property Claims Study Overview

Sample: Online sample with a claim in the last 18 month (retained and non-retained policyholders). Increased sample 50% from 2,800 to 4,200. Most insurers will have increases.

Fielding: November—January 2012

Publish: Full report delivered on Business Center in March 2012 (no longer packaged with HIS)

Award: 2012 will be the first year a Property Claim Satisfaction Award will be issued.

Property Claims Study Sample

Profiled Carriers	Sample Sizes
ASCS	109
Allstate	300
American Family	248
Amica Mutual	124
Auto-Owners Insurance	196
CHUBB	121
COUNTRY	114
NCNU *(formerly CSAA)*	108
Erie Insurance	199
Farmers	299

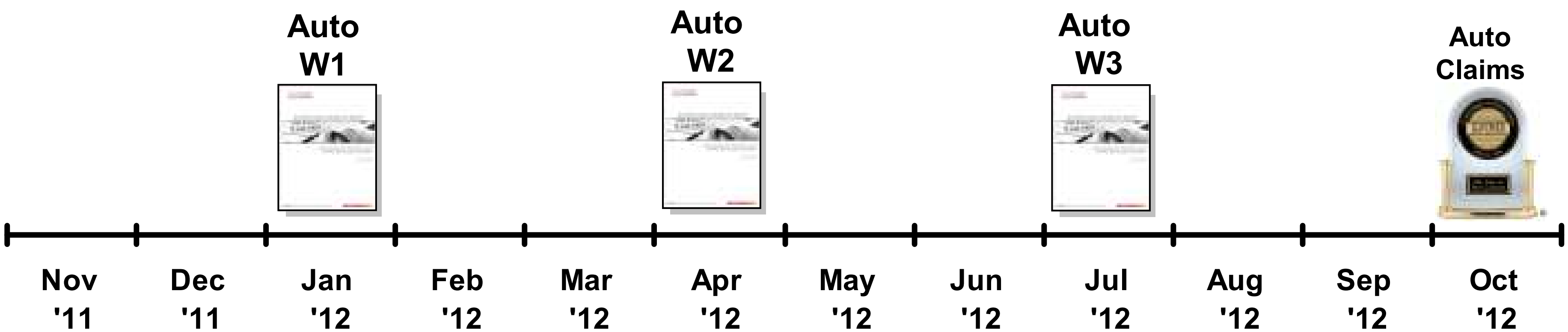
Profiled Carriers	Sample Sizes
Foremost	68
The Hanover	116
The Hartford	246
Liberty Mutual	248
MetLife	201
Nationwide	250
Safeco	184
State Farm	300
Travelers	296
USAA	293

Auto Claims Satisfaction Study (ACS)

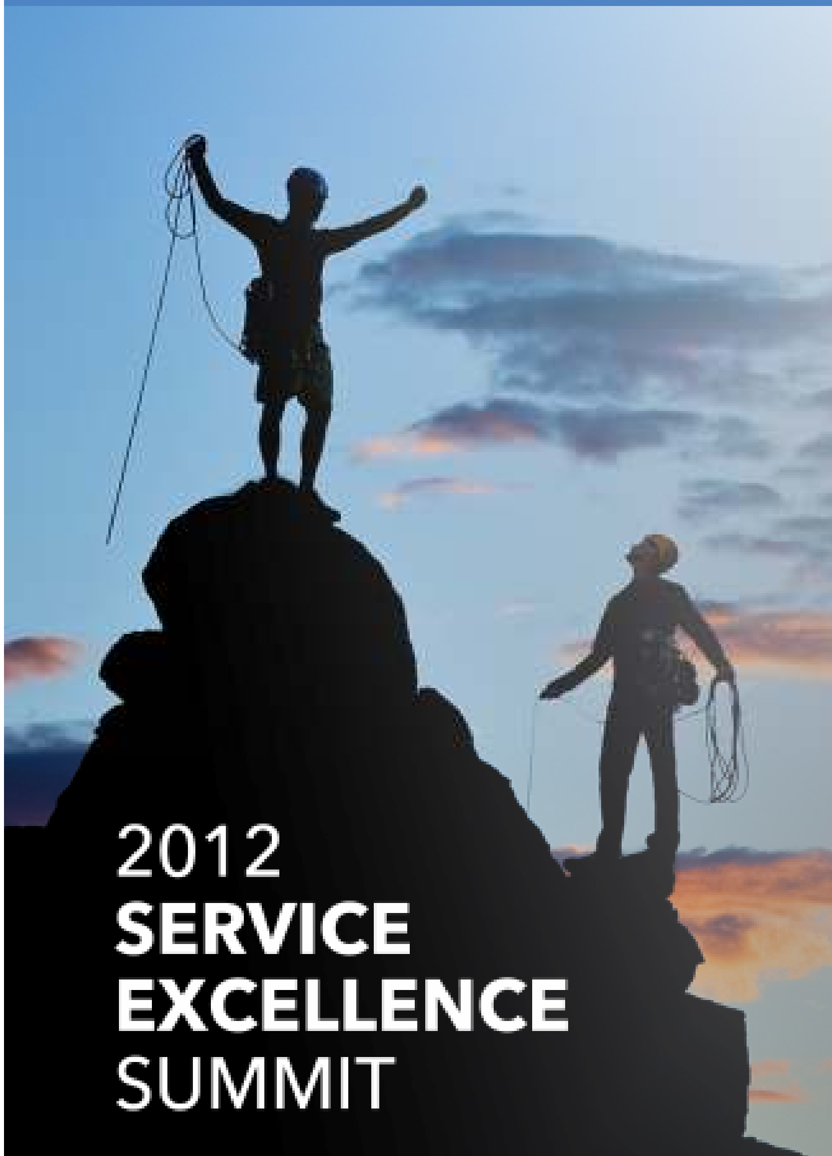
Auto Claims Study—What's New in 2012?

- Timeframe of claim is shortened to within **6 months** of survey
- Sampling is moving to continuous fielding
  - 2012 fieldwork started in November and will field quarterly through Sep '12
- 2011 subscribers have access to quarterly data on Acutrend (Q2'11, Q3'11, Q4'11—Wave 1 of 2012)
- 2012 subscribers are able to access daily survey returns moving forward

2012 Publish Schedule



Homeowners Insurance Study (HIS)



Homeowners Insurance (HIS)—What's New in 2012

- Focuses on the overall relationship between an insured and their Homeowners Insurance carrier
  - No specific interaction needed to qualify
- Benchmark top 29 insurers
- New for 2012:
  - Build out survey content focused on product bundling
    - Umbrella protection / Liability coverage
    - Recreational vehicles (e.g. Motorcycle, RV, Boat, etc.)
    - 2nd Home
    - Life (not through work)

Homeowners Insurance (HIS)—What's New in 2012

- Core HIS Survey will remain largely unchanged; new content will be added after a respondent rates their homeowner's policy.
- Majority of respondents will only rate one additional policy.
  - only 8% of customers have multiple non-auto products with Homeowners
- Diagnostics and ratings added for each of the 4 new product categories, including:
  - Purchase Motivations: both for product in general and Insurer
  - Policy Offerings: policy understanding, policy reviews, timeframe of policy review
  - Billing and Payment: discounts, billing method
  - Price: premium changes
  - Claims / Interaction: timeframe of most recent
  - Satisfaction Ratings
    - Degree to which policy meets needs
    - Price, given coverage
    - Clarity of information
    - Claims experience (if applicable)

Homeowners Insurance (HIS)—What's New in 2012

Sample: Continue using Research Now online panel company as the sample provider; Comparable samples sizes to 2011

Awards: No changes to the HIS award criteria—based on highest ranked award eligible insurer

Fielding: April – June 2012

Delivery: Published annually via JDPA Business Center on September 25th, 2012

Sampling Approach

- Sample plan is provided in your handouts
- Incidence of additional products derived from JDPA 2012 Insurance Screener of more than 200K households
- We will target a minimum of 50 completes per category with an “X” and weight data to the natural incidence
- GEICO and Progressive are targeted carriers, but will not be award eligible

Auto Insurance Study (AIS)

AIS Move to Regional Methodology

Regional Methodology—Inclusion Criteria

Region	Region Size	Market Share Criteria	# of Profiled Brands
California	$19B	$175M	17
West	$16B	$250M	11
Central	$27B	$250M	16
Midwest	$21B	$200M	17
Southeast	$36B	$250M	13
Mid-Atlantic	$23B	$300M	13
Northeast	$19B	$200M	17

Regional Methodology Summary

Award Structure

- 7 Discrete Regional Awards.
- Ranking eligibility based on minimum premium threshold within a region (ranging from $175M to $300M).

Regional Sampling

- Targeted completes ranging from 200 to 500 within a region.
- Overall Industry sample size to increase from 27,897 to 34,658.

National Representation

- Ensures year-over-year trendability nationally.
- Consistent sample sizes nationally with prior years.
- Sample plan will represent a minimum of 90% of each national carrier's national premium.