



Property and
Casualty Insurance

PROPERTY AND CASUALTY INSURANCE

Lessons from the Best on Driving Customer Advocacy through Frontline Experiences

Insights from the 2013 MECx Study by
PeopleMetrics[®]

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SECTOR TRENDS

Improvements are occurring in a sector traditionally viewed as a necessary evil. How many of us love our insurance company? Appreciate paying ever increasing premiums for a product that we really hope we'll never have to use? Rationally speaking, our home and auto insurance providers are nothing but a necessary evil – not delightful, enjoyable or loveable in anyway.

However, the PeopleMetrics MECx study has revealed that even in this sector customers are not exactly rational – emotions play a bit part in how likely we are to recommend our provider and stay with them through premium hikes in the future.

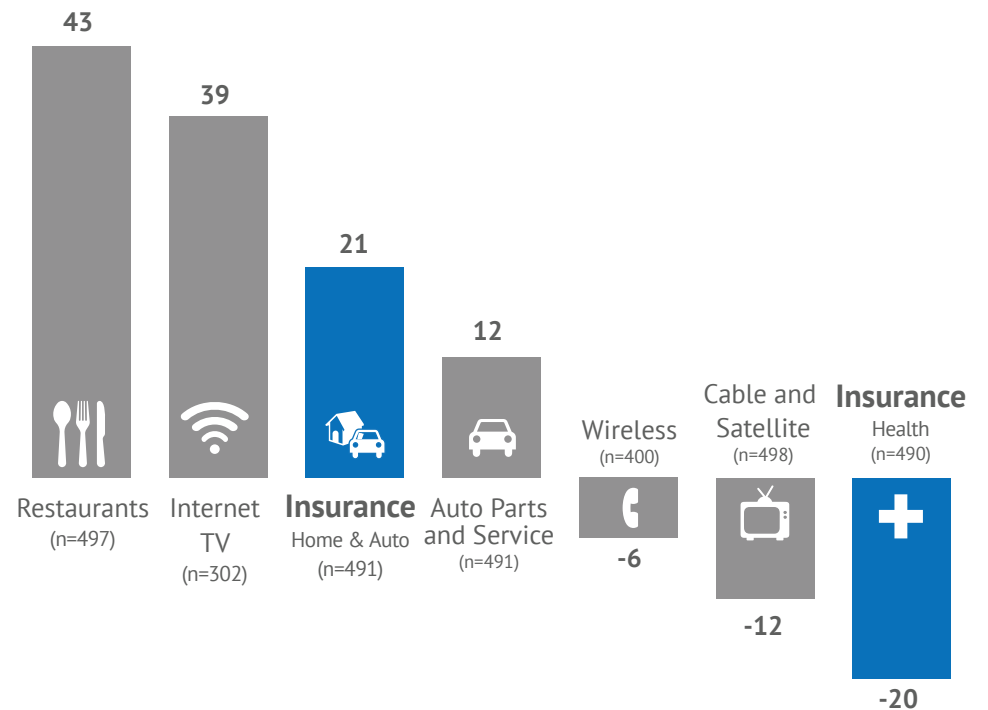
And perhaps surprising many, the study showed that Property & Casualty Insurance providers ranked 3rd of 7 sectors on Net Promoter Score (NPS), twice as high as that for health insurers.

Not only is NPS strong across this sector but the experience appears to be getting better. Forty-four percent of property and casualty insurance policyholders say the customer experience is better today than it was 12 months ago

FIGURE 1

Net Promoter Score (NPS)

Comparisons of Net Promoter Score by industry.



And, three-quarters of policyholders say that their memory of their insurance company is positive - compared to 57% of health insurance customers

EMOTIONS THAT COUNT: SECURITY AND TRUST

Insurance providers deliver security and trust. How is it possible to create these positive experiences and strong associations when the experience is not one that is entertaining, fun or enjoyable?

The answer lies in some even more base instincts or emotions – those of security and trust. In fact, nearly **9 out of 10** policyholders associate the feeling of security with their insurance provider and a similar proportion have a feeling of trust.

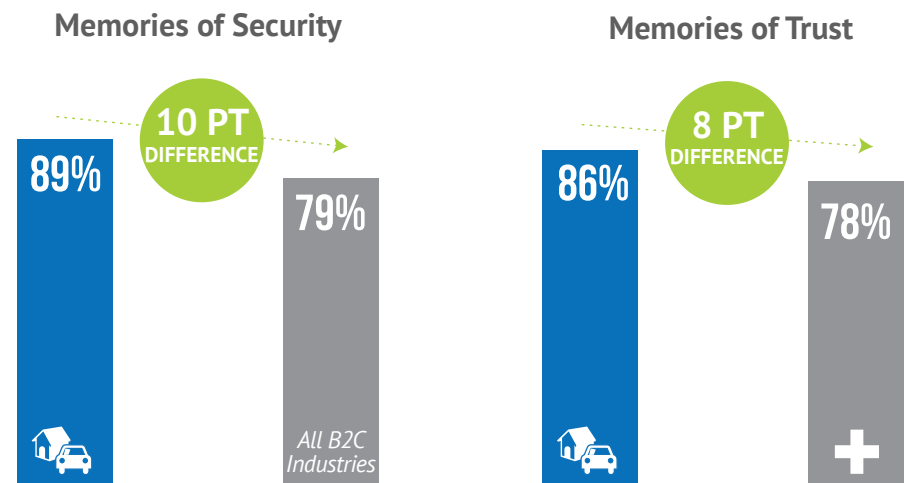
While this may be what the insurance industry is all about – security in the event of an accident – it appears that property and casualty providers are doing a better job than their health insurance counterparts.

Property and casualty providers are doing a better job than their health insurance counterparts delivering security and trust

FIGURE 2

Positive Memories

Comparisons of positive memories by industry.



PROVIDER DIFFERENCES

But not all providers are created equal. To determine how this sector is winning at customer trust we dug a little deeper to look at differences between brands. What we found is that the gap between the top and bottom brands is large.

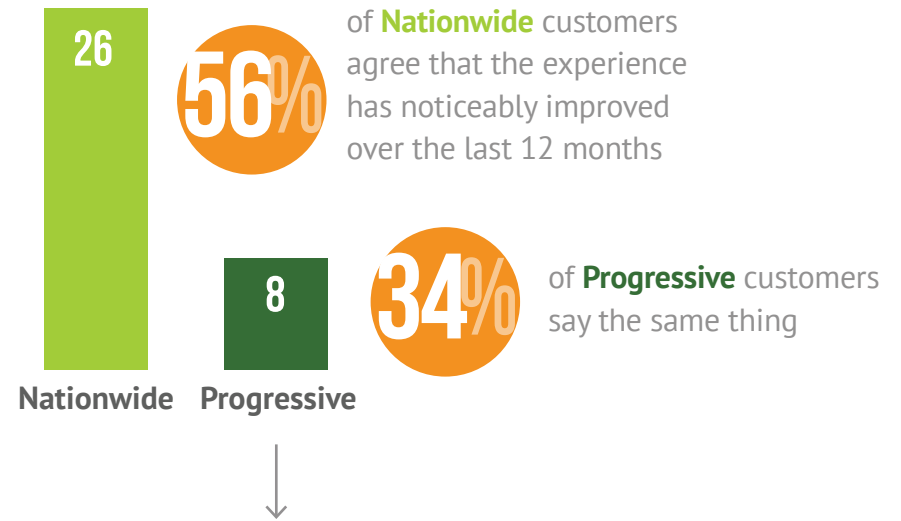
Nationwide is the top performing brand with an NPS of 26 and more than half of its customers claiming the experience is better today than 12 months ago



FIGURE 3

NPS by Brand

Comparing the top and bottom performer.



Progressive falls to the bottom of the pack with an 8 point NPS and just one-third saying the experience has improved

Cx SECRET FROM TOP PERFORMING BRAND

The biggest difference lies in the experience delivered by people. While one might assume that trust and security in this sector will be built through the product itself and policies and systems that support a critical moment of truth - the claims process, the data reveal that the customer perceives the difference as being one of care – where the company’s employees take it upon themselves to go above and beyond to support them.

While a consistent experience of above and beyond behavior is undoubtedly delivered through clearly defined and followed internal processes – supported by training, coaching and engaging front line staff - the policy holder doesn’t care. They receive a markedly different level of service and support from **Nationwide** which drives more positive memories, higher levels of trust, and a stronger sense of loyalty.

CULTIVATING CUSTOMER TRUST

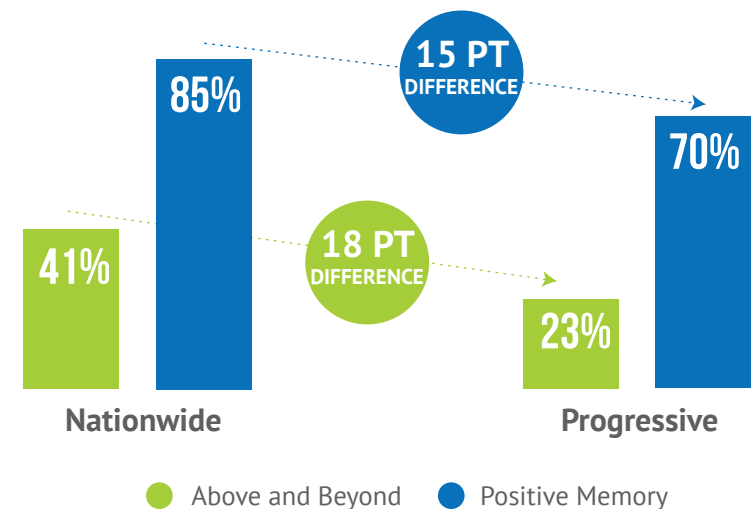
Customer trust is cultivated through employee interactions.

Customer trust doesn’t happen by accident. You need a deliberate, systematic process for managing the experience delivered by your frontline associates.

Many organizations are using a frontline employee performance solution to help them define, measure, manage and coach to the behaviors that create loyal, advocating customers every day. To learn more about PeopleMetrics solution please call 215.979.8030 or email us at info@peoplemetrics.com.

FIGURE 4

Top and Bottom Performing Brands
Comparing Above and Beyond and Positive Memory



ABOUT THE STUDY

About the 2013 MECx

From 2008 to 2010 PeopleMetrics conducted the Most Engaged Customers (MEC) study. This was a project that examined the unique drivers of Customer Engagement in multiple industries. In 2013 we brought the project back under the new name of Most Engaging Customer Experiences (MECx) and with a greater emphasis on the emotional components of an engaging customer experience.

Papers Available from the Study

Business-to-Consumer

- Health Insurance
- Media, Communications, and Entertainment
- Retail Banking

Business-to-Business

- Accounting and Tax
- Telecommunications

ABOUT THE AUTHOR

Kate Feather



Kate Feather leads the customer experience transformation group at PeopleMetrics. In this role she acts as strategic consultant on many key accounts, is responsible for the firm's research and development projects, and is a frequent speaker and contributor to publications on topics related to customer experience.

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Call us at 215.979.8030



Email us at info@peoplemetrics.com



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