

**J.D. Power Asia Pacific Reports:
Improved Customer Satisfaction with Direct-Type Insurers Has Not Led to Increased Loyalty**

[AIU Insurance Company and Saison Automobile and Fire Insurance Rank Highest in Their Respective Segments in Customer Satisfaction with the Auto Insurance Shopping Experience and Satisfaction with Auto Insurance Companies](#)

TOKYO: 16 July 2015 — Although customer satisfaction with direct-type insurers has increased due to lower premiums and insurer website improvements, this increase has not led to higher rates of customer loyalty, according to the J.D. Power Asia Pacific 2015 Japan Auto Insurance Shopping Satisfaction StudySM and the J.D. Power Asia Pacific 2015 Japan Auto Insurance Satisfaction Study,SM both released today.

The Japan Auto Insurance Shopping Satisfaction Study, in its fourth year, measures shopping and purchase behavior, and purchase experience satisfaction among customers who recently purchased insurance across three factors (in order of importance): policy offerings, price and distribution channel.

The Japan Auto Insurance Satisfaction Study, now in its 12th year, measures overall satisfaction with auto insurance companies (voluntary insurance) among current customers during the term of their policy. Overall satisfaction is measured in five factors: policy offerings, price, interaction, claims and policy statement

Both studies segment insurance companies based on their primary selling method: 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.

2015 Japan Auto Insurance Shopping Satisfaction Study Findings

- Overall satisfaction with direct-type insurers averages 636 points in 2015, an increase of 12 points from 2014. Despite this improvement in score, only 7 percent of customers say they “definitely would” renew their policy, a level unchanged from last year. Overall satisfaction with agency-type insurers remains the same at 564, from 2014.
- The average premium paid by new customers who purchased auto insurance for the first time from a direct-type insurer has decreased by more than ¥5,000 from 2014. Just six percent of customers who selected their auto insurer based on low premiums indicate an intention to renew, suggesting that low premiums contribute little to customer loyalty.
- Improvements to the policy purchase/renewal pages of insurer websites have also contributed to the increase in customer satisfaction with direct-type insurers. The percentage of new customers who indicate that a useful proposal about policy details was provided on their insurer’s website has increased to 40 percent in 2015, up 4 percentage points from 2014.

“It is likely that the information many insurers provide on their websites helps customers understand compensation details or policy rider selection,” said Chie Numanami, senior manager at J.D. Power Asia Pacific. “However, while the study finds the website content contributes to an increase in customer

satisfaction, it does not increase customer loyalty. Providing useful information on insurer websites is likely to become an increasingly important requirement for improving customer satisfaction and, by extension, customer loyalty.”

2015 Japan Auto Insurance Satisfaction Study Findings

- Overall satisfaction with direct-type insurers averages 627 points, up 12 points from 2014. Overall satisfaction with agency-type insurers averages 605 points, up slightly from 602 in 2014.
- By distribution channel, satisfaction is highest among customers who purchase insurance from a specialized insurance agency (629 points), increasing by 4 points year over year, followed by employer’s insurance agency (606), a 13-point increase; auto repair shop (592), a 1-point decrease; and automobile dealership (581), a 2-point decrease.
- Regarding policyholder service by distribution channel, customer proposal activities have progressed in some channels. Year over year, there has been an increase in the percentage of customers who indicate having received a useful proposal about policy details or advice about reviewing their insurance: 56 percent (up 6 percentage points) in the specialized agency channel and 44 percent (up 5 percentage points) in the corporate-affiliated insurance agency channel.
- Average satisfaction among customers who receive a proposal or advice is 640 points, which is 47 points higher than among those who are not provided such information. This is one reason for the increase in satisfaction among customers who purchased insurance through a specialized or corporate-affiliated agency. The percentages of proposals for the repair shop (42%) and automobile dealership (37%) channels are unchanged from 2014, indicating there is room for improvement in customer proposal activities in these channels.

Prior to revisions to the Insurance Business Act scheduled to go into effect in 2016, the rules and regulations applicable to insurance agencies at the time of insurance solicitation have been revised. Specifically, (1) basic rules pertaining to the obligation to provide information and the obligation to ascertain the customer’s intention have been created, and (2) the obligation for insurance solicitors to establish/reinforce relevant systems has been introduced. For this reason, insurance companies are currently clarifying and strengthening the role of insurance agencies, and it is important for insurance companies to reinforce their efforts to increase customer satisfaction in each distribution channel.

2015 Japan Auto Insurance Shopping Satisfaction Study Rankings

AIU Insurance Company (601) ranks highest in customer satisfaction with the auto insurance purchase experience in the agency-type insurer segment for a fourth consecutive year, performing particularly well in the policy offering and price factors. Fuji Fire and Marine Insurance (587) ranks second, performing particularly well in the distribution factor. Mitsui Sumitomo Insurance (568) ranks third, performing well across all three factors.

In the direct-type insurer segment, Saison Automobile and Fire Insurance (659) ranks highest in customer satisfaction for a third consecutive year, performing particularly well in the policy offering factor. SBI Insurance (648) ranks second and performs particularly well in the price factor. E.design Insurance (647) ranks third, performing well across all three factors.

2015 Japan Auto Insurance Satisfaction Study Rankings

AIU Insurance Company (635) ranks highest in customer satisfaction with auto insurance companies in the agency-type insurer segment for a third consecutive year, performing particularly well across all five factors. Mitsui Sumitomo Insurance (610) ranks second, performing well in the policy offering, price, interaction and claims factors. Fuji Fire and Marine Insurance (609) ranks third, performing well in the price, policy statement, interaction and claims factors.

In the direct-type insurer segment, Saison Automobile and Fire Insurance (636) ranks highest in customer satisfaction for a third consecutive year, performing particularly well in the policy offering factor. Sony Assurance (632) ranks second, performing particularly well in the interaction and claims factors. SBI Insurance (630) ranks third, performing particularly well in the price factor.

The 2015 Japan Auto Insurance Shopping Satisfaction Study is based on responses from 8,265 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 2015. The 2015 Japan Auto Insurance Satisfaction Study, based on online responses from 8,870 auto insurance (voluntary insurance) customers, was fielded in May 2015.

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.

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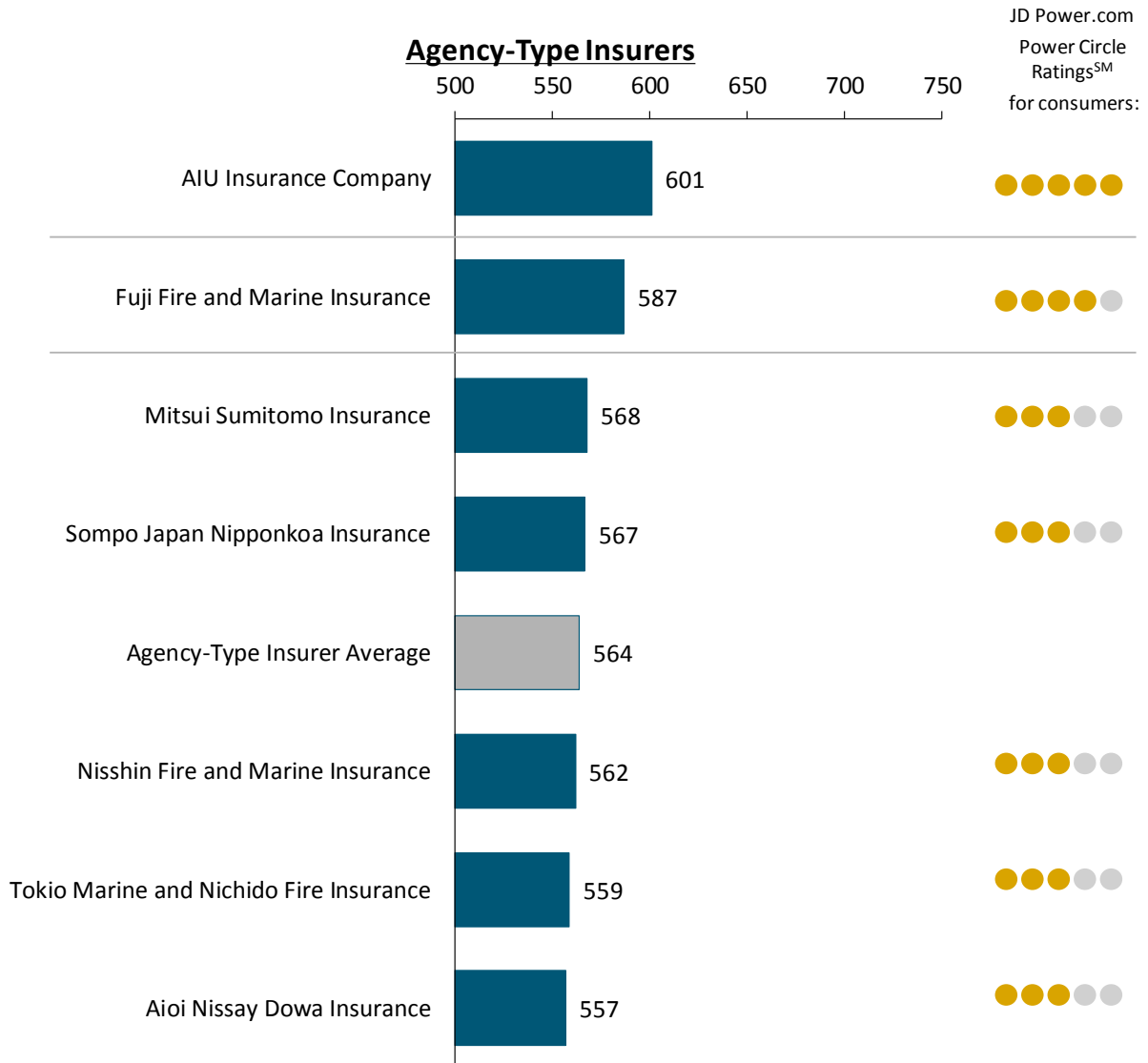
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Note: Four charts follow.

J.D. Power Asia Pacific 2015 Japan Auto Insurance Shopping Satisfaction StudySM

Overall Satisfaction Rankings

(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.

Power Circle Ratings Legend

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

Source: J.D. Power Asia Pacific 2015 Japan Auto Insurance Shopping Satisfaction StudySM

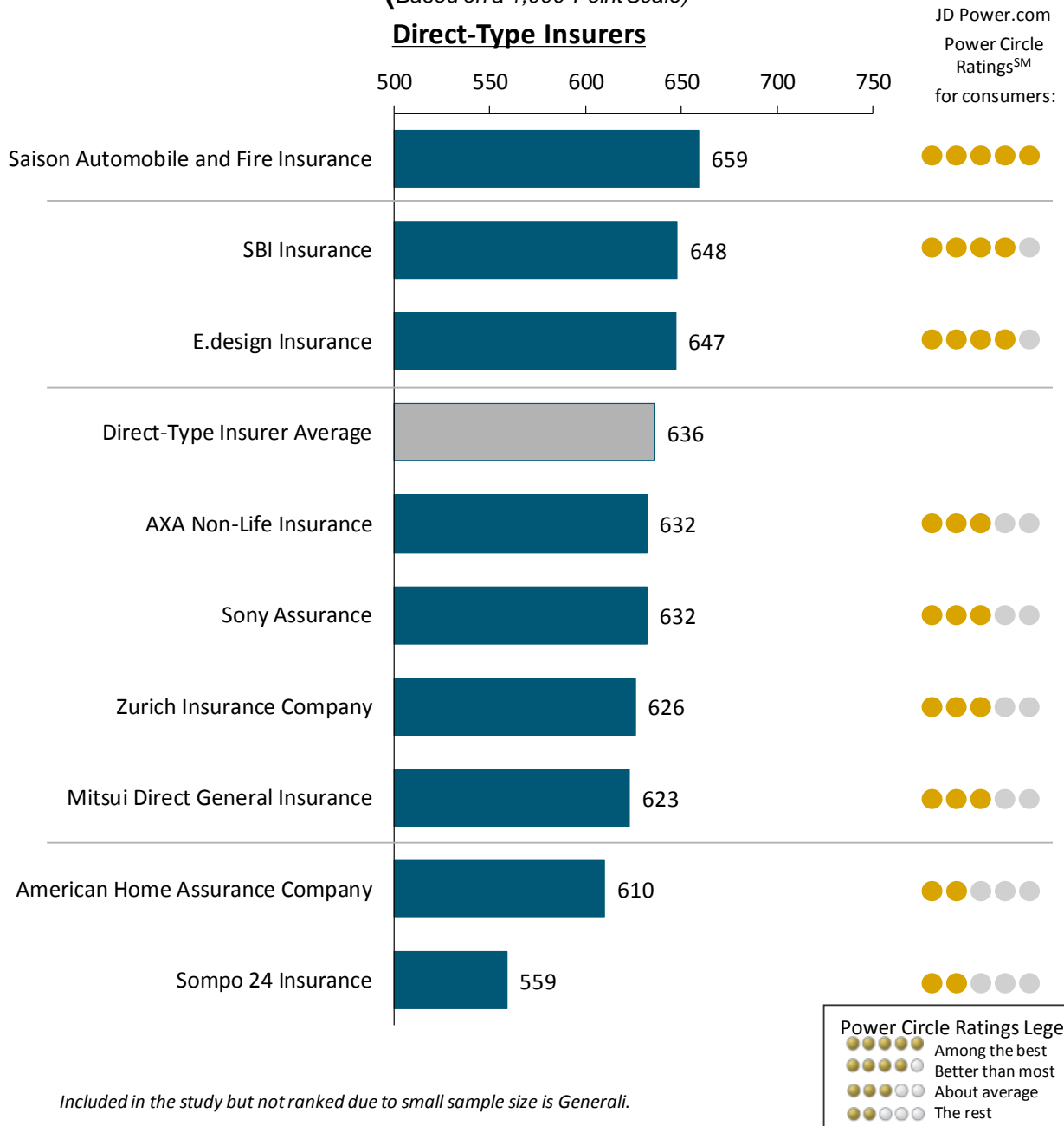
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J.D. Power Asia Pacific 2015 Japan Auto Insurance Shopping Satisfaction StudySM

Overall Satisfaction Rankings

(Based on a 1,000-Point Scale)

Direct-Type Insurers



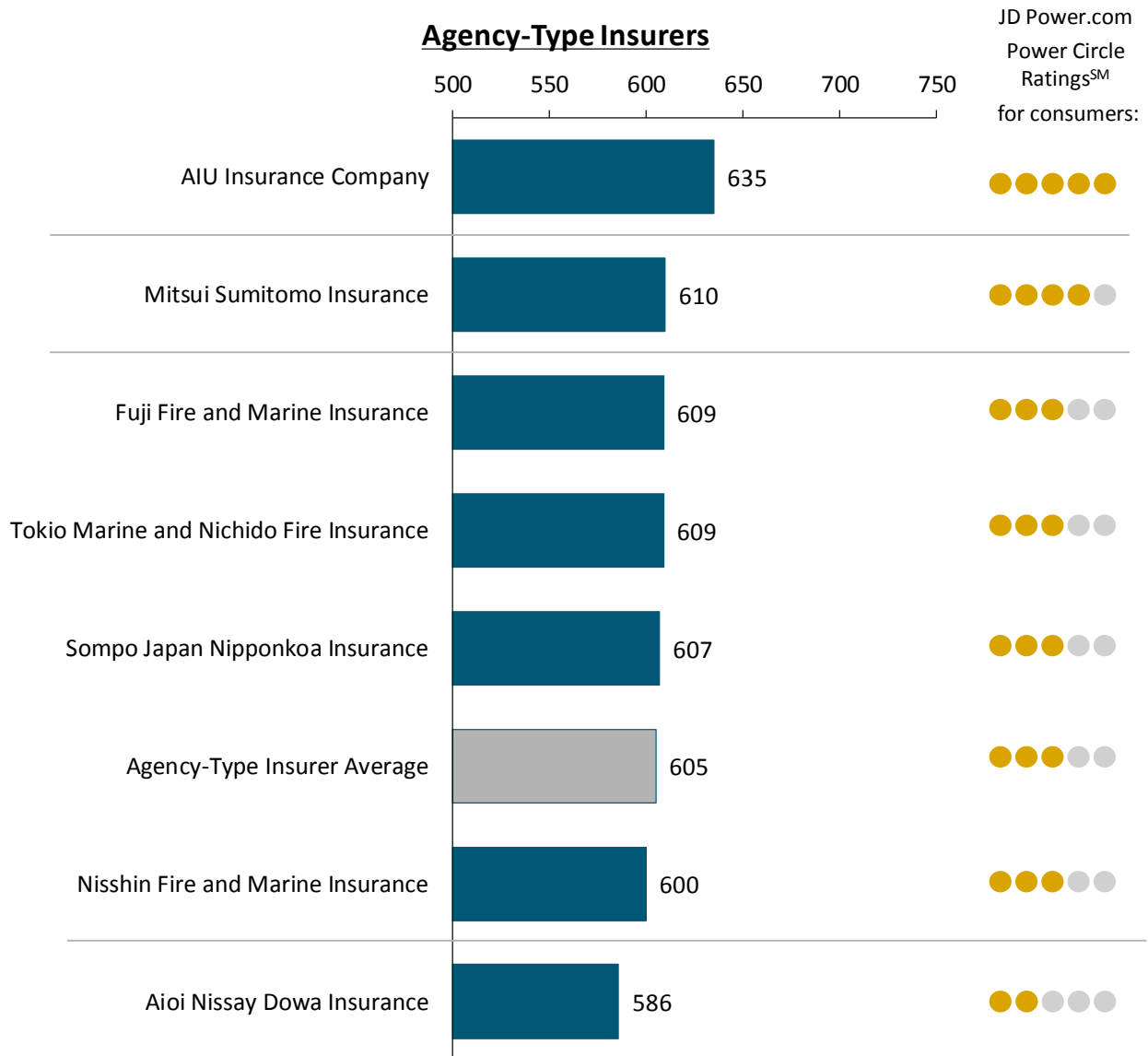
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J.D. Power Asia Pacific 2015 Japan Auto Insurance Satisfaction StudySM

Overall Satisfaction Rankings

(Based on a 1,000-Point Scale)



JD Power.com
Power Circle
RatingsSM
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.

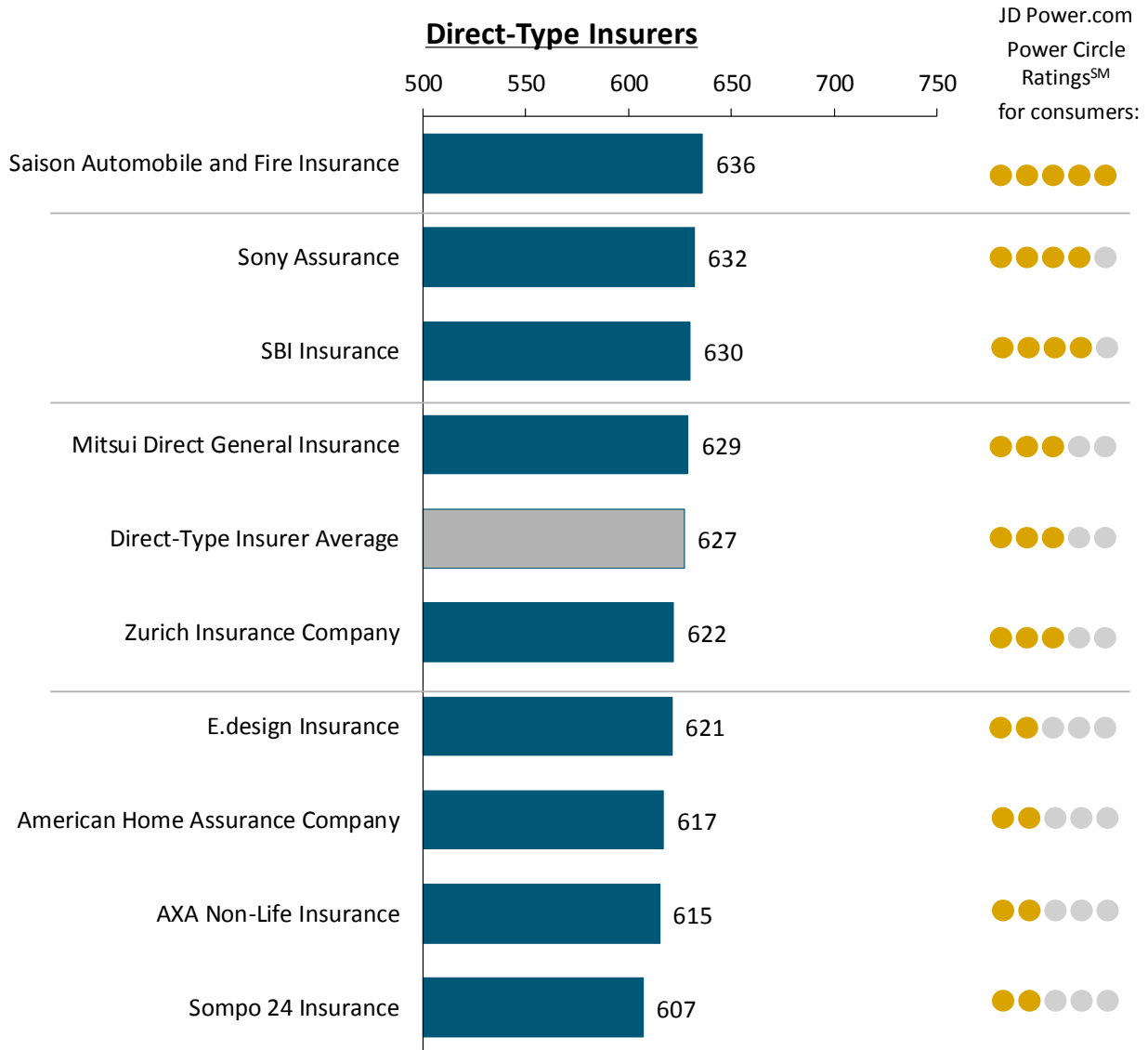
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J.D. Power Asia Pacific 2015 Japan Auto Insurance Satisfaction StudySM

Overall Satisfaction Rankings

(Based on a 1,000-Point Scale)



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 is Generali.

Source: J.D. Power Asia Pacific 2015 Japan Auto Insurance Satisfaction StudySM

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