

Insurers Come Up Short for Independent Agents Despite Critical Role Agents Play in Driving Business, J.D. Power Finds

Study Finds Strong Correlation Between Independent Agent Satisfaction and Placement Rate

COSTA MESA, Calif.: 31 Jan. 2019 – The more satisfied independent insurance agents are with a carrier, the more business they will conduct with that carrier. Despite this fact, which is clearly evident in the J.D. Power 2019 U.S. Independent Insurance Agent Satisfaction Study,SM released today, overall agent satisfaction with the service they receive from insurers is among the lowest of business relationships measured by J.D. Power.

The second annual study, which was developed in alliance with the Independent Insurance Agents & Brokers of America (IIABA), evaluates the independent P&C insurance agent's business outlook, management strategy and overall satisfaction with personal lines and commercial lines insurers in the United States.

"Each of the highest performing carriers in our study have taken different approaches to the market – some have focused on regional success, while others have emphasized price or service," said **Tom Super, Director, Property & Casualty Insurance Practice at J.D. Power**. "What they all share is a common understanding of the linkage between agent satisfaction and improved business outcomes—recognizing what drives agent satisfaction, then being laser-focused on getting that right."

Following are key findings of the 2019 study:

- **Independent agent satisfaction with carriers linked to placement rate:** There is a strong relationship between higher levels of independent agent satisfaction and a greater number of business relationships with insurers. Likewise, independent agents that are more satisfied with the service they receive from insurers are more likely to recommend that carrier and place a greater number of products with that insurer.
- **Independent agents cite low satisfaction with carriers:** Overall independent agent satisfaction with personal lines insurers is 735 (on a 1,000-point scale). For commercial lines, that score falls to 720. These are among the lowest overall satisfaction scores in any business study currently conducted by J.D. Power, lagging even financial advisors (737).
- **Support/communication and quoting are keys to agent satisfaction:** As the most important factors in determining agent satisfaction, the support/communication factor in personal lines and the quoting factor in commercial lines are key areas for insurers to focus to increase satisfaction.

"A strong partnership between Trusted Choice independent insurance agents and their carriers is critical to achieving a great consumer experience," said **Bob Rusbuldt, president & CEO of the Independent Insurance Agents & Brokers of America**. "Carriers that focus on ease of doing business achieve high satisfaction scores from agents. Ultimately, carriers that invest in their agent platforms benefit from a distribution force that has more time to spend providing value-added service to customers rather than back-end administrative tasks."

Study Rankings

Auto-Owners Insurance ranks highest among personal lines for the second straight year, with an overall satisfaction score of 800. **Progressive** (762) ranks second while **Safeco** and **Travelers** rank third in a tie with 737.

Liberty Mutual performs highest among commercial lines for the second straight year, with an overall satisfaction score of 749. **Chubb** and **The Hartford** rank second in a tie with 720.

The J.D. Power 2019 U.S. Independent Insurance Agent Satisfaction StudySM surveyed 1,466 P&C insurance independent agents for a total of 1,561 evaluations of personal lines insurers and 1,193 evaluations of commercial lines insurers that they had placed policies with in the prior 12 months. The study was fielded from September through November 2018.

For more information about the U.S. Independent Insurance Agent Satisfaction Study, visit <https://www.jdpower.com/business/resource/us-independent-insurance-agent-satisfaction-study>.

See the online press release at <http://www.jdpower.com/pr-id/2019012>.

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Founded in 1896, the **Independent Insurance Agents & Brokers of America** (IIABA or the Big "I") is the nation's oldest and largest national association of independent insurance agents and brokers, representing a network of approximately a quarter of a million agents, brokers and their employees nationally. Its members are businesses that offer customers a choice of policies from a variety of insurance companies. Independent agents and brokers offer all lines of insurance—property, casualty, life, health, employee benefit plans and retirement products.

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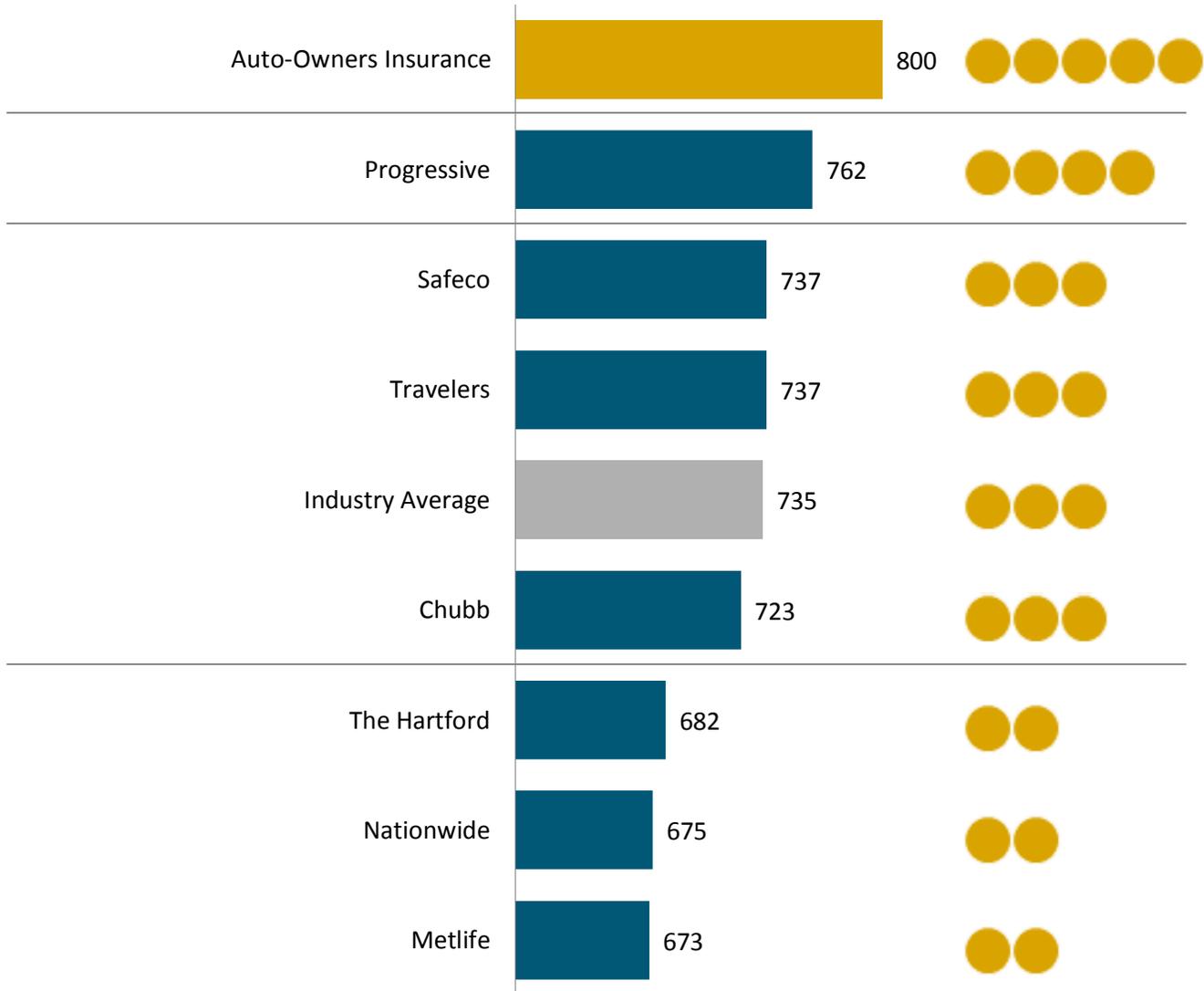
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NOTE: Two charts follow.

J.D. Power 2019 U.S. Independent Insurance Agent Satisfaction StudySM

Overall Customer Satisfaction Index Ranking of Personal Lines Insurers (Based on a 1,000-point scale)

JDPower.com
Power Circle RatingsSM
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 Erie Insurance.

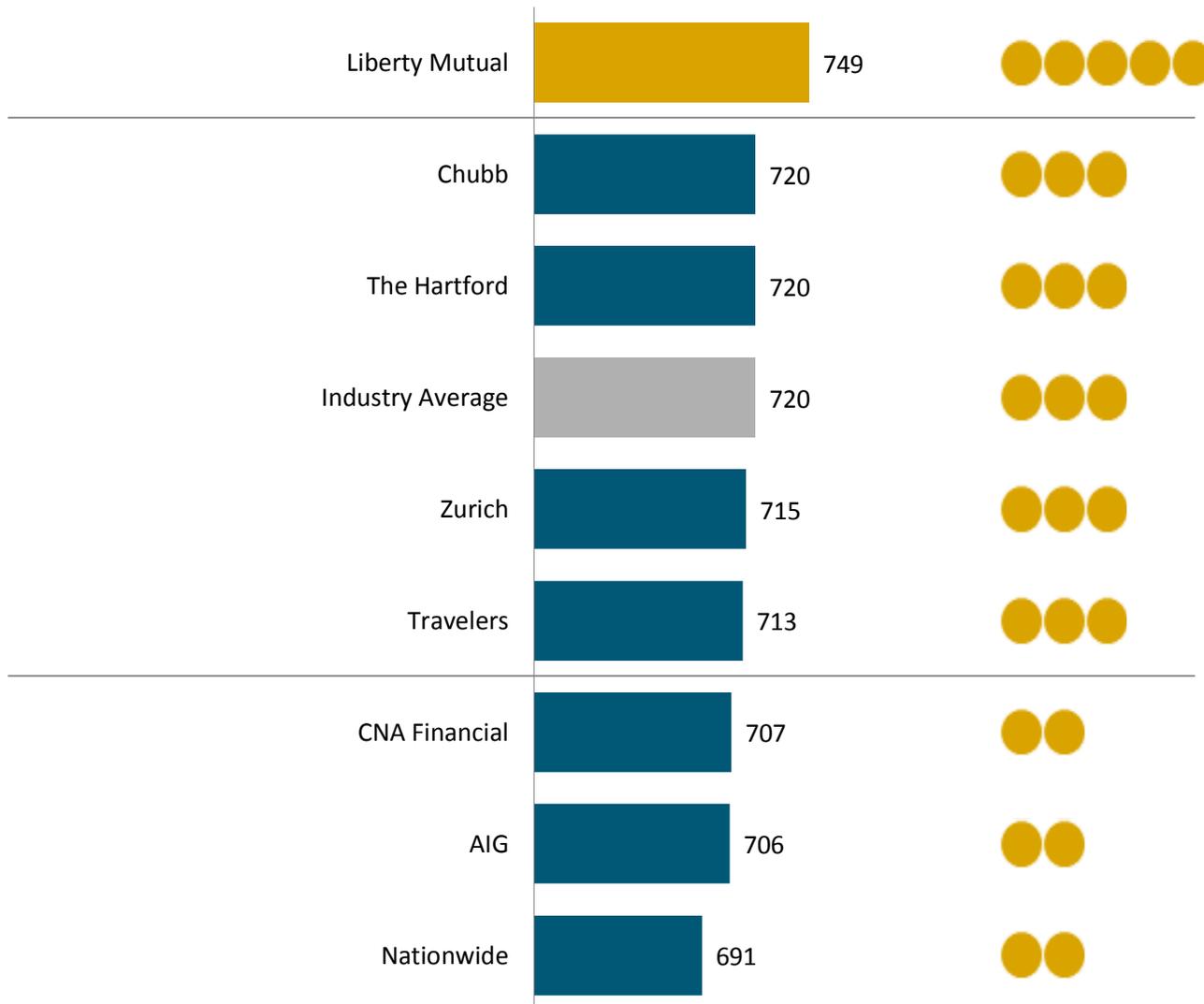
Source: J.D. Power 2019 U.S. Independent Insurance Agent Satisfaction StudySM

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J.D. Power 2019 U.S. Independent Insurance Agent Satisfaction StudySM

Overall Customer Satisfaction Index Ranking of Commercial Lines Insurers (Based on a 1,000-point scale)

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Power Circle Ratings Legend

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- Better than most
- About average
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Source: J.D. Power 2019 U.S. Independent Insurance Agent Satisfaction StudySM

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