



## Press Release

### **J.D. Power and Associates Reports: Fewer Premium Increases, Paired with More Satisfying Policy Offerings, Boosts Satisfaction with Canadian Automotive Insurers**

Canadian Direct Insurance, Grey Power and La Capitale  
Each Rank Highest in Customer Satisfaction in Their Respective Region

**TORONTO: 25 September 2012** — As fewer customers indicate premium rate increases and more enticing policy offerings become available to policyholders, satisfaction with Canadian auto insurance carriers improves across all regions, according to the J.D. Power and Associates 2012 Canadian Auto Insurance Satisfaction Study<sup>SM</sup> released today.

The study, now in its fifth year, measures [insurance customers' experiences with their primary insurer](#). Customer satisfaction is measured across five factors: interaction; price; policy offerings; billing and payment; and claims. Insurers are ranked in three regions: Western (British Columbia; Alberta; Saskatchewan; and Manitoba); Ontario/Atlantic; and Quebec.

The Western region has the smallest increase, five points. This is due primarily to a higher number of insurer-initiated premium increases. One-fourth of customers in this region reported an insurer-initiated increase in 2012, compared with only 18 per cent in 2011, the only region with a higher frequency of premium increases compared to 2011.

Customer satisfaction in the Ontario/Atlantic region has increased by 11 points from 2011, primarily due to an increase in satisfaction with insurer policy offerings (+17 points). Policy offering satisfaction is most often influenced by the quality of discounts offered. In fact, 60 per cent of customers in this region received multiple (three or more) discounts on their policy, a six-percentage-point increase from 2011. Nearly 30 per cent (29%) of customers reported an insurer-initiated rate increase in 2012, representing a four-percentage-point decrease from 2011.

Satisfaction in the Quebec region has increased by 17 points, which is the largest increase in score among regions from 2011. Satisfaction increases in billing and payment (+21 points), as well as price (+19 points), which significantly impacts overall satisfaction. Only 11 per cent of customers in the Quebec region reported an insurer-initiated rate increase, the fewest among the three regions and a three-percentage-point decrease from 2011.

“Although overall satisfaction has increased in the Western region, the uptick in insurer-related premium increases has been marginal,” said Lubo Li, senior director and practice leader of Canadian financial services and insurance at J.D. Power and Associates. “Satisfaction has significantly improved in both the Ontario/Atlantic and Quebec regions, not only because of fewer insurer-initiated premium increases, but also due to increases in satisfaction in nearly every factor across the board.”

#### ***Customer Satisfaction with Insurance Companies by Region, 2012 vs. 2011*** *(based on a 1,000-point scale)*

Region	Overall Satisfaction in 2012	Overall Satisfaction in 2011	Difference
Western	714	709	+5
Ontario/Atlantic	755	744	+11
Quebec	827	810	+17

## **Generational Differences**

The study finds that while satisfaction has improved across all regions, the gains are not as strong among Generation Y<sup>1</sup> customers as among Baby Boomer customers. Gen Y customers are significantly less satisfied (737) than are Baby Boomers (770) and are more critical of their insurer when service expectations are not met. There are notable differences in scores among Gen Y customers regarding interactions with their insurer—particularly through the call centre or local agent/brokers. Satisfaction in both of these interaction channels is nearly 50 points lower among Gen Y customers, compared with Baby Boomers. For a more detailed description of the differences between Gen Y and Boomers and how insurers can better meet the needs of these customer groups [click here to read the management discussion](#).

## **Regional Rankings**

In the [Western Region](#), Canadian Direct Insurance ranks highest in customer satisfaction among auto insurance companies for a second consecutive year with a score of 806. State Farm (778) and TD Insurance (773) follow in the rankings.

In the [Ontario/Atlantic Region](#), Grey Power ranks highest with a score of 786, followed by The Co-Operators (774). Belairdirect and Zenith (768) rank third in a tie.

In the [Quebec region](#), La Capitale ranks highest with a score of 850. Following in the rankings are The Personal (842) and Desjardins General Insurance (832).

The 2012 Canadian Auto Insurance Study is based on responses from 11,620 auto insurance policyholders. The study was fielded in June and July 2012.

## **About J.D. Power and Associates**

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit [JDPower.com](#). J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

## **About The McGraw-Hill Companies**

McGraw-Hill announced on September 12, 2011, its intention to separate into two public companies: McGraw-Hill Financial, a leading provider of content and analytics to global financial markets, and McGraw-Hill Education, a leading education company focused on digital learning and education services worldwide. McGraw-Hill Financial's leading brands include Standard & Poor's Ratings Services, S&P Capital IQ, S&P Indices, Platts energy information services and J.D. Power and Associates. With sales of \$6.2 billion in 2011, the Corporation has approximately 23,000 employees across more than 280 offices in 40 countries. Additional information is available at <http://www.mcgraw-hill.com/>.

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NOTE: Three charts follow.

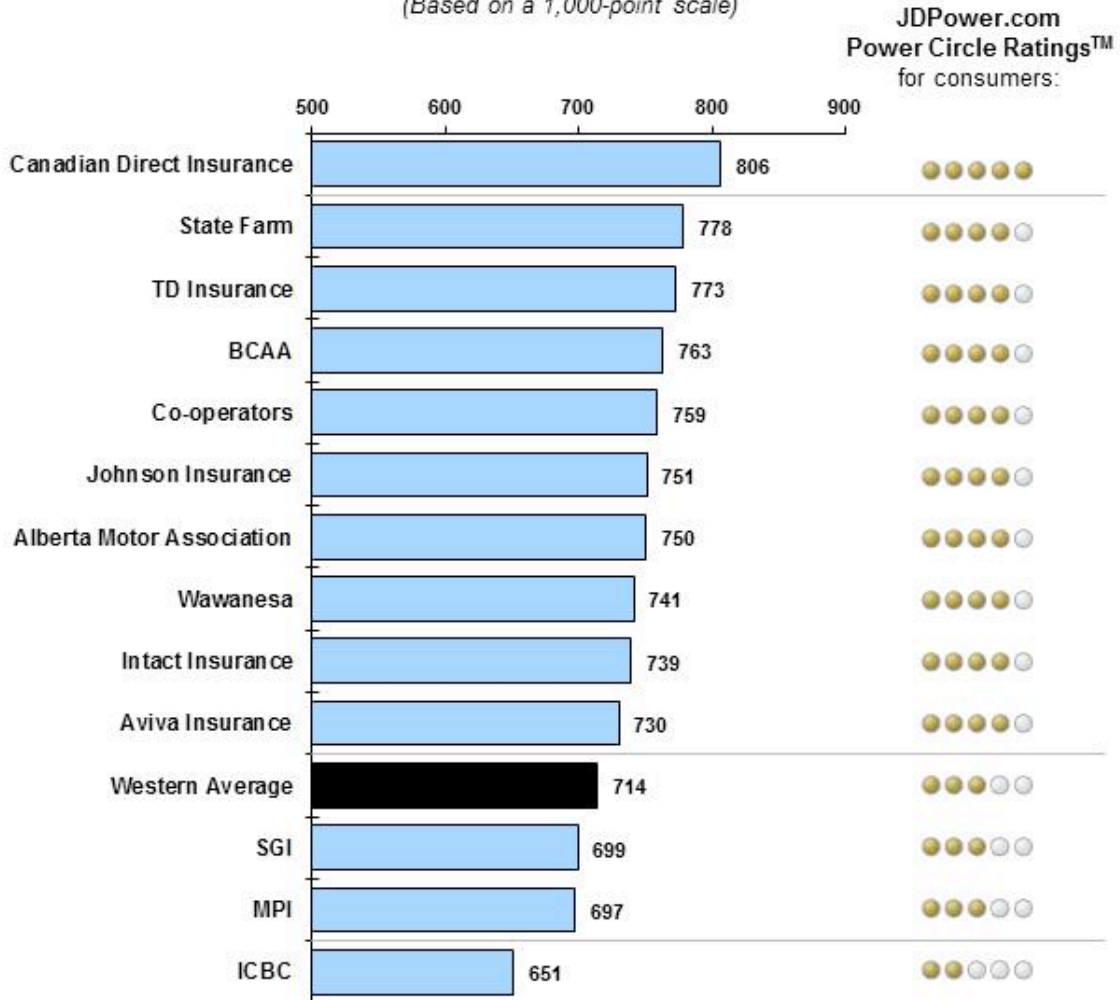
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<sup>1</sup> J.D. Power and Associates defines generational groups as Pre-Boomers (born before 1946); Baby Boomers (born 1946-1964); Generation X (born 1965-1976); and Generation Y (born 1977-1994).

# J.D. Power and Associates 2012 Canadian Auto Insurance Satisfaction Study<sup>SM</sup>

## Customer Satisfaction Index Ranking Western Region

(Based on a 1,000-point scale)



*Included in the study but not ranked due to small sample size is RBC Insurance*

*Source: J.D. Power and Associates 2012 Canadian Auto Insurance Satisfaction Study<sup>SM</sup>*

### Power Circle Ratings Legend

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

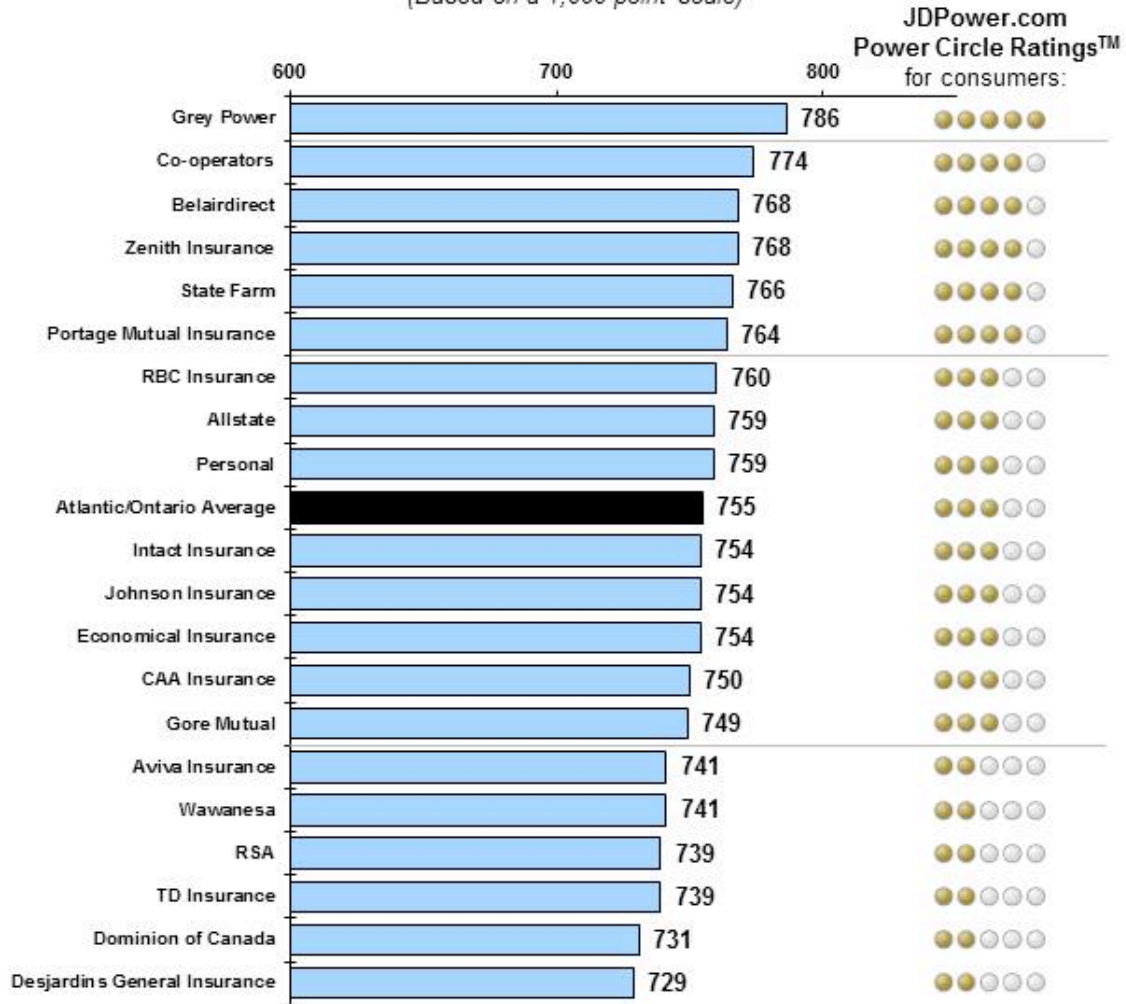
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# J.D. Power and Associates 2012 Canadian Auto Insurance Satisfaction Study<sup>SM</sup>

## Customer Satisfaction Index Ranking

### Atlantic/Ontario Region

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2012 Canadian Auto Insurance Satisfaction Study<sup>SM</sup>

#### Power Circle Ratings Legend

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

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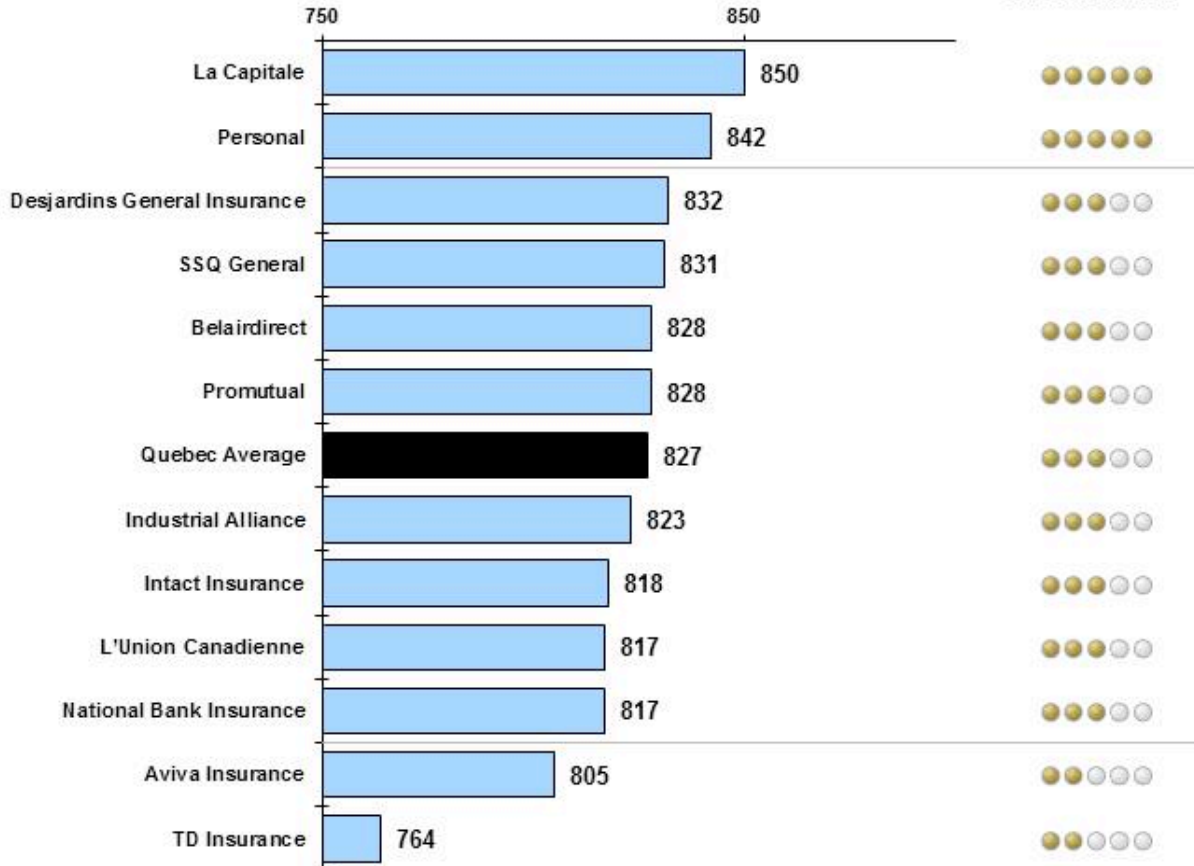
# J.D. Power and Associates 2012 Canadian Auto Insurance Satisfaction Study<sup>SM</sup>

## Customer Satisfaction Index Ranking

### Quebec

(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

Source: J.D. Power and Associates 2012 Canadian Auto Insurance Satisfaction Study<sup>SM</sup>

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