

Discover your *edge*

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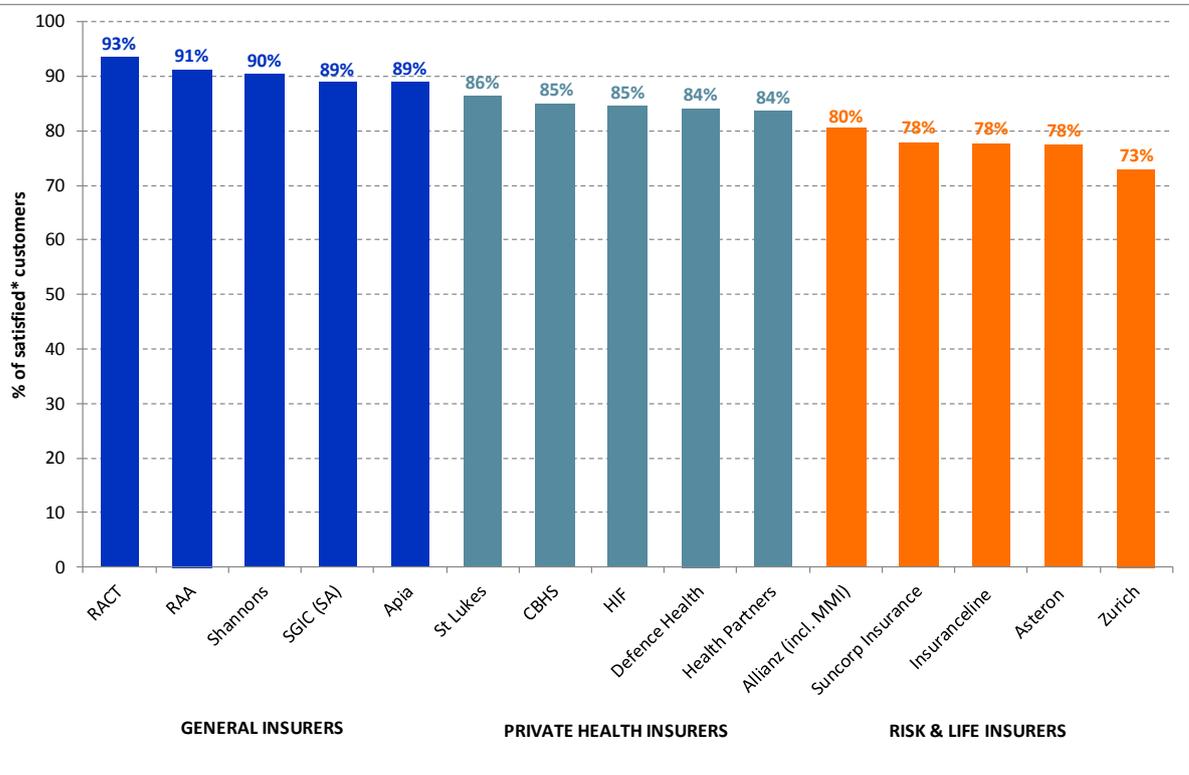
Which insurance companies have got customer satisfaction covered?

As most readers would know, the Roy Morgan Customer Satisfaction Awards pay tribute to those Australian businesses that go the extra mile when it comes to satisfying their customers. But the customer satisfaction stakes are a wide field, and it is always fascinating to see how scores differ between category winners. The three insurance categories – General Insurer, Private Health Insurer and Risk & Life Insurer are a case in point.

As revealed in the overall ‘scale of satisfaction’ that we published recently, Insurers are not among the Customer Satisfaction Award’s highest scoring categories. When measured for their industry-wide satisfaction average over the last 12 months, General Insurers come in at 19th (with an overall average of 81%), Private Health Insurers at 25th (75%), and Risk & Life Insurers at a rather underwhelming 28th (69%).

All of which begs the question: what does an insurance company have to do to satisfy its customers? Outstripping their respective categories’ customer-satisfaction averages, the businesses in the chart below could certainly shed some light on the subject.

Customer satisfaction: insurers, April 2016



Source: Roy Morgan Single Source (Australia), May 2015-April 2016, n=40,415 (General), n= 23,513 (Private Health), n=9,631 (Risk & Life) Base: Australians 14+ *NB: ‘satisfied’ = ‘very satisfied’ or ‘fairly satisfied’

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Since winning General Insurer of the Year in the 2015 Customer Satisfaction Awards, RACT has held onto top spot for the first four months of 2016, satisfying a mighty 93% of its customers in April. This community-minded company may do many things in its mission to 'enhance life in Tasmania' but resting on its laurels is not one of them.

The other General Insurers in this month's top five share more than similarly high customer satisfaction scores. Compared to many contenders in this category, such as the big multinationals or insurers attached to a major bank, these high-scorers are either state-specific or niche in some way. RAA and SGIC are South Australian, while Shannon's began life as an insurance company for car enthusiasts and Apia is for the over-50s.

Setting a high standard in Private Health and Risk & Life

The key to customer satisfaction success for Private Health Insurers is even more clear cut. Scoring well above their category average, the five top-performing Private Health Insurers are not-for-profit members'-owned health funds, which claim to put members' needs above profit. Their excellent satisfaction rates indicate this is not just hollow marketing rhetoric.

After spending most of 2015 in the Top 5, St Lukes Health has occupied top spot for two consecutive months now. Tasmanian-founded, but with nationwide reach, this boutique health fund promises 'every man, woman and child a relationship they can count on to help them stay health, get well and live better'. Its high score suggests that it's fulfilling this promise.

While Risk & Life Insurers traditionally score towards the lower end of the Customer Satisfaction spectrum, the top four companies in April's awards show that it doesn't have to be this way. International insurance behemoth Allianz has been on the up-and-up since July 2015, when it first entered the top five, and has been leading the pack for three consecutive months now. This large, global insurer may not be excelling in the General Insurance category, but it seems to have the Risk & Life category covered. Similarly, second place-getter Suncorp distinguishes itself in this category but falls well short of its General Insurance rivals.

Michele Levine, CEO, Roy Morgan Research, says:

"Since launching the Roy Morgan Customer Satisfaction Awards in 2012, we have been struck by how customer satisfaction varies between categories and industries. Are some industries and categories intrinsically better at satisfying their customers' needs? Or do customers apply different satisfaction criteria in different circumstances?"

"Insurance is a tough industry. Customers have very little face-to-face interaction with their general, private health and risk and life insurers, being primarily limited to less personal call-centre and online communications. Add to this the lack of a physical product being sold, and the fact that insurance claims are not always made in the happiest of circumstances, and the path to satisfaction is not as straightforward as for a retailer, for example."

"However, as we've seen, some insurers are rising above these challenges and proving that retailers don't own the rights to customer satisfaction. By prioritising personal

service, efficient processing of claims and reasonable rates, these businesses are proving that dealing with insurance companies does not have to leave a customer cold.”

For comments or more information about Roy Morgan Research’s Customer Satisfaction data, please contact:

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Related research findings

Visit the Roy Morgan [Customer Satisfaction Awards website](#). This website monitors the ongoing movements in Customer Satisfaction for many businesses across different industries.

About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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