

2010 Company Performance **SURVEY**

Gains in the ratings that agents give their companies highlight the 2010 *PIA Company Performance Survey*. Compared to last year, carriers earn higher performance scores in nearly every area. Highest-scoring companies in the New Hampshire survey appear throughout this report.

PIA surveyed agents in New Hampshire, New York, Connecticut and New Jersey. Nearly 1,000 agents rated about seven companies each. Agents also commented on companies' strengths and improvement needs. Together, their scores and comments provide data for this report.

PIA thanks everyone who took part in this year's successful survey.

Top 10 performers—New Hampshire

Company	Rating
MMG Insurance Co. (30)*	173.3
Concord Group (31)	172.1
Commerce Group (21)	171.6
Mt. Washington (46)	169.1
Vermont Mutual (31)	166.5
NGM/Main Street (21)	163.2
Acadia/W.R. Berkeley (20)	159.4
Andover Cos. (18)	157.9
Peerless-commercial (including Safeco) (33)	156.8
Casco Indemnity (12)	155.7

Ratings are total of company's average scores for all 20 performance items.

Points available for each of 20 items: 10
Total available points: 200

*Number of agents who rated the companies

Best performers on PIA *Benchmark Survey* priorities

These companies score best on 10 performance items of highest importance to agents:

- | | |
|---|--|
| 1. Adjusts claims fairly: Andover Cos., Casco Indemnity | 6. Listens, responds to agents: MMG Insurance Co. |
| 2. Pays promptly: Andover Cos., Mt. Washington | 7. Easy, intuitive technology: MMG Insurance Co., Progressive |
| 3. Clear, honest communication: Concord Group, MMG Insurance Co. | 8. Stable market: Commerce Group |
| 4. Resolves issues quickly: MMG Insurance Co. | 9. Consistent underwriting: Commerce Group |
| 5. Underwriter knowledge, experience: Andover Cos. | 10. Flexible when warranted: Concord Group, MMG Insurance Co. |

Performance scores rise

In 2010, 81 companies (up from 77 last year) were rated by agents in one or more states. Each of 20 performance items is rated on a scale of 1 to 10. The survey yields a maximum possible score of 200.

This year, results include:

- Higher average per-item score (7.5 versus 7.4);
- Higher average total score (150 versus 148); and
- Higher percent of positive comments (55 percent versus 54 percent).

Most performance items showed an uptick in their 2010 average score. **No items showed a decline:**

- Higher average score—17 items; and
- Same average score—three items.

More than half of companies earned better state-specific scores in 2010:

- Higher score—55 percent;
- Lower score—36 percent; and
- Same score—9 percent.

Company strengths, opportunities

Each of the survey's seven broad performance categories get higher average scores this year:

Performance category	Average <i>Company Performance Survey</i> rating (10-point scale)	
	2009	2010
Claims	7.9	8.0
Underwriting	7.7	7.8
Service	7.6	7.7
Treatment of agents	7.4	7.5
Product and pricing	7.2	7.3
Marketing	6.8	7.0
Technology	6.8	6.9

The four top-rated categories all scored average or above-average for the survey as a whole. The other three (product and pricing; marketing; and technology) suggest areas where the typical company may find most room to improve.

Enables Real Time

Company	Average score
NGM/Main Street	8.4
Mt. Washington	8.4
MMG Insurance Co.	8.3
Concord Group	8.2
Safeco-personal (incl. Peerless)	8.2

Competitive compensation

Company	Average score
Acadia/W.R. Berkeley	8.3
Commerce Group	8.3
MMG Insurance Co.	8.3
NGM/Main Street	8.2
Mt. Washington	8.1

Dedicated to agency system

Company	Average score
MMG Insurance Co.	9.1
Vermont Mutual	9.1
Mt. Washington	8.9
NGM/Main Street	8.9
Concord Group	8.9

Company-specific reports give robust data

PIA credits improvements in part to its beefed-up analysis and outreach, initiated in 2009. Besides just numeric scores, PIA member companies saw the following:

- all their agents' comments;
- their unique comment profile analysis;
- how they compare to survey averages; and
- how well they execute on agents' top priorities.

PIA's member agents also can get detailed 2010 reports on companies they represent. (Sample company charts appear on pages 3 and 7 of this report.) Survey data gives agents a sound basis for constructive conversations with company partners.

PIA received compliments on the robust data found in companies' 2009 survey reports. Company-specific charts and graphs fueled discussion around numerous conference tables. Through individualized analysis and dialogue, the true value of PIA's ongoing *Company Performance Survey* project is fully realized.

Goals for the project, now in its fourth year, include:

- **publish industry information** on agent-company trends;
- **provide companies feedback** based on their own agents' responses;
- **offer PIA members information** on their companies' performance; and
- **recognize company excellence** in meeting agents' business needs.

(continued on p. 6)

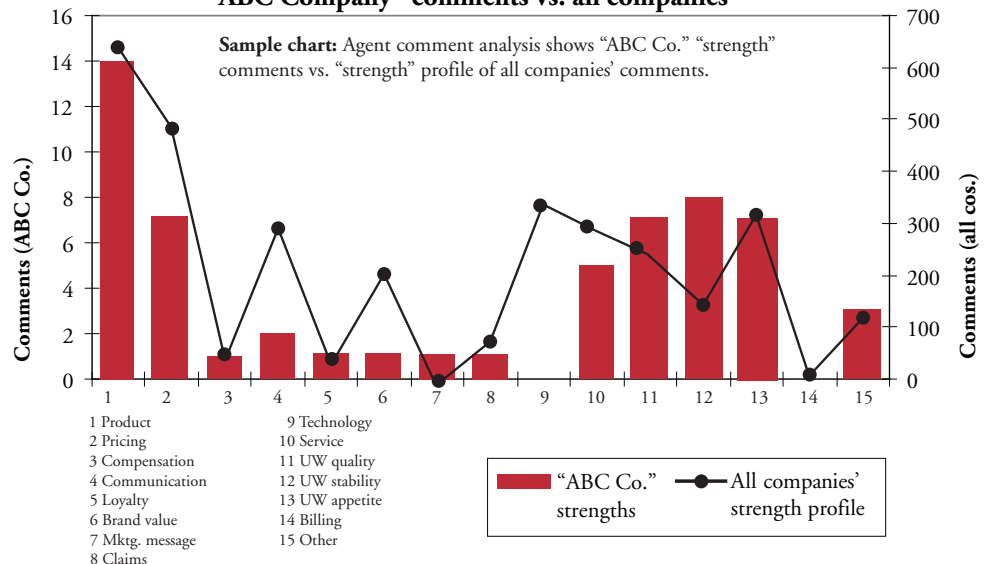
Highly accurate, few errors

Company	Average score
Concord Group	8.9
MMG Insurance Co.	8.8
Vermont Mutual	8.8
Commerce Group	8.7
Mt. Washington	8.6

Customer service oriented

Company	Average score
Concord Group	9.3
MMG Insurance Co.	9.2
Mt. Washington	9.2
Andover Cos.	9.0
Acadia/W.R. Berkeley	8.8

"ABC Company" comments vs. all companies



Biggest gaps between agent priorities, company performance

Performance item	2010 <i>Company Performance</i> Survey average score	"Importance" rank: <i>Benchmark Survey</i> (of 35 items tested)
Listens, responds to agents	7.3 (below survey average)	6
Easy, intuitive technology	7.2 (below survey average)	8
Resolves issues quickly	7.5 (survey average)	3

Easy, intuitive technology

Company	Average score
MMG Insurance Co.	8.8
Progressive	8.8
Mt. Washington	8.4
Vermont Mutual	8.3
The Hartford	8.2

Resolves issues quickly

Company	Average score
MMG Insurance Co.	9.0
Andover Cos.	8.9
Commerce Group	8.9
Concord Group	8.8
Mt. Washington	8.8

Listens, responds to agents

Company	Average score
MMG Insurance Co.	8.8
Concord Group	8.6
Mt. Washington	8.6
Commerce Group	8.5
Acadia/W.R. Berkeley	8.5

Clear, honest communication

Company	Average score
MMG Insurance Co.	8.8
Concord Group	8.8
Vermont Mutual	8.7
Mt. Washington	8.7
Commerce Group	8.6

Companies score best on these top priority items

Performance item	2010 <i>Company Performance Survey</i> average score	"Importance" rank: <i>Benchmark Survey</i> (of 35 items tested)
Underwriter knowledge, experience	8.2	5
Pays claims promptly	8.0	2
Adjusts claims fairly	8.0	1
Consistent underwriting	8.0	7
Stable market	7.9	9

Pays claims promptly

Company	Average score
Andover Cos.	8.8
Mt. Washington	8.8
Casco Indemnity	8.7
MMG Insurance Co.	8.6
Commerce Group	8.6
Concord Group	8.6

Underwriter knowledge, experience

Company	Average score
Andover Cos.	9.4
Commerce Group	9.3
Concord Group	9.2
Acadia/W.R. Berkeley	9.0
MMG Insurance Co.	9.0
NGM/Main Street	9.0
Vermont Mutual	9.0

Adjusts claims fairly

Company	Average score
Andover Cos.	8.8
Casco Indemnity	8.8
Commerce Group	8.7
MMG Insurance Co	8.6
Concord Group	8.6
Mt. Washington	8.6

Stable market

Company	Average score
Commerce Group	9.3
Acadia/W.R. Berkeley	9.1
Concord Group	9.1
MMG Insurance Co.	8.7
Peerless-commercial (including Safeco)	8.7
Vermont Mutual	8.7

Consistent underwriting

Company	Average score
Commerce Group	9.3
MMG Insurance Co.	9.0
Concord Group	9.0
Andover Cos.	9.0
Mt. Washington	8.9

Agents' top priority sees big gain

As part of a research upgrade for 2009, PIA tested 35 potential performance items for their "importance" to agents. Then, PIA heavily publicized results of this *Benchmark Survey*.

Agents' highest priority? **"Adjusts claims fairly."**

In 2010, "Adjusts claims fairly" is one of four performance items where the average company score rose by 0.2 (8.0 in 2010 versus 7.8 in 2009).

Also notching the biggest gains in 2010: **"Customer-service oriented"** (7.8 in 2010 versus 7.6 in 2009) and **"Brand helps sell product"** (6.6 in 2010 versus 6.4 in 2009).

Download—a 2010 success story

"Download works well" also shows one the survey's biggest improvements (to 7.2 in 2010 versus 7.0 in 2009). PIA supports the Real Time and Download Campaign, an all-industry effort spearheaded by AUGIE, providing tools for agents and companies wanting to introduce or improve download and Real Time functions. Better download scores proclaim great news for the campaign and the professional independent agency system.

Agents voice likes, concerns

A major addition to PIA's survey, beginning in 2009, now lets agents name a company's "main strength," plus something they want the

company to improve. After performance-rating the company on 20 separate items, agents voice these responses in their own words. PIA believes their comments reflect **agents' primary likes and concerns about a particular company.**

A company sees a snapshot of its current image by studying how its own "strength" and "improvement" feedback compares to an aggregate profile representing nearly 6,000 responses. Accordingly, PIA analyzes agents' comments by allocating them to one of 15 topic categories. Then, a company-unique profile is graphed against the survey's "typical" comment feedback.

For example, the sample graph on page 3 shows "ABC Company" getting more "strength" comments than the average insurer for "underwriting stability." However, absence of any positive feedback for ABC Company's "Technology" could be a red flag. For more on this year's comments, see the related article in the October issue of *PIA magazine*.

Do companies fulfill agents' biggest needs?

PIA provides another analysis that shows how well a company is doing on the 10 performance items agents value most. Companies' raw performance scores are weighted based on the item's "importance" to agents. The resulting "Benchmark Index" is

Superior coverage

Company	Average score
Hanover Group	8.5
MMG Insurance Co.	8.4
Commerce Group	8.4
Mt. Washington	8.3
Travelers Group	8.3

Competitive pricing

Company	Average score
Hanover Group	8.3
Commerce Group	8.2
Acadia/W.R. Berkeley	8.1
Vermont Mutual	8.1
MMG Insurance Co.	8.0

graphed against the item's "importance" rating, as shown in the sample chart below. Here, "XYZ Company" exceeds agent expectations in all but one top-priority area ("Consistent underwriting").

Use 2010 data to plan for success

All companies included in the *Company Performance Survey* receive their performance-score analysis automatically. PIA member companies also can request their full results, including their comment analysis and Benchmark analysis. PIA believes the autumn provides an ideal time for carriers and their agents to study 2010 survey output and plan for the coming year.

How to get company reports

PIA member companies can request their individual reports by e-mailing jczupryna@pia.org. PIA member agents can get results for the companies they represent by e-mailing resourcecenter@pia.org.

Flexible when warranted

Company	Average score
MMG Insurance Co.	9.0
Concord Group	9.0
Andover Cos.	8.9
Commerce Group	8.6
Acadia/W.R. Berkeley	8.6

Download works well

Company	Average score
Commerce Group	9.4
MetLife Auto & Home	9.0
Andover Cos.	8.8
Mt. Washington	8.7
Concord Group	8.7

How "XYZ Company" performs on agents' highest priorities

■ XYZ Insurance Co.

— Benchmark "importance" ratings

Sample chart: Benchmark Index analysis shows company's *weighted* scores on agents' "Top 10" priorities. (Ideally company scores equal or exceed solid black line)

