

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 York survey appear throughout this report.

PIA surveyed agents in New York, Connecticut, New Jersey and New Hampshire. 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 York

Company	Rating
Kingstone Insurance Co. (61)*	166.6
New York Central Mutual (160)	165.1
Merchants Mutual-commercial (40)	164.4
Sterling (71)	163.0
Preferred Mutual (96)	162.9
Travelers-personal (212)	162.1
Kemper/Unitrin (90)	161.0
Narragansett Bay (18)	159.9
Utica National-personal (79)	159.9
Merchants Mutual-personal (52)	159.4

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:
Fireman's Fund-personal | 6. Listens, responds to agents:
Kingstone Insurance Co. |
| 2. Pays promptly: Chubb-commercial | 7. Easy, intuitive technology: Progressive |
| 3. Clear, honest communication:
Kingstone Insurance Co. | 8. Stable market: Dryden Mutual;
Erie Insurance Group |
| 4. Resolves issues quickly:
Kingstone Insurance Co. | 9. Consistent underwriting: Andover Cos. |
| 5. Underwriter knowledge, experience:
Chubb-commercial | 10. Flexible when warranted: Dryden Mutual |

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.

Competitive compensation

Company	Average score
Associated Mutual	8.6
Andover Cos.	8.4
Security Mutual	8.3
Dryden Mutual	8.3
New York Central Mutual	8.2
NGM Main Street-commercial	8.2
Kingstone Insurance Co.	8.2

Company strengths, opportunities

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

Performance category	Average Company Performance Survey 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
Progressive	8.5
Kemper/Unitrin	8.4
New York Central Mutual	8.3
MetLife Auto & Home	8.3
Travelers-personal	8.3

Dedicated to agency system

Company	Average score
Andover Cos.	8.9
Kingstone Insurance Co.	8.8
New York Central Mutual	8.8
Merchants Mutual-personal	8.8
Merchants Mutual-commercial	8.8
Interboro	8.8

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 eighth year, include:

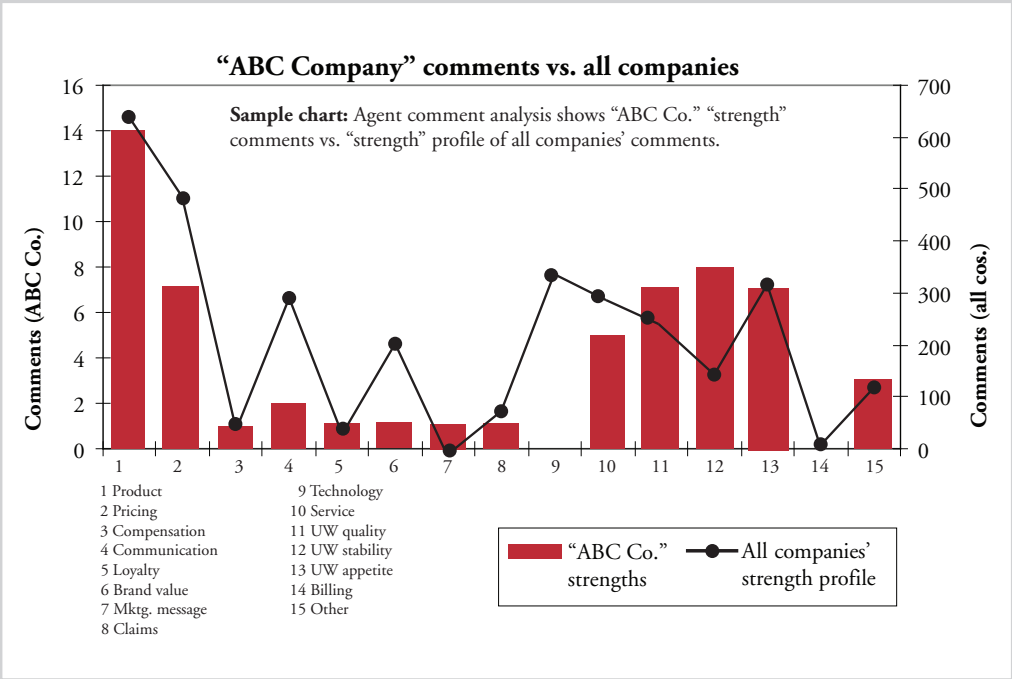
- **publish industry information** on agent-company trends;
- **provide companies feedback** based on their own agents’ responses;
- **offer PIA members information** on their companies’ performance; and
- **recognize company excellence** in meeting agents’ business needs.

Highly accurate, few errors

Company	Average score
Narragansett Bay	8.9
Sterling	8.8
Kingstone Insurance Co.	8.8
Progressive	8.7
Merchants Mutual-personal	8.6

Customer service oriented

Company	Average score
Kingstone Insurance Co.	9.2
Sterling	9.2
Security Mutual	9.0
Progressive	8.8
Preferred Mutual	8.6
Erie Insurance Group	8.6
Dryden Mutual	8.6



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
Progressive	9.0
Sterling	8.4
Merchants Mutual-commercial	8.4
Peerless-commercial (incl. Ohio Casualty & Safeco)	8.2
Safeco-personal (incl. Peerless)	8.2
Travelers-personal	8.2

Resolves issues quickly

Company	Average score
Kingstone Insurance Co.	8.8
Sterling	8.7
Narragansett Bay	8.5
Progressive	8.4
Preferred Mutual	8.4
Dryden Mutual	8.4
New York Central Mutual	8.4

Listens, responds to agents

Company	Average score
Great American	9.3
Kingstone Insurance Co.	8.7
Security Mutual	8.4
Preferred Mutual	8.4
Dryden Mutual	8.4
Sterling	8.4

Clear, honest communication

Company	Average score
Kingstone Insurance Co.	8.9
Security Mutual	8.7
Sterling	8.6
Dryden Mutual	8.6
New York Central Mutual	8.5
Preferred Mutual	8.5

Companies score best on these top priority items

Performance item	2010 <i>Company Performance</i> Survey 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
Chubb-commercial	9.3
Narragansett Bay	9.0
Fireman's Fund-personal	8.9
Erie Insurance Group	8.9
Chubb-personal	8.9
Chartis (AIG) private client	8.9

Underwriter knowledge, experience

Company	Average score
Chubb-commercial	9.2
Andover Cos.	9.1
Kingstone Insurance Co.	9.0
New York Central Mutual	8.8
Security Mutual	8.8
Sterling	8.8
Dryden Mutual	8.8

Adjusts claims fairly

Company	Average score
Fireman's Fund-personal	9.5
Chubb-commercial	9.3
Chubb-personal	9.1
ACE private risk services	9.1
Narragansett Bay	9.0

Stable market

Company	Average score
Dryden Mutual	8.9
Erie Insurance Group	8.9
Andover Cos.	8.8
Security Mutual	8.7
Sterling	8.7
Merchants Mutual-commercial	8.7
Utica First	8.7
Narragansett Bay	8.7
Kingstone Insurance Co.	8.7

Consistent underwriting

Company	Average score
Andover Cos.	9.0
Sterling	8.9
Dryden Mutual	8.9
Kingstone Insurance Co.	8.8
Security Mutual	8.7
Preferred Mutual	8.7

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

Competitive pricing

Company	Average score
Peerless-commercial (incl. Ohio Casualty & Safeco)	8.2
Interboro	8.1
Merchants Mutual-commercial	8.1
Security Mutual	8.0
Travelers-personal	7.9

Superior coverage

Company	Average score
Chubb-personal	9.5
Chartis (AIG) private client	9.2
Chubb-commercial	9.2
ACE private risk services	9.0
Fireman's Fund-personal	8.8

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
Dryden Mutual	8.7
Kingstone Insurance Co.	8.6
Sterling	8.4
Preferred Mutual	8.3
Security Mutual	8.1

Download works well

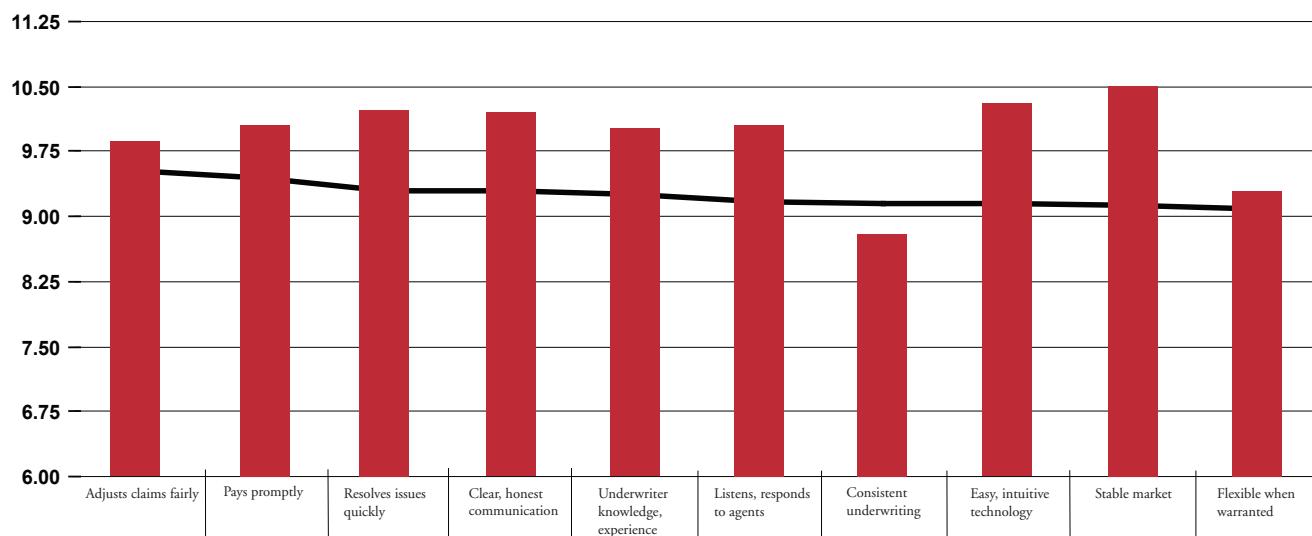
Company	Average score
Travelers-personal	8.7
Progressive	8.7
Merchants Mutual-personal	8.7
Narragansett Bay	8.6
Kemper/Unitrin	8.5
New York Central Mutual	8.5
Safeco-personal (incl. Peerless)	8.5
Utica National-personal	8.5

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)





PIA Company Performance Survey

Strongly DISagree Strongly AGREE

1 2 3 4 5 6 7 8 9 10

For each statement, please fill-in a circle 1 to 10, where 10 means "strongly AGREE" and 1 means "strongly DISAGREE" with the statement as describing this company.



I am: ☐ owner/principal ☐ sales staff ☐ service staff ☐ underwriter staff ☐ information technology staff

	Company A <input type="radio"/> Commercial <input type="radio"/> Personal	Company B <input type="radio"/> Commercial <input type="radio"/> Personal	Company C <input type="radio"/> Commercial <input type="radio"/> Personal
	Write out company name	Write out company name	Write out company name
Products & Pricing			
Competitive pricing	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Superior coverage	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Treatment of agents			
Clear, honest communication	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Listens and responds	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Competitive compensation	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Dedicated to agency system	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Marketing			
Brand helps sell product	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Message supports agents	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Claims			
Adjusts claims fairly	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Pays promptly	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Technology			
Easy, intuitive function	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Download works well	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Enables Real Time	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Service & Processing			
Resolves issues quickly	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Highly accurate, few errors	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Customer service oriented	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Underwriting			
Has knowledge & experience	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Stable market	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Consistent underwriting	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10
Flexible when warranted	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10	1 2 3 4 5 6 7 8 9 10

—Please provide comments on an additional page—

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Brand helps sell product

Company	Average score
Allstate (not Encompass)	8.5
Progressive	8.3
Travelers-personal	8.2
Travelers-commercial	8.2
Chubb-commercial	8.0
MetLife Auto & Home	8.0

Message supports agents

Company	Average score
Kingstone Insurance Co.	8.5
Dryden Mutual	8.4
Andover Cos.	8.3
Erie Insurance Group	8.2
Sterling	8.2