

Satisfaction gap with home, car insurance widens

by AP-News

WESTLAKE VILLAGE, Calif. -Consumers are growing more satisfied with their auto insurance, but not so with their homeowners insurance, a survey by J.D. Powers and Associates shows.

A study comparing two surveys found the gap between satisfaction with homeowners and auto insurance has nearly quadrupled in the past four years.

Consumer surveys by J.D. Powers ranked satisfaction with auto insurance at 787 on a 1,000-point scale, while homeowners insurance measured 752 on the same scale. The rankings were determined from questions examining five areas: policy offerings; price; billing and payment, interaction and claims.

Auto insurance satisfaction has steadily climbed in the past four years, based on the results of earlier studies. In 2004, consumers ranked satisfaction with auto insurance at 762 on the same 1,000-point scale, while homeowners insurance satisfaction has been basically flat since measuring 753 four years ago.

"Considering the significant price increases for homeowners insurance, the negative press the industry generated from the catastrophic storm that struck the Gulf States, and the four storms that ripped through Florida and continue to affect availability, it is surprising that satisfaction scores have not suffered more," a study examining the growing gap said.

Pricing appears to have driven the improvement in auto satisfaction, the study said.

The study also found that satisfaction levels are particularly high among policyholders who buy multiple policies, known as "bundling," from the same insurance provider. Satisfaction averages 782 when policyholders bundle home insurance and auto insurance policies, compared with an average of 689 among policyholders who do not bundle policies.

The 2008 Homeowners Insurance Study is based on responses from more than 12,900 homeowners insurance policyholders. The study was fielded in May and June 2008.

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