

Shifting the language

of auto insurance for successful
families and individuals

CHUBB®

Research and
strategy paper



The research

Every day, successful families and individuals insure their vehicles with standard auto carriers – believing they are getting more than they really are.

We often hear from our agency partners that our shared clients and prospects view auto insurance as a commodity, making it difficult to differentiate premium from standard auto insurance. Clients and prospects are inundated with billions of dollars in advertisements from top auto carriers, which can result in them ignoring or glossing over the potential limits of their standard coverage and the impact it can have on their time and safety.

At Chubb, we believe that dislodging successful families and individuals from their standard auto carriers represents a great growth opportunity – if we can cut through the clutter by understanding and using specific language that resonates with our target market and helps clarify our messaging for the client.

*Through our research,
we found*

over half

*of consumers admit
they don't know much
about the specific details
and coverages of their
auto policies.*





Utilizing research to find the answers

To help us understand how our clients and prospects purchase auto insurance today, we conducted in-person focus groups and a nationwide survey of insurance consumers. Here is what we learned:

- **How prospects feel about their auto insurance**
- **What benefits prospects think they're getting today**
- **What benefits get them thinking about switching to premium auto insurance**
- **How language we're currently using resonates with prospects**

Research methodology

maslansky + partners – a consulting firm that specializes in the effective use of language – partnered with Chubb to develop and test key messages with target prospects through focus groups in major U.S. cities. The initial findings were then validated in a nationwide online survey with 1,000 target prospects.*

The work conducted is based on a simple premise: **It's not what you say that matters; it's what they hear.** Simply put, this unique language and message testing process is designed to help you communicate with clarity and confidence by focusing on how your audience reacts to what you say.

*Please see pg. 13 for a detailed description of the research methodology.

Safety expectations

How do prospects feel about their auto insurance?

These days, consumers are conditioned to be price-sensitive. Even many successful families and individuals see auto insurance as little more than a commodity, often choosing their auto insurer based on who provides their “more important” homeowner’s insurance.

“One-stop-shopping. Home, auto, umbrella, my boat – one stop.”

– Research participant

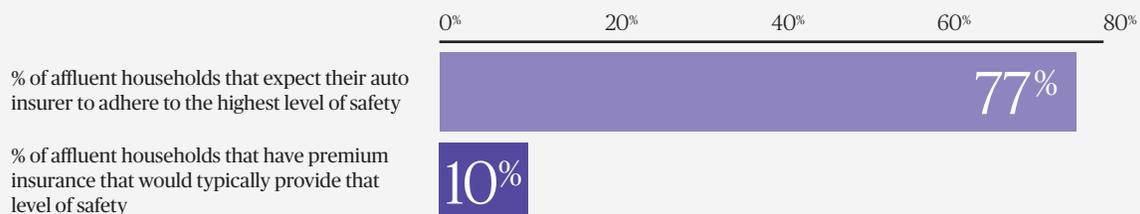
Overall, consumers may even feel a general sense of satisfaction with the auto coverage they have. In our quantitative survey, 85% said they had a “good experience” with their most recent claim. That means we need to find the right benefits to pique their interest in switching – and the right language to highlight the meaningful differences between premium and standard insurance.

They believe their insurer already guarantees a high level of safety.

One of the biggest benefits of premium auto insurance relates to safety. However, prospects don’t understand that some standard carriers might take shortcuts, using aftermarket parts and not Original Equipment Manufacturer (OEM) parts to repair their vehicles. In fact, the majority of successful households believe that, if they experience a claim, their auto insurer (even if it’s a mass market insurer) will pay for their vehicle to be repaired to the highest level of safety.

Because a large percent of our target market already believes they’re getting a high level of safety, leading with it as a benefit may not feel that differentiated. Critically, this means we need to find the right ways to talk about premium auto insurance that aren’t explicitly about safety.

Expectations for level of safety provided by auto carrier





“I assume my insurer uses original parts.”

– Research participant



What benefits do prospects think they're getting today?

While we know that premium insurance provides many benefits that are better than those offered by standard auto insurance carriers, our prospects don't see many of those benefits as differentiated. Unless they've had multiple, complicated claims experiences, most don't have a lot of industry knowledge. Real or imagined – they think they already have what we're offering.

For example, when we emphasize that we don't dictate which auto shop they have to use and offer worldwide auto liability coverage, our prospects believe they're already getting those benefits, whether it's through their current standard auto carrier or benefits associated with a credit card.

"I've never had insurance tell me where to go. I've always gone to whatever shop I've wanted."
– Research participant

"I feel like in the last decade, travel credit cards, like Amex, always say you're covered already [for worldwide auto liability coverage]."
– Research participant

Other benefits seem too “premium” and make them skeptical.

Because our target audience can be more price-conscious when it comes to auto insurance, we also have to be careful about sounding too premium or leading with benefits they feel they aren't likely to need. In those cases, prospects believe premium auto insurance will be more expensive than it's worth.

Some benefits, such as up to \$10 million in liability coverage bring out the skeptic in some prospects.

Others, like pet injury coverage and child safety seat replacement, resonate with a very small segment of our target audience and tend to create more questions and distrust than perceived value.

"I can't imagine an accident where I need to pay 10 million dollars."
– Research participant

"I don't want to pay very much for [pet coverage] because I very rarely have my pets in the car."
– Research participant

"I just think [car seat replacement after a minor accident is] using the kid card – I would rather have a cheaper policy."
– Research participant



When we say

They hear

To repair your car the way it's meant to be repaired, back to the manufacturer's safety standards, we never use anything other than original parts.

It's uncomfortable to think that all along I wasn't getting original parts.

Our Auto Technical Specialists hold the highest level of certification with I-CAR, an international organization dedicated to safe and quality auto repairs.

What is an Auto Technical Specialist?
What is I-CAR and how does that benefit me?

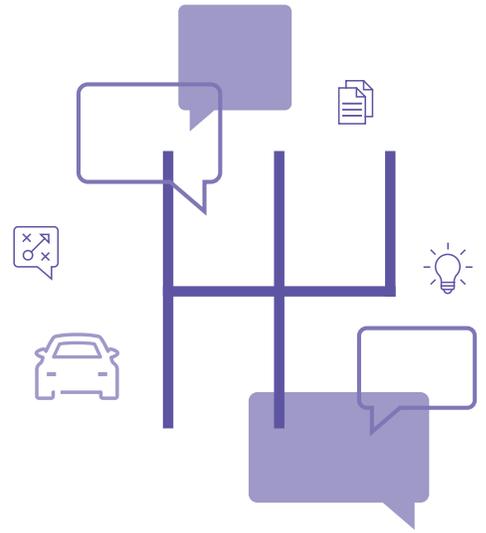
With optional Agreed Value coverage, you agree to the value of your car when the policy is written.

Who agrees? Does this mean more negotiations and more time during every renewal conversation?

How to shift the language

What benefits make prospects consider switching to premium auto insurance?

Some of the benefits we know our agents and brokers lean into are things that prospects want – but there are important shifts in the language we use to describe them.



Shift the initial focus from safety to pre-claim condition

While 66% of survey respondents said that Original Equipment Manufacturer (OEM) parts would make them most likely to choose auto insurance from Chubb, we need to be careful about the context in which we talk about OEM parts. Relating OEM parts solely to safety falls short because prospects see this as nothing special, or worse, scare tactics. When we explicitly say we insist on Original Equipment Manufacturer (OEM) parts because they're safer than the aftermarket parts that other insurers may use, we risk offending our prospects and the decisions they've made. Instead, we can make OEM parts more about restoration and getting the car back to pre-claim condition, which gives a nod to safety.

The same shift resonates when talking about Chubb's Auto Technical Specialists. Speaking to the team's expertise in both style and safety brings this benefit to life in a way that feels different and valuable. And, because prospects are often confused about what an Auto Technical Specialist does and what value they bring, we've changed the name to **Collision Repair Expert**.

“They focus on the whole car, not just what they fixed... that feels different.”

– Research participant



Shift from agreed to guaranteed

Our target audience is also confused about benefits that should be a home run, like Agreed Value coverage. Since these benefits aren't intuitive, we need to use the right language to help prospects understand even the basics of what we're trying to offer. When you have the opportunity to explain this feature and how it works, prospects find it compelling. But at first glance, "Agreed Value" prompts many questions and lots of skepticism – not enthusiasm. Prospects often question who is actually agreeing, and if this means more time going back and forth during every renewal conversation.

"That's confusing... how do I know what's the right value and if I'm getting ripped off?"

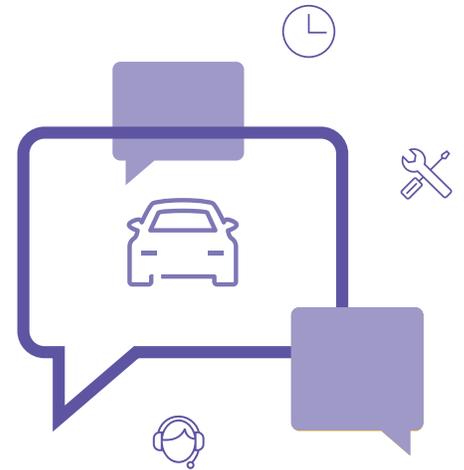
– Research participant

"Does that mean you go back and forth on the value?"

– Research participant

That's why we need a signal to instantly convey the benefit – with clear language. Describing this coverage as "guaranteed" significantly increases interest with our target market.

Premium coverage for the everyday



Address common, everyday pain points clients experience today with their standard auto insurance to help them see why premium coverage is worth it.

Many of our prospects expressed frustration about the time and energy it took to get their car fixed after an accident. And while the safety aspect of premium insurance is important to them, the experience of it – how we respect their time and our commitment to making their experience as seamless as possible – is what stands out most.

When we say, “You can expect a seamless experience, so your day-to-day can go on like nothing ever happened,” we get reactions like these:

“I’m about time saving. Time is money.”

– Research participant

We can also raise the bar by emphasizing the extent of our availability. While prospects feel many insurers respond to auto claims relatively quickly, offering support on a global scale around the clock subtly depositions their current experience while reinforcing how we’re there to serve them.

Another pain point for prospects is their rental car experience. By delivering a rental that meets their needs and lifestyle – and not imposing daily limits in the process – we provide a benefit that they understand their current standard carrier may not.

When we say, “If you need a temporary car while yours is being fixed, there is no per-day limit on your rental car, up to \$15,000 total,” and “At Chubb, we don’t believe in forcing you to drive a sedan when you own an SUV,” we hear:

“I like [that] ... my policy has a cap.”

– Research participant

“That’s important to me. I need a comparable vehicle.”

– Research participant



*“Time is something
that everyone can put
a value on.”*

– Research participant

The new Chubb language

We recognize that, to our prospects, time is money. So, at Chubb, we go out of our way to help clients save time and make it easier for them to get back to their everyday lives.

You can expect a seamless experience...



OEM parts

In the event of a covered accident, Chubb always pays for Original Equipment Manufacturer parts to restore your car to a similar look, feel, and function as before.



Agreed Value coverage

And when you're a Chubb client, you can choose to purchase coverage where the value of your car is determined and guaranteed before a covered loss.

That means if your car is damaged beyond repair or stolen, you get a check for that amount, regardless of age or mileage, within the policy period.



Collision Repair Experts

Our team of Collision Repair Experts who oversee your repairs are uniquely trained to pay the highest attention to style and safety.

Whether it's making sure your backup camera works properly after damage to a bumper or checking the exact paint color on a damaged door, their focus is getting your car back to pre-claim condition.

...so your day-to-day can go on like nothing ever happened.



Rental car coverage

If you need a temporary car while yours is being fixed after an accident, there is no per-day limit on your rental car, up to \$15,000 total. At Chubb, we don't believe in forcing you to drive a sedan when you own an SUV.



Global, "always-on" presence

Our claims teams in 54 countries are here to assist you at home and abroad—24/7, 365 days a year.

Research methodology continued

Phase 1

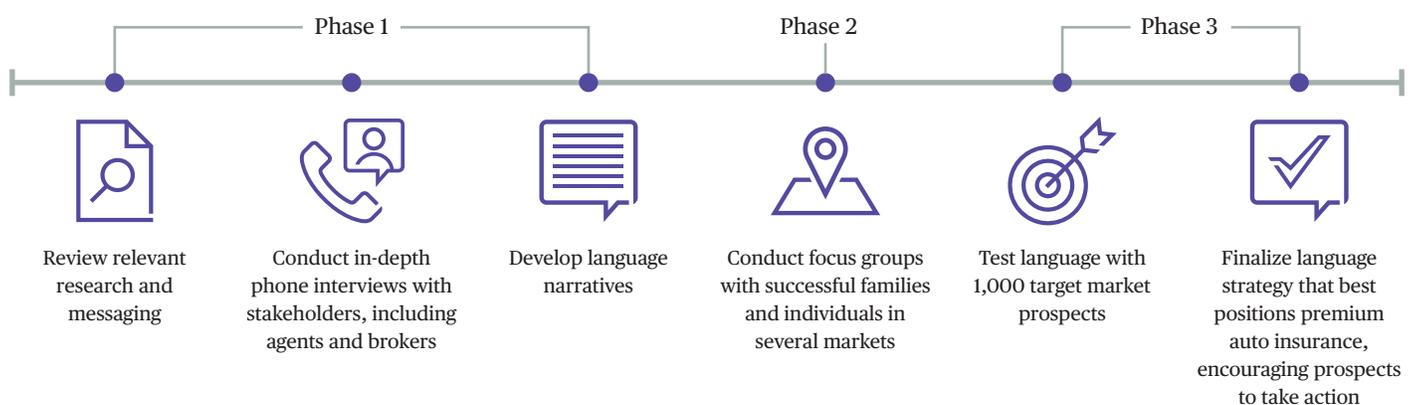
The work with **maslansky + partners** began with significant input from key internal stakeholders and several independent agents who sell Chubb insurance, leading to the development of a broad range of approaches for how to articulate the benefits of Chubb auto in a clear and straightforward way.

Phase 2

maslansky + partners conducted four focus groups in major U.S. cities with auto prospects in October 2019. During each session, prospects reacted to the messages with Instant Response dial technology on a moment-to-moment basis. As they heard messages being played on a TV, they used a dial with a rating of 0-100 to continuously rate each message based on their gut feelings. Then, group discussion teased out the reasoning behind their reactions and helped us understand why they reacted the way they did to particular words, phrases, and ideas. This discussion helped to sift through the benefits and coverages that resonated most, as well as ones that were more challenging. Participants also filled out written exercises asking them to compare messages and choose language that most resonated with them.

Phase 3

Following the focus groups, **maslansky + partners** took the dial reactions, discussion, and written exercises to create optimized versions of Chubb auto benefits that were tested further in a quantitative survey. The survey was conducted in November 2019 with 1,000 prospects with a home value of \$1mm or more. (MoE 3.00% at 95% confidence). Qualitative and quantitative results were both considered to inform this paper.



Learn more

For additional resources and more information to help grow your business with successful families and individuals, contact your local Chubb relationship manager or visit

chubb.com/theshift

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