



J.D. POWER

HERO Think Tank: Customer Satisfaction Overview

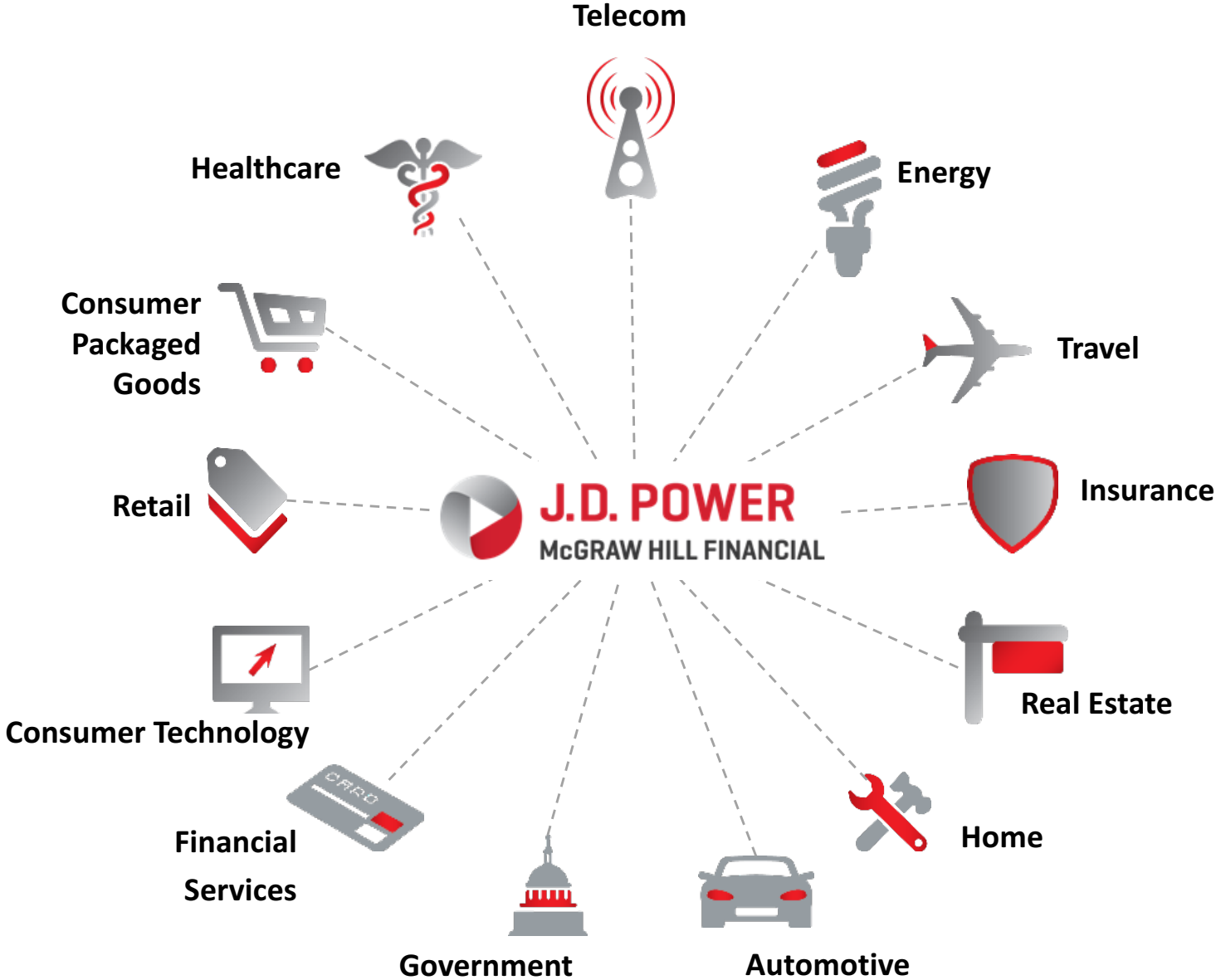
February 23, 2017

Introduction to J.D. Power

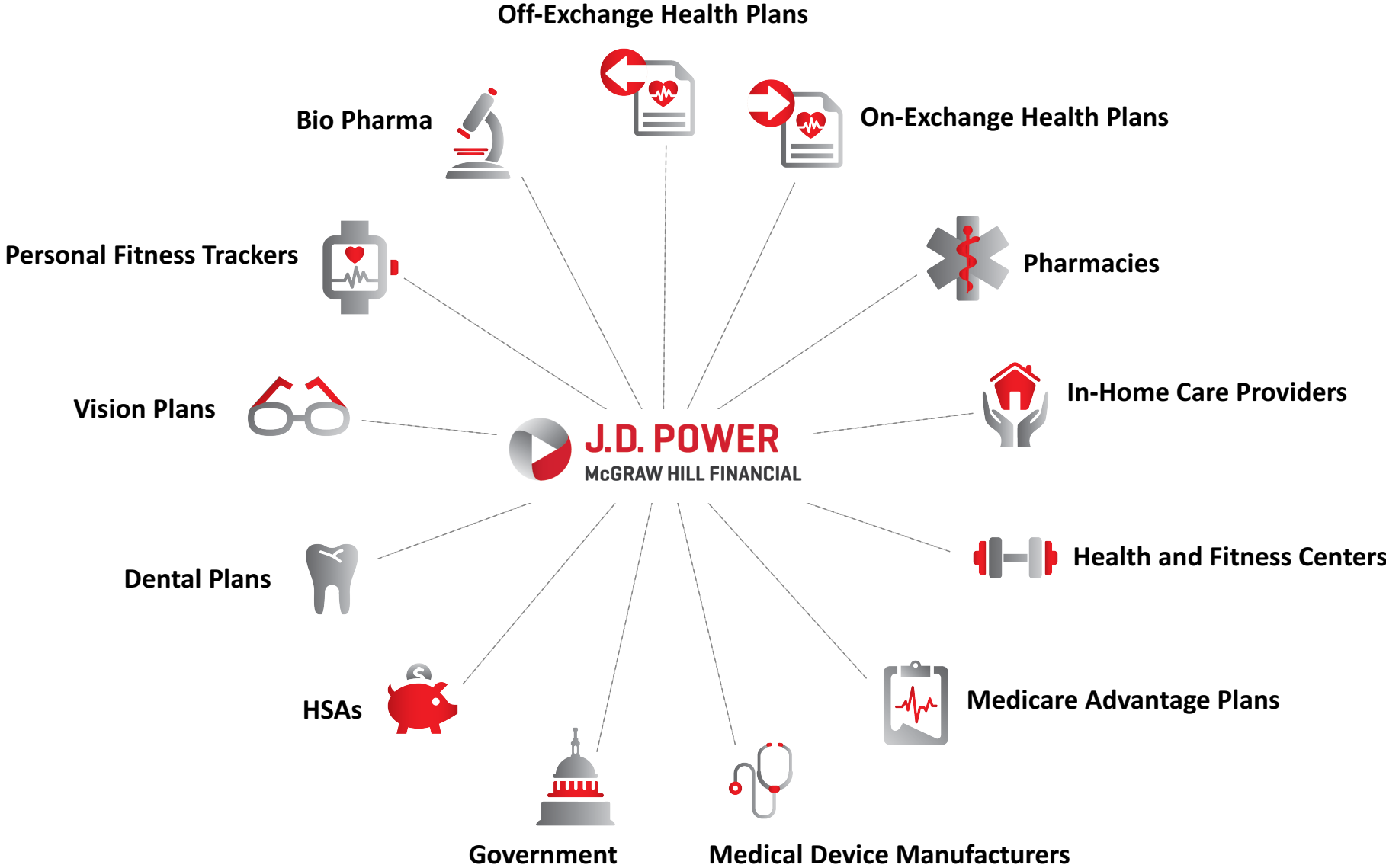


J.D. Power is the trusted source for recognizing top-performing products and brands, and helping clients drive results.

- Eight out of 10 consumers recognize the J.D. Power Brand
 - Viewed as trusted, independent and impactful
 - Consumers are more likely to consider a brand recognized by J.D. Power
- J.D. Power captures the voice of millions of consumers annually
- Insights are used by insurance companies worldwide to improve quality, satisfaction, and business performance



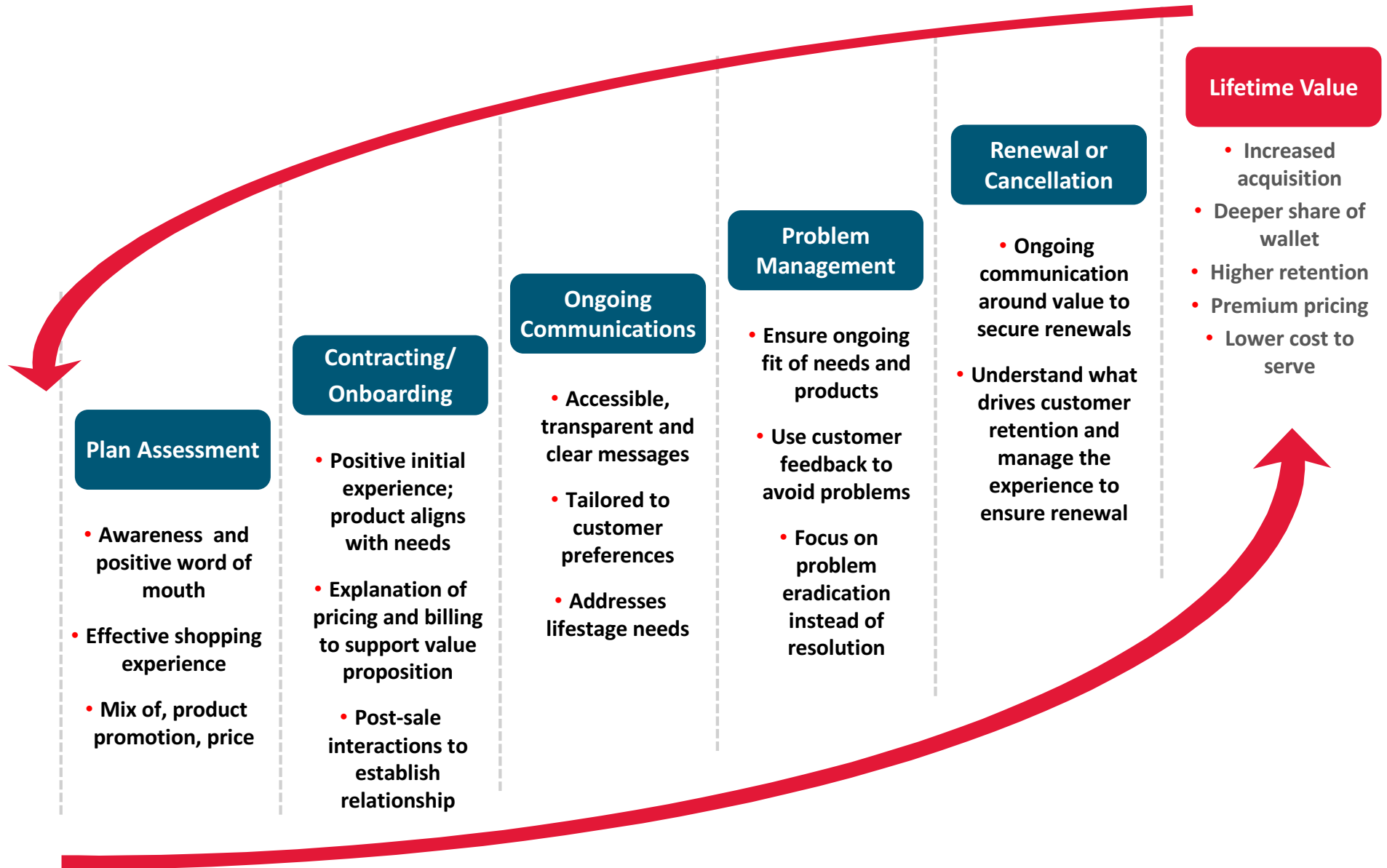
Healthcare Sub-Industry Insights & Perspectives



Our Approach to Customer Satisfaction Research

Key Success Factors in Customer Lifecycle

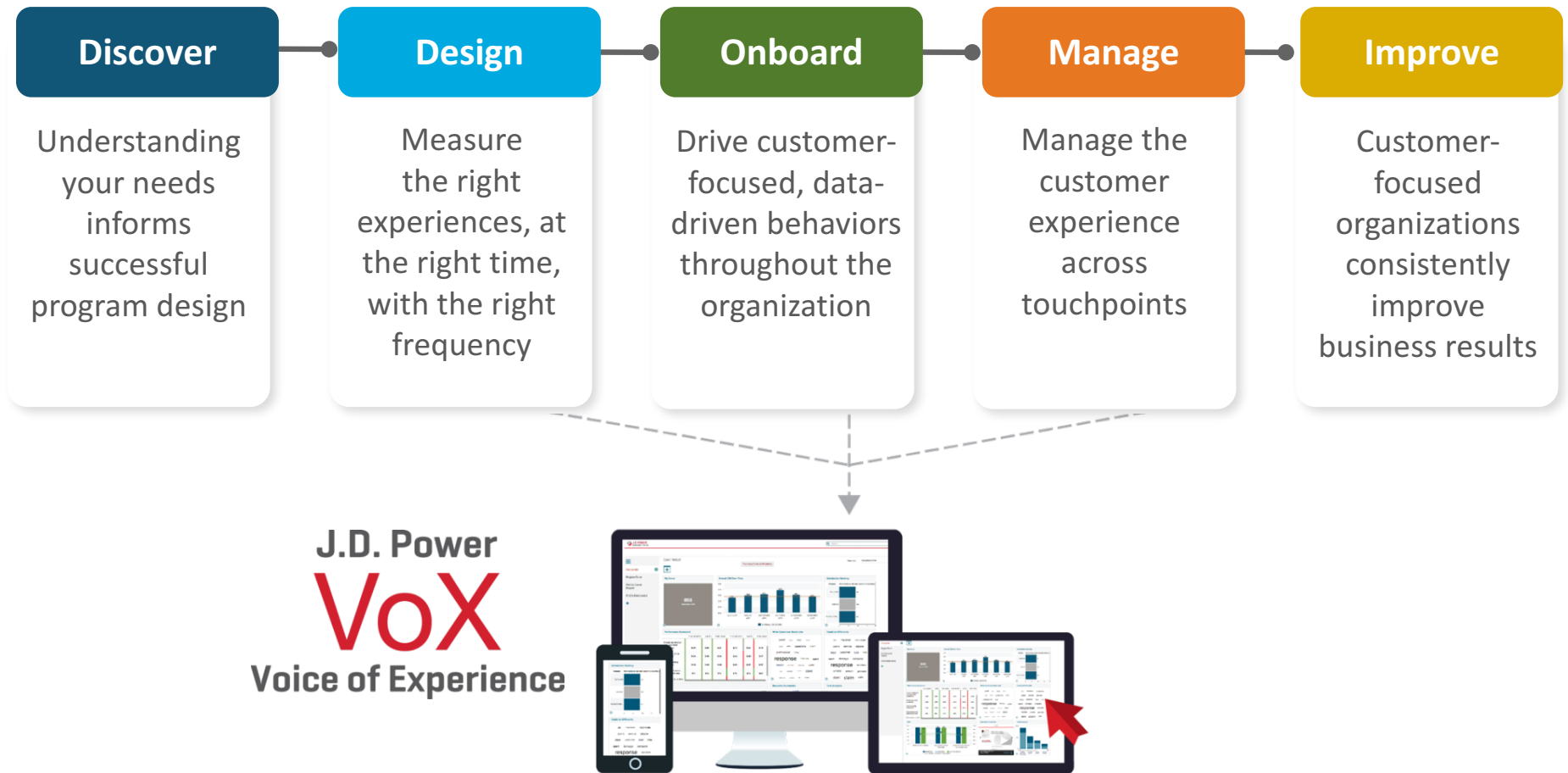
J.D. POWER



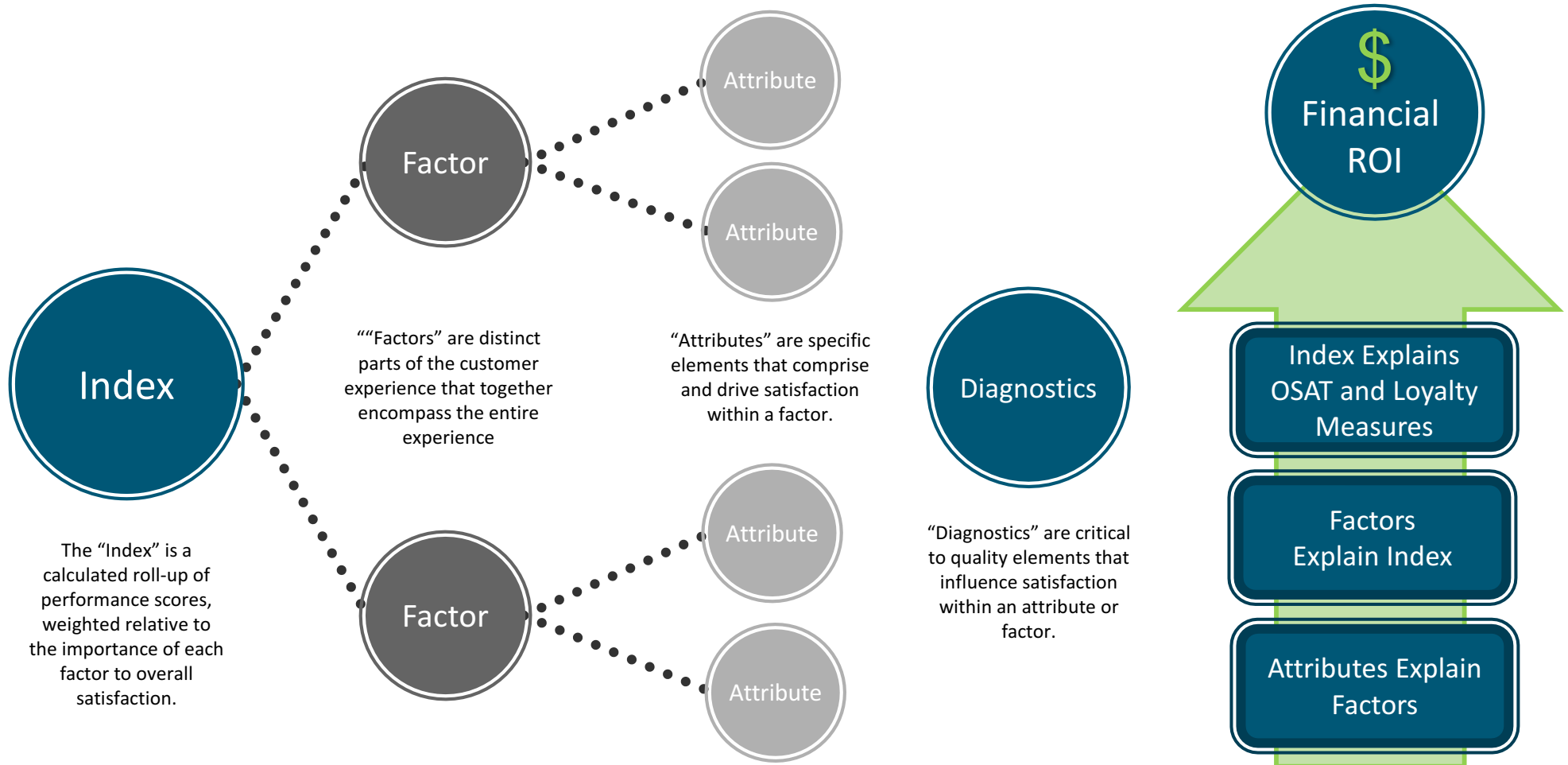
Customer Experience Workflow Solutions

J.D. POWER

- Structured process and advanced technology platform to measure and manage the customer experience across the all touchpoints in the customer journey.

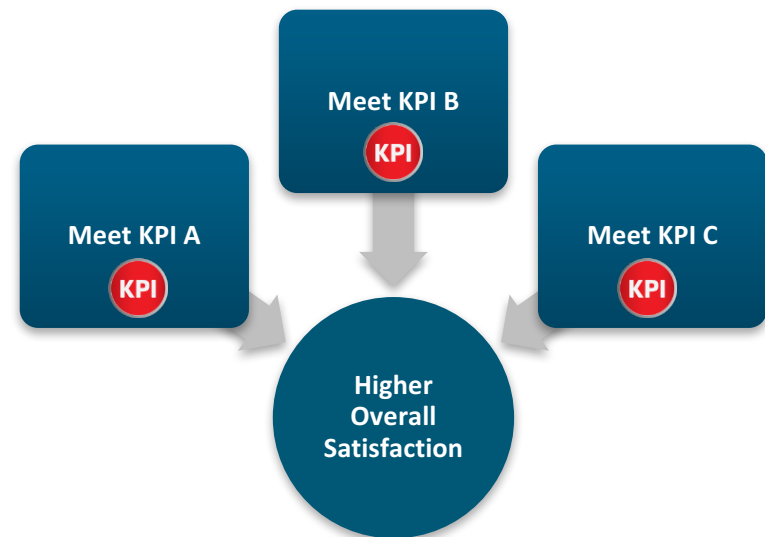


Satisfaction Index Model



Key Performance Indicators (KPIs)

- Key Performance Indicators (KPIs) are individual diagnostic items that have the most significant relationship with a customer's overall experience.
- The KPI break point is the specific point at which overall satisfaction significantly improves, and indicates a best practice.
- Thus, meeting KPIs may drive higher levels of overall satisfaction, while missing KPIs may drive lower levels of overall satisfaction.
- KPIs are dynamic and may change from year to year.

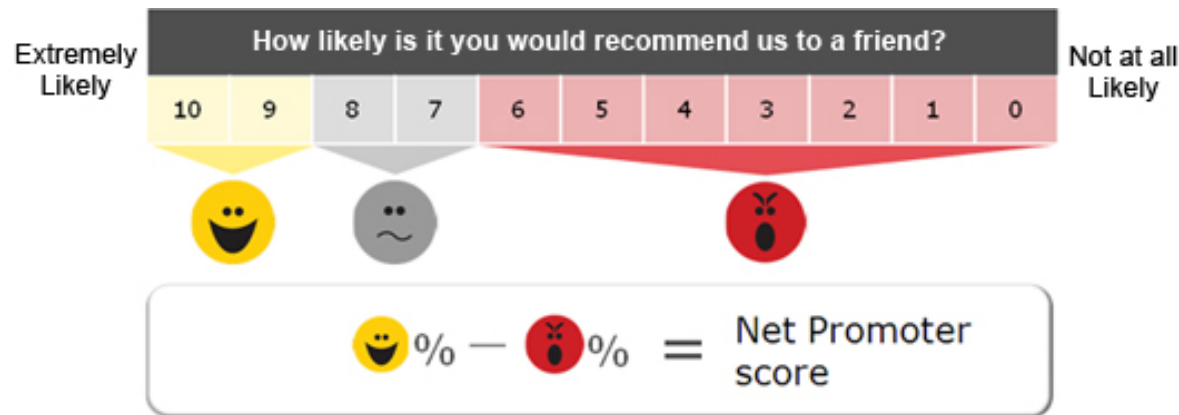


Net Promoter Score (NPS) Approach to Customer Satisfaction Research

What is NPS®?

Net Promoter Score® or NPS is a popular measure of customer loyalty that is used across several industries for benchmarking and improving an important aspect of customer experience management. NPS was developed by Bain & Company.

NPS is calculated using the answer to the question, using a 0-10 scale: **How likely is it that you would recommend [brand] to a friend or colleague?**



Respondents are grouped as follows:

- Promoters (score 9-10) are loyal enthusiasts who will keep buying and refer others, fueling growth.
- Passives (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings.
- Detractors (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth.

Subtracting the percentage of Detractors from the percentage of Promoters yields the Net Promoter Score, which can range from a low of -100 (if every customer is a Detractor) to a high of 100 (if every customer is a Promoter).

The NPS question is accompanied by a second question – **“What is the reason for your score?”** – that provides insight into the drivers of the Net Promoter Score.

DIFFERENTIATED VALUE – CUSTOMER EXPERIENCE NPS is highly correlated to economic outcomes

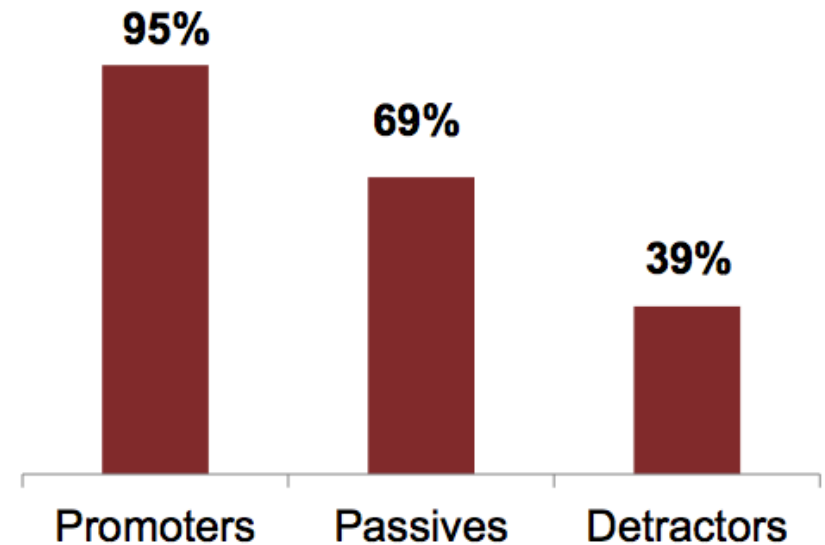


Share of Agency New WP

Rank	NPS	Share of New WP
1	76%	51%
2	34%	24%
3	7%	13%

Source: The Hartford 2015 Competitive Net Promoter Score Research

Customer Likelihood to Renew



Rating: 9 -10 7-8 0-6

Based on self-reported data from October 2014 Annual NPS survey
% indicating a 9 or 10 on Likelihood of renewing scale.
Q6) Given your overall experience, how likely are you to renew your Business Owners Policy with The Hartford the next time it comes up for renewal?

Source: The Hartford Investor Day Presentation 2015



J.D. POWER

Contact Information

Rick Johnson

Practice Lead, Government and Healthcare

Phone: 202-487-1166

Email: Rick.Johnson@jdpa.com