

JOEL SHAPIRO

Instructions for Case: “Allstate, Advisor Pro, and the High Stakes of Interpreting Ambiguous Data”

1. **READ THE CASE.** Please read the case “Allstate, Advisor Pro, and the High Stakes of Interpreting Ambiguous Data.”
2. **REVIEW THE DATA.** Once you have read the case, review the data provided in the Excel spreadsheet. It shows the weekly number of insurance policy applications received by agents in each of the 9 states where Advisor Pro was implemented. You can think of “applications” as a proxy for sales, since all insurance policy sales require that an application be completed.

Please note the following about the data:

- a. Arizona, Virginia, and Kansas went live with Advisor Pro in week 36. Therefore, week 37 shows the number of applications received in the first full week using Advisor Pro. Arkansas, Colorado, and Missouri went live in week 38. Oklahoma, Tennessee, and Utah went live in week 39.
- b. “Baseline” represents the average number of applications received in the 12 weeks prior to that state going live with Advisor Pro.
 - i. For instance, the average number of applications received by agents in Arizona for the 12 weeks prior to going live was 6.56. In week 37, the first week that Arizona used Advisor Pro, that number was 6.00. In week 38, that increased to 6.18, and so on.
 - ii. In Arkansas, the average for the 12 weeks prior to going live was 5.76. In week 39, the first week that Arkansas used Advisor Pro, that number was 5.88. In week 40, that decreased to 5.60, and so on.
- c. “Control Baseline” represents the average number of applications received by agents in the 13 control groups states in the 12 weeks prior to the given state going live with Advisor Pro.
 - i. For instance, in the 12 weeks prior to Arizona, Virginia, and Kansas going live, agents in the control states averaged 6.03

applications / week.

- ii. In the 12 weeks prior to Arkansas, Colorado, and Missouri going live, agents in the control states average 5.93 applications / week.

3. **ANSWER THESE QUESTIONS.** Please come to class prepared to discuss the following and to show your work to the class, if asked:

Question 1. Why was measuring the effectiveness of Advisor Pro so important to Sands and to Allstate?

Question 2. Why do you think Sands didn't run a true randomized experiment?

Question 3. Do you think that Sands' method of evaluating the effectiveness of Advisor Pro is appropriate? What is good / bad about it? If you were in Sands' position, would you have approached this differently? How?

Question 4. Create a graphic that you think accurately measures and conveys Advisor Pro's effectiveness over the time provided in the data. You can do this for a single state (e.g., one graphic just for Arizona) or an aggregation of multiple states.

Question 5. Imagine that you are Don Sands and the week 37 data has just come in. How are you feeling about Advisor Pro? How about when the week 38 data comes in? Are there key inflection or other notable points in time in the data provided to you?

Question 6. Consider the data in its entirety – what should Sands do? Should he continue with Advisor Pro or stop it? Are there other key decisions that you think are evidenced by these data?