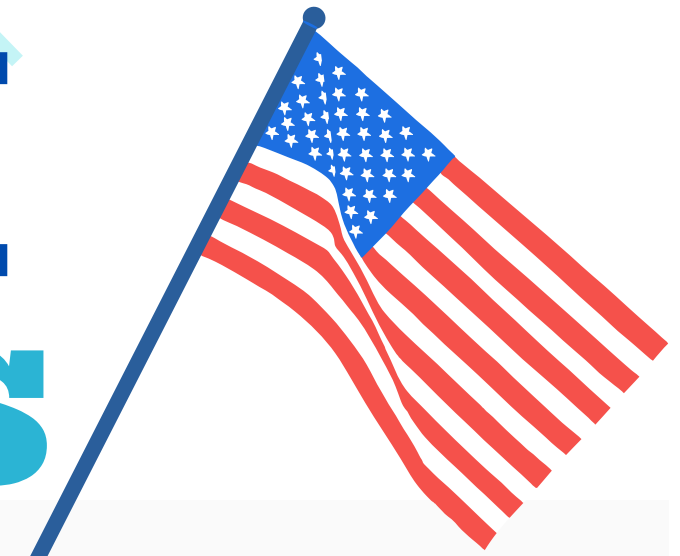


AUTOMOBILE INSURANCE COMPLAINTS



By : Leju Monachan

ABOUT DATASET

The DFS ranks automobile insurance companies doing business in New York State based on the number of consumer complaints upheld against them as a percentage of their total business over a two-year period. Complaints typically involve issues like delays in the payment of no-fault claims and nonrenewal of policies. Insurers with the fewest upheld complaints per million dollars of premiums appear at the top of the list. Those with the highest complaint ratios are ranked at the bottom.



TABLE OF CONTENT

NAIC - National Association of Insurance Commissioners ID Number

Company Name - Insurance Company Name

Ratio - Complaint Ratio is the quotient of the number of upheld complaints divided by the average of a company's current and prior year premiums written directly in NYS

Upheld Complaints - Number of "upheld" complaint cases

Question of Fact Complaints - Number of "questions of fact" cases
Not Upheld Complaints - Number of "not upheld or withdrawn" cases

Total Complaints - Sum of “Upheld Complains”, “Question of Facts Complaints”, and “Not Upheld Complaints”.

Premiums Written (in Millions) - Average of a company's current and prior year premiums written directly in NYS. (In Millions of Dollars)

Rank - Number corresponding to a company's location on the report listing

Filing Year - Represents the year in which the complaint filing was closed

TASK

Complaint diagnostic report:

- ▶ Analyse how often different types of complaints occur.
- ▶ The trends of complaints over the years
- ▶ You can suggest a company that you consider improving

Progress of Premiums over a few years' period and any causes:

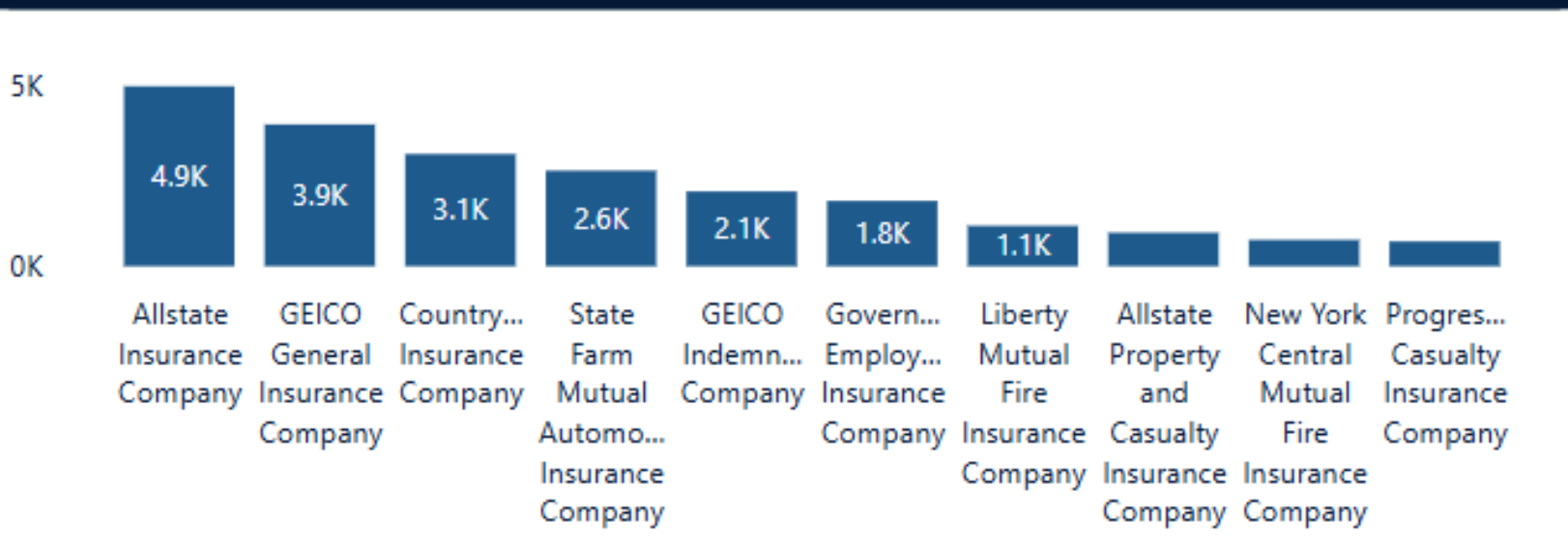
- ▶ Plot premium amounts year-by-year to visualize the overall trend.
- ▶ Investigate potential causes behind fluctuations in premiums. These factors could include changes in claims frequency, regulatory changes, economic conditions, or shifts in the insurance market.
- ▶ Try to provide insights into future premium trends based on historical data and identified factors.

Dashboard

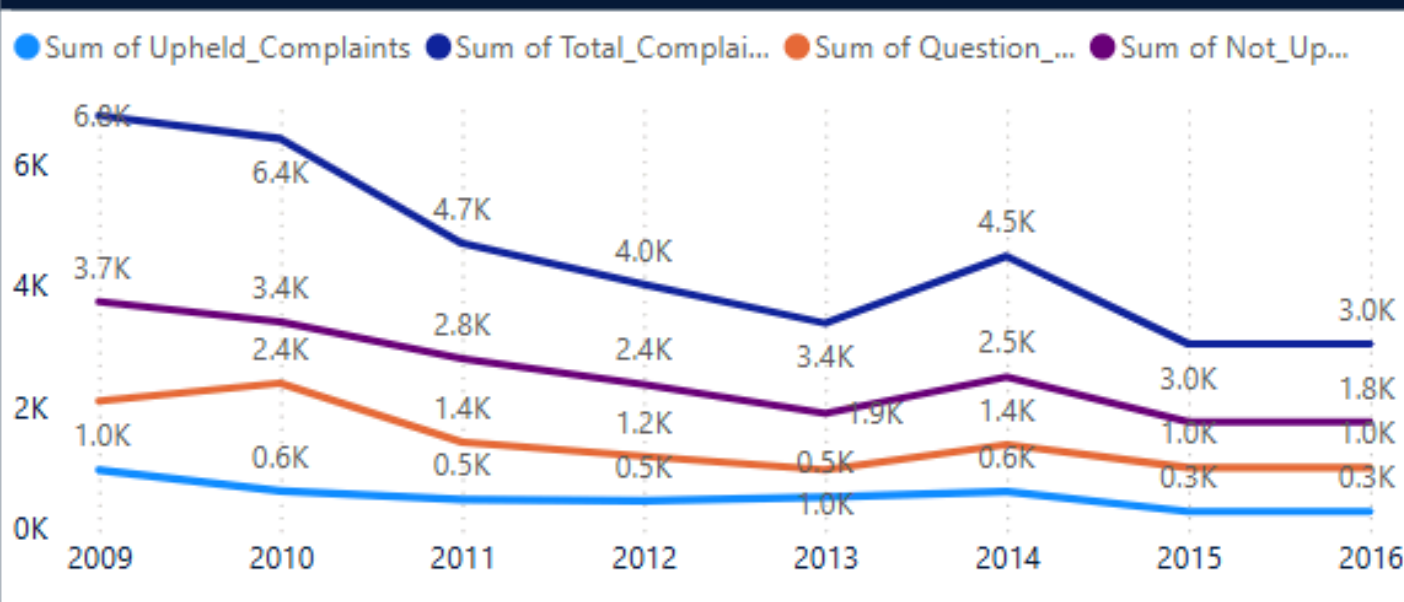
Automobile Insurance Complaints

All

Total Complaints Company



Complaints Through out the years



Sum of Premiums_Written by Filing_Year



Max - Wise Premium Company



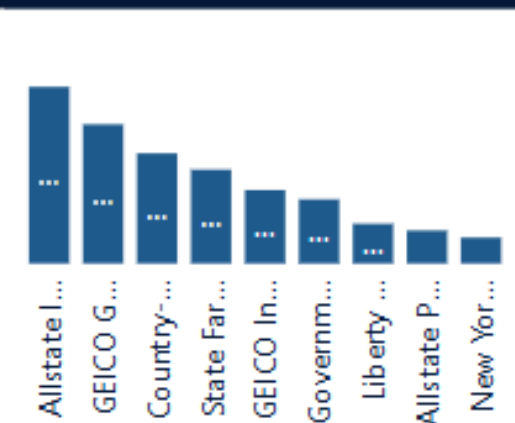
Dashboard with Five companies

All

Total Complaints Year wise



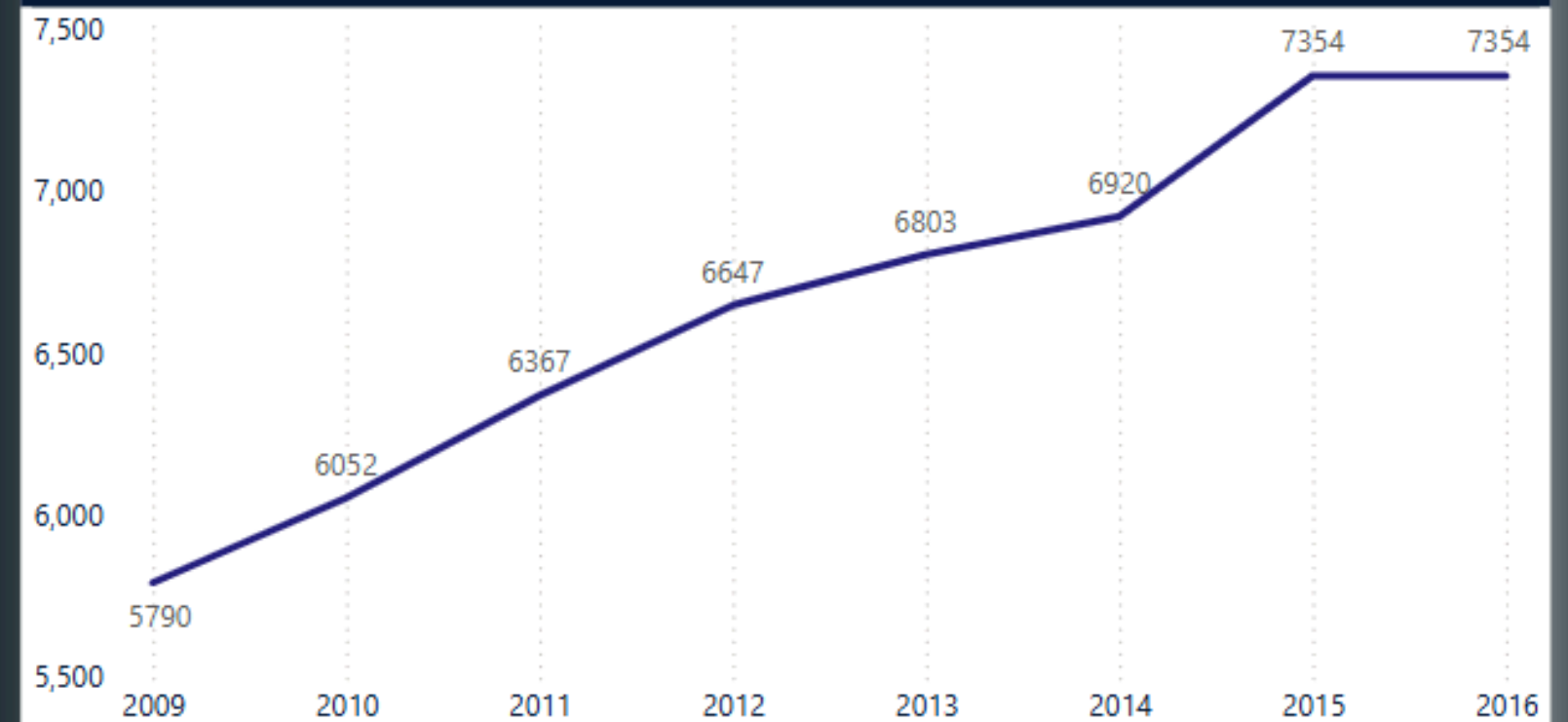
Total Complaints Companies



Company_Name

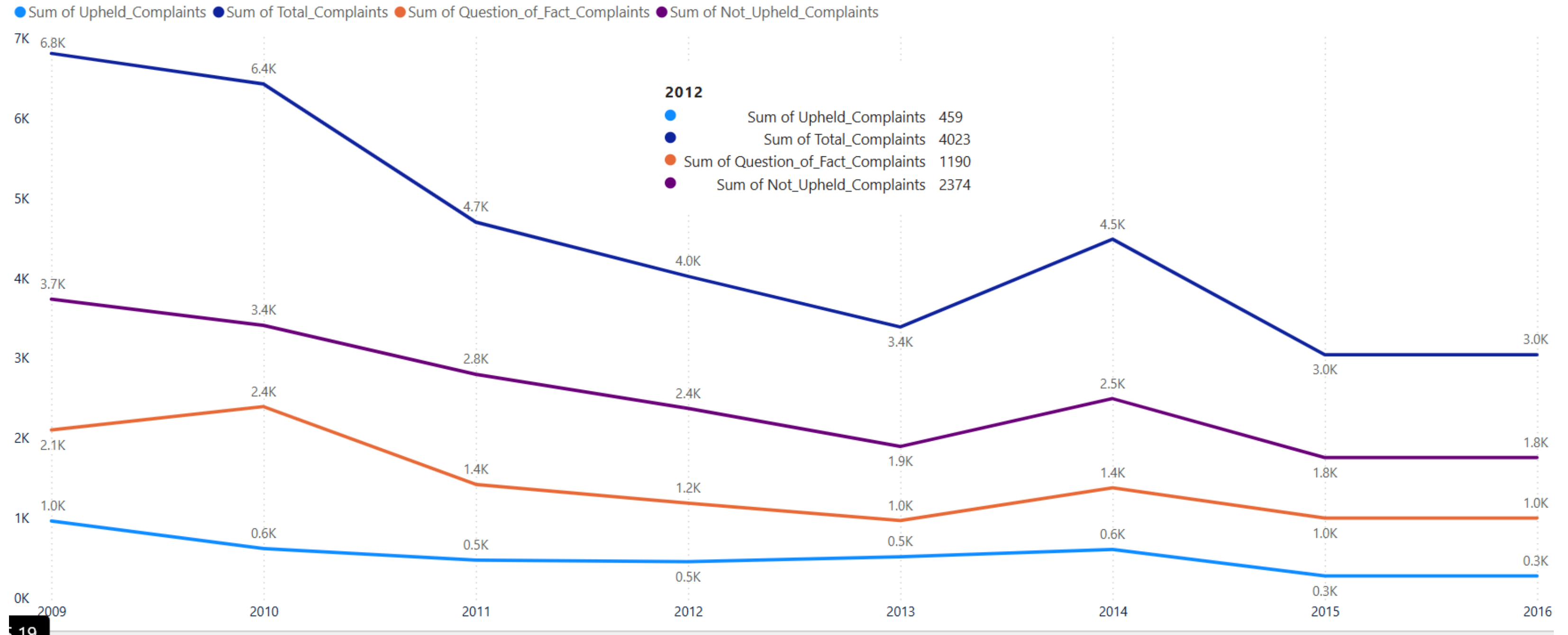
- ☐ Country-Wide Insurance Company
- ☐ Permanent General Assurance Corporation
- ☐ SAFECO Insurance Company of Indiana
- ☐ Tri-State Consumer Insurance Company
- ☐ Twin City Fire Insurance Company

Premium value by years



Complaint Diagnostic Report

- Analyse how often different types of complaints occur.



Report

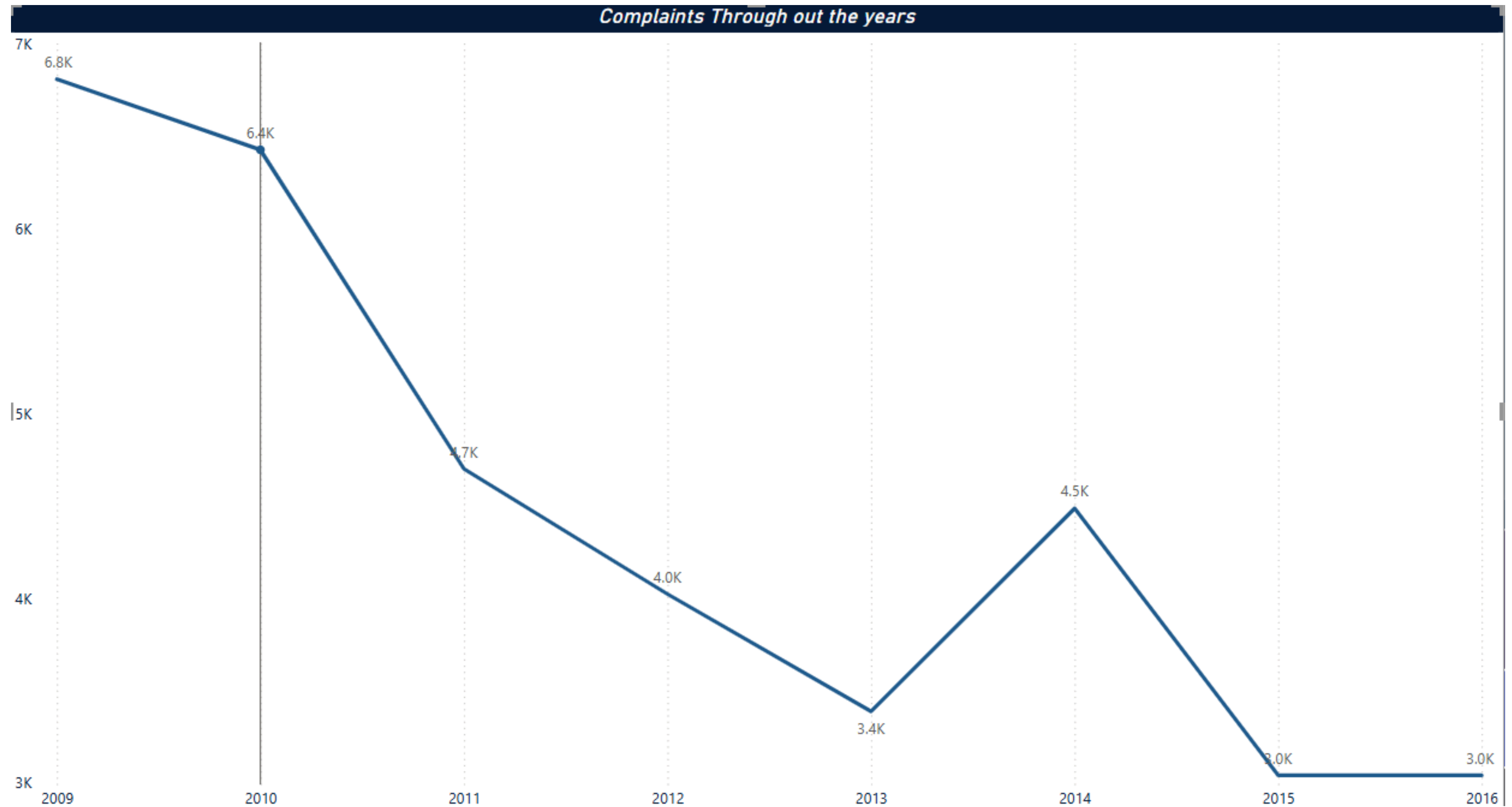
Sum of Upheld Complaints: These complaints were relatively low throughout the years, starting at 1.0K in 2009 and decreasing significantly to around 0.3K in 2015, then staying constant at 0.3K in 2016. The overall trend shows a decrease in upheld complaints over the years.

Sum of Question of Fact Complaints: These complaints had a peak in 2010 at 2.4K. Starting at 2.1K in 2009, the number of these complaints gradually declined over the years to 1.0K in 2016. The overall trend indicates a decline in this type of complaint.

Sum of Not Upheld Complaints: These complaints were the highest in comparison to the other two types. Starting at 3.7K in 2009, they experienced a general downward trend, reaching 1.8K in 2016. The graph shows a consistent decrease in not upheld complaints over the years.

Overall Analysis: Not upheld complaints were the most common type of complaint throughout the years, but they showed a significant decrease over time. Question of fact complaints had an initial peak but declined steadily after 2010. Upheld complaints were always the lowest in number and showed a decrease over the years.

► The trends of complaints over the years



- You can suggest a company that you consider improving

GEICO General Insurance Company needed the improvement

Customer Service Improvement: I will enhance customer service to address and resolve complaints more effectively. This could involve better training for customer service representatives and implementing more efficient complaint resolution processes.

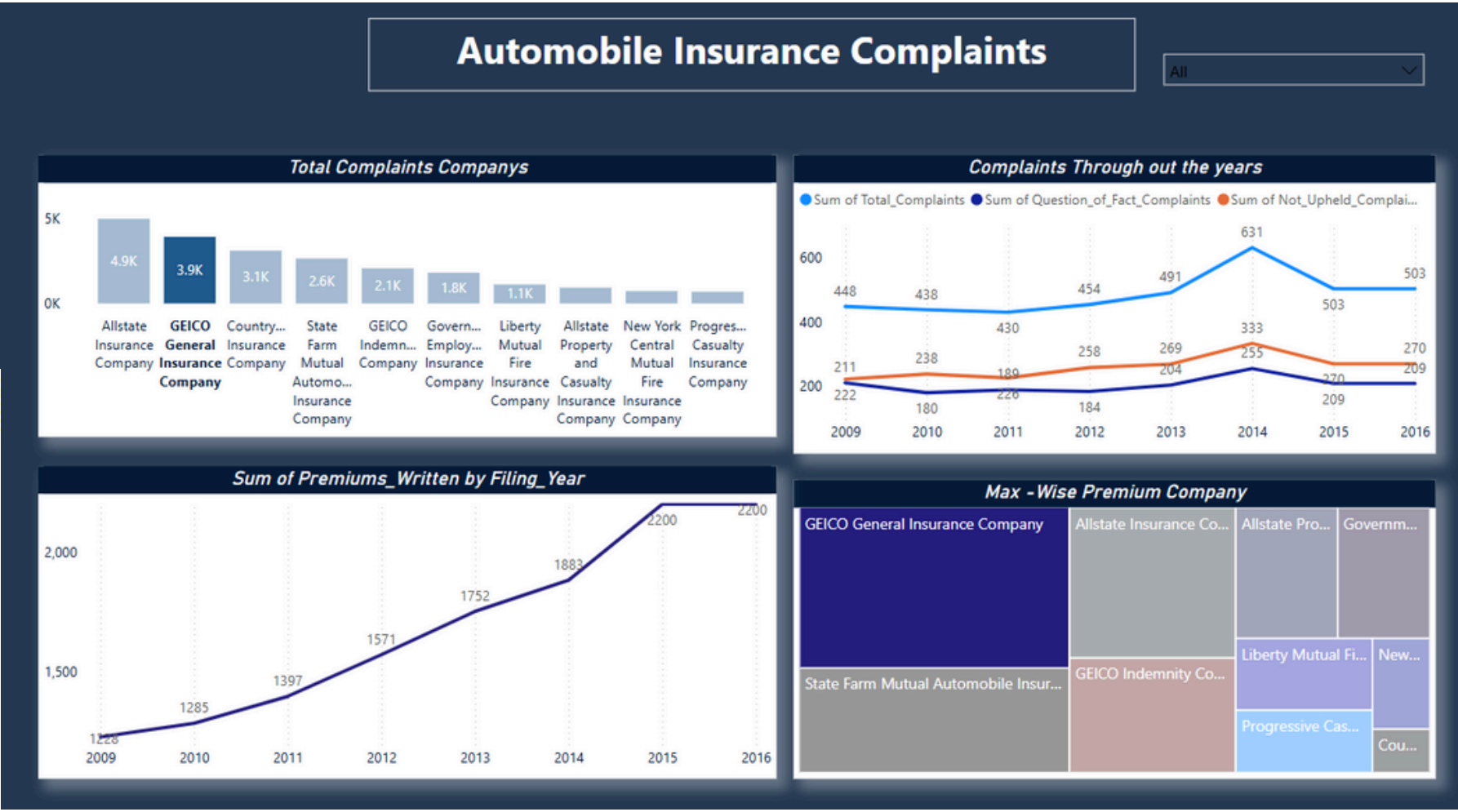
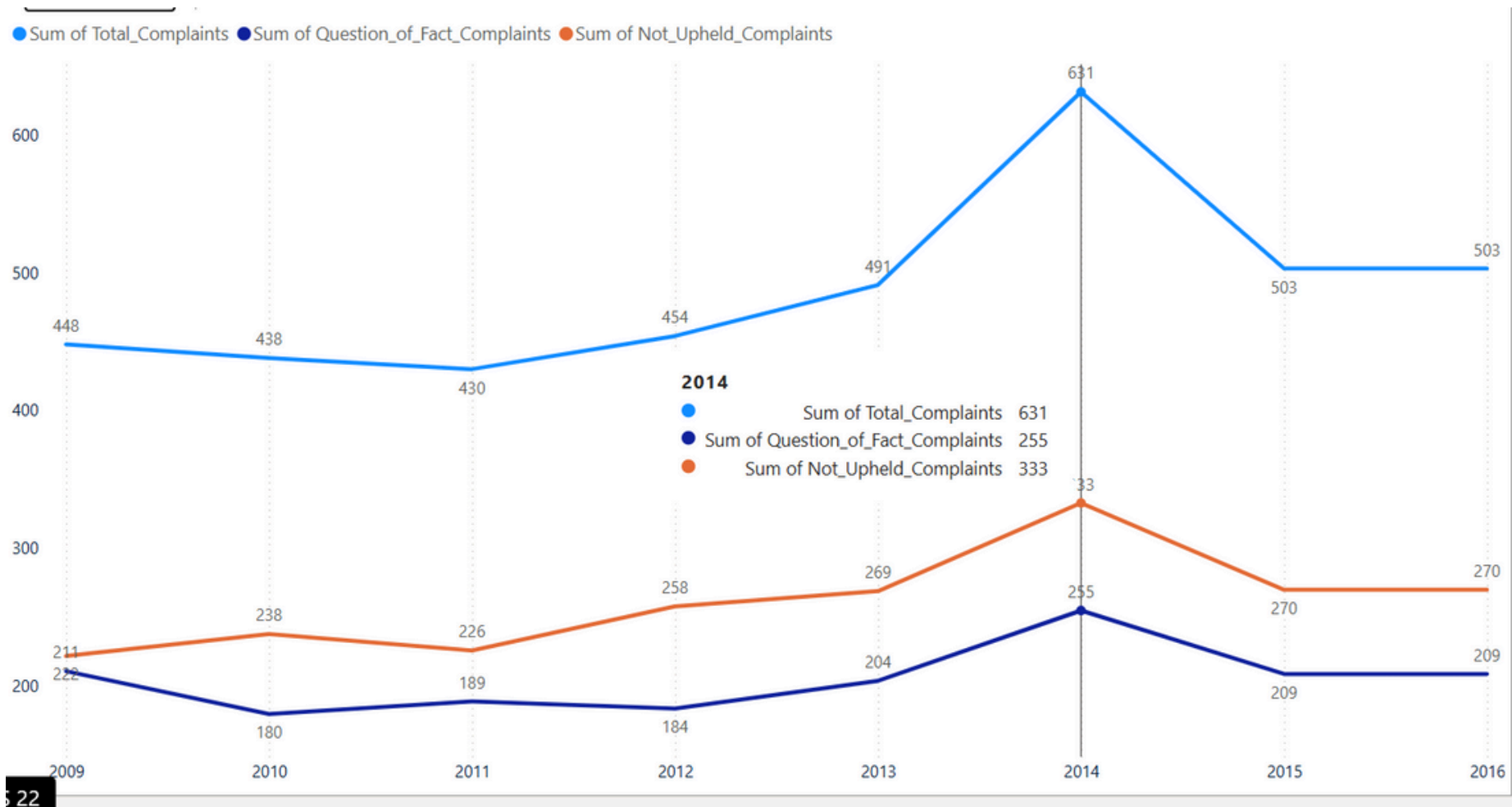
Quality Assurance: I will implement stricter quality assurance measures to ensure that policies and services meet customer expectations and reduce the likelihood of complaints.

Feedback Mechanisms: I will establish robust feedback mechanisms to gather customer insights and address issues proactively before they escalate into formal complaints.

Transparency: I will increase transparency in policy terms and conditions to ensure customers fully understand their coverage and reduce misunderstandings that lead to complaints.

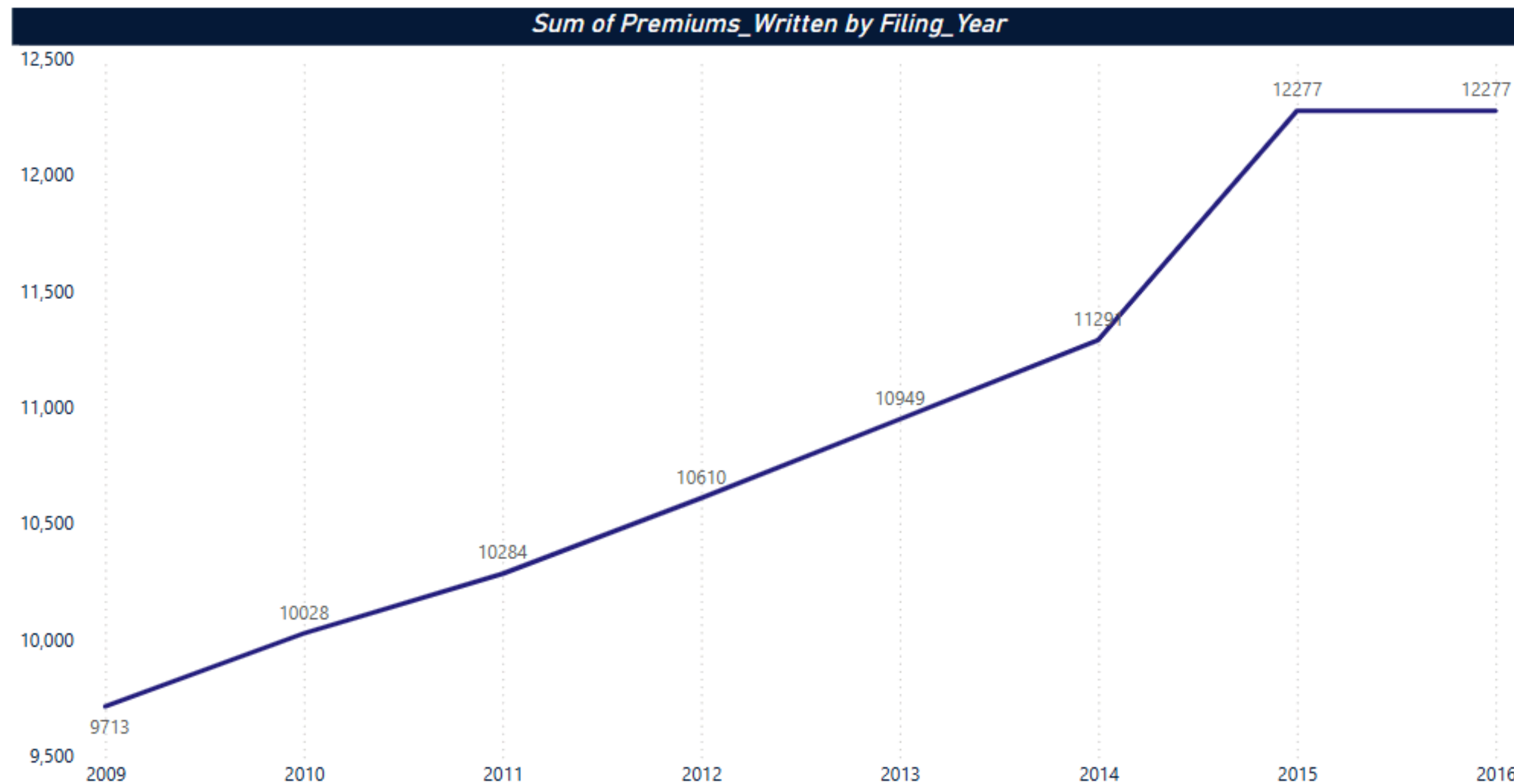
Technology Integration: I will leverage technology to streamline processes, improve customer interactions, and provide quicker resolutions to issues.

Marketing and Branding: I will enhance marketing efforts to reach a broader audience and reinforce the brand's value proposition to help GEICO stay competitive in the market



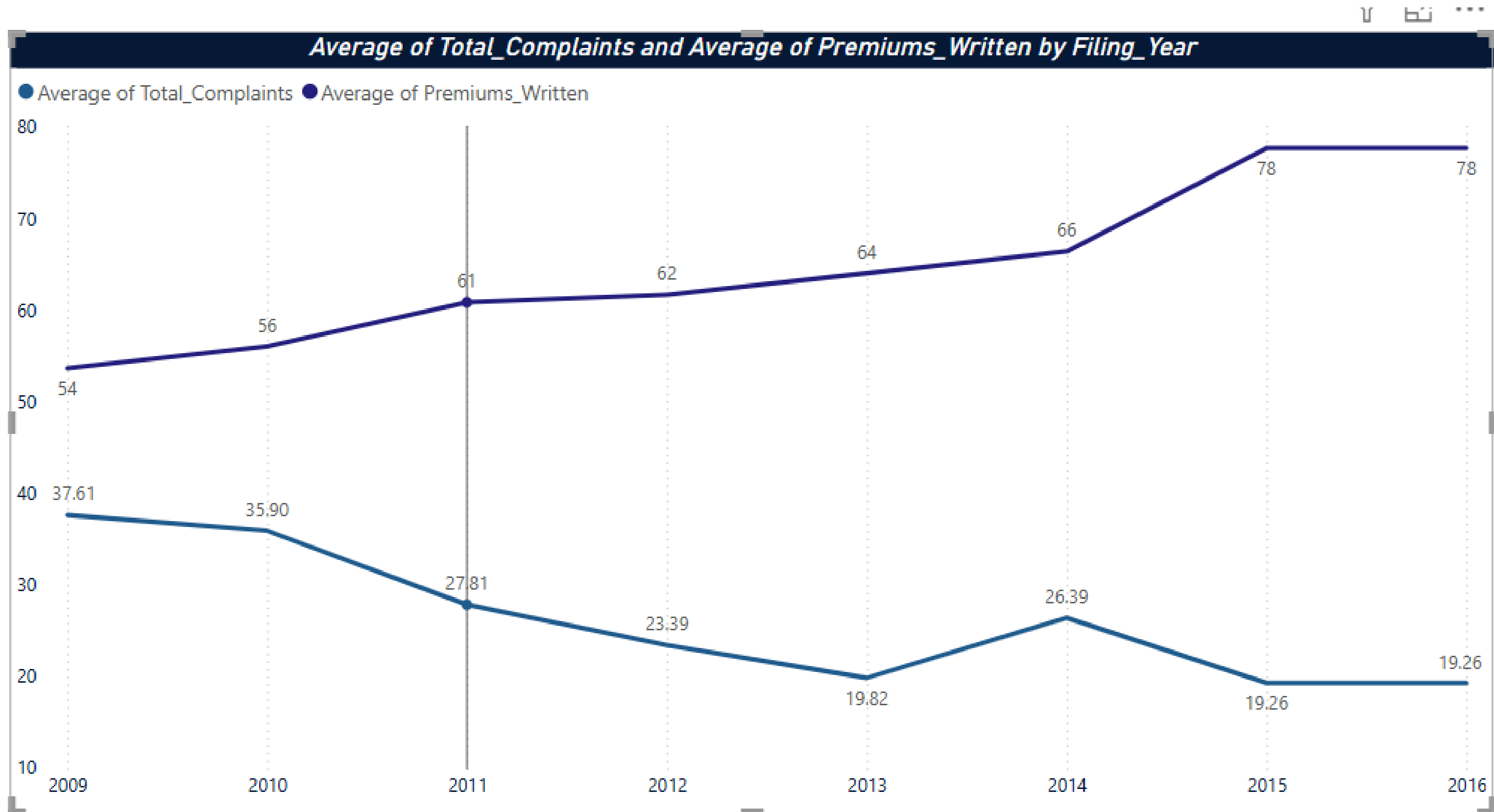
Progress of Premiums over a few years' period and any causes

- Plot premium amounts year-by-year to visualize the overall trend.



The graph shows a steady rise in premium sums from 2009 to 2016, with a significant spike between 2014 and 2015. In 2016, the amount stabilizes at 12,277, reflecting overall growth during this period.

- Investigate potential causes behind fluctuations in premiums. These factors could include changes in claims frequency, regulatory changes, economic conditions, or shifts in the insurance market?



Potential Causes Behind Fluctuations

Changes in Claims Frequency

As complaints increase, it's likely that the claims frequency also increases, resulting in higher premiums. For instance, the spike in complaints in 2014 may have led to adjustments in premiums.

Regulatory Changes

Regulatory changes can impact premiums. Stricter regulations may increase operational costs for insurance companies, leading to higher premiums. Identifying specific regulatory changes from 2009 to 2016 can help understand their impact.

Economic Conditions

Economic factors such as inflation, unemployment rates, and overall economic growth can influence insurance premiums. The upward trend in premiums may correlate with economic growth, while fluctuations could be due to economic instability.

Shifts in the Insurance Market

Changes in the competitive landscape, such as the entry of new insurers or changes in market share among existing insurers, can impact premium levels. Increased competition may drive premiums down, while reduced competition can lead to higher premiums.

Correlation Analysis

There appears to be an inverse correlation between the two lines: as the average of premiums written increases, the average of total complaints generally decreases.

This inverse relationship suggests that higher premiums might be associated with fewer complaints, possibly due to better coverage or service.

► **Try to provide insights into future premium trends based on historical data and identified factors.**

Steady Growth: From 2009 to 2014, there's a steady increase in premiums written, averaging an annual growth rate of approximately 3.2%. This consistent growth suggests a stable market environment.

Significant Spike in 2015: The premiums written jumped significantly from 2014 (11290) to 2015 (12277), showing a growth rate of about 8.75%. This spike indicates a potential external factor or event that drove premiums up.

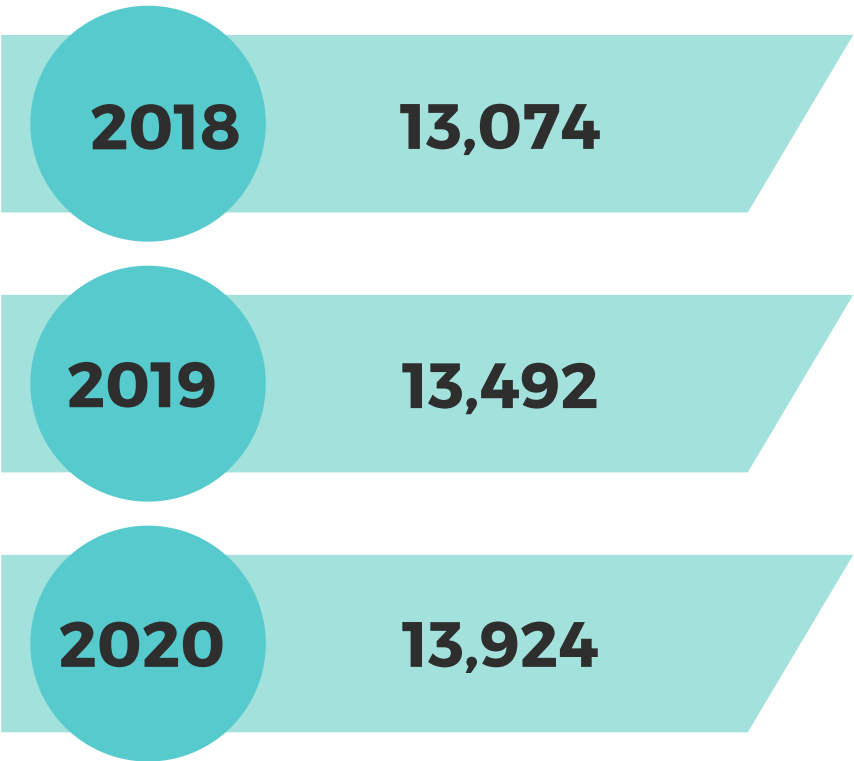
Stabilization in 2016: The premiums remain constant from 2015 to 2016, suggesting that the factors causing the 2015 spike may have stabilized.

► **Premium trends based on historical data .**

Assuming a continuation of the historical growth rate, we can expect premiums to grow steadily. Using the average growth rate of 3.2%, premiums for 2017 could be projected at around 12,700.

Considering potential external factors (e.g., economic downturn, regulatory changes), different scenarios can be created to adjust the predictions. For instance

- **Optimistic Scenario:** Continued economic growth and favorable regulations could push premiums to grow at a higher rate, reaching approximately 13,000 by 2017.
- **Pessimistic Scenario:** Economic challenges or increased regulatory burdens could slow growth, potentially stabilizing premiums around 12,500.



Factors Influencing Future Premiums:

Economic Growth: As the economy grows, premium values are likely to increase.

Interest Rates: Changes in interest rates can affect premium rates.

Inflation: Rising inflation can increase the cost of claims, leading to higher premiums.



Comparison Report

Tri-State Consumer Insurance Company

Tri-State Consumer Insurance Company had the highest number of total complaints, indicating potential areas for improvement in customer service or issue resolution.



Tri-State Consumer Insurance Company showed a gradual decline in premium values, possibly reflecting efforts to offer more competitive rates

Tri-State Consumer Insurance Company



Twin City Fire Insurance Company's premium values remained relatively stable, indicating a consistent market strategy.

Twin City Fire Insurance Company had consistently lower complaints, indicating relatively better customer satisfaction compared to other companies.

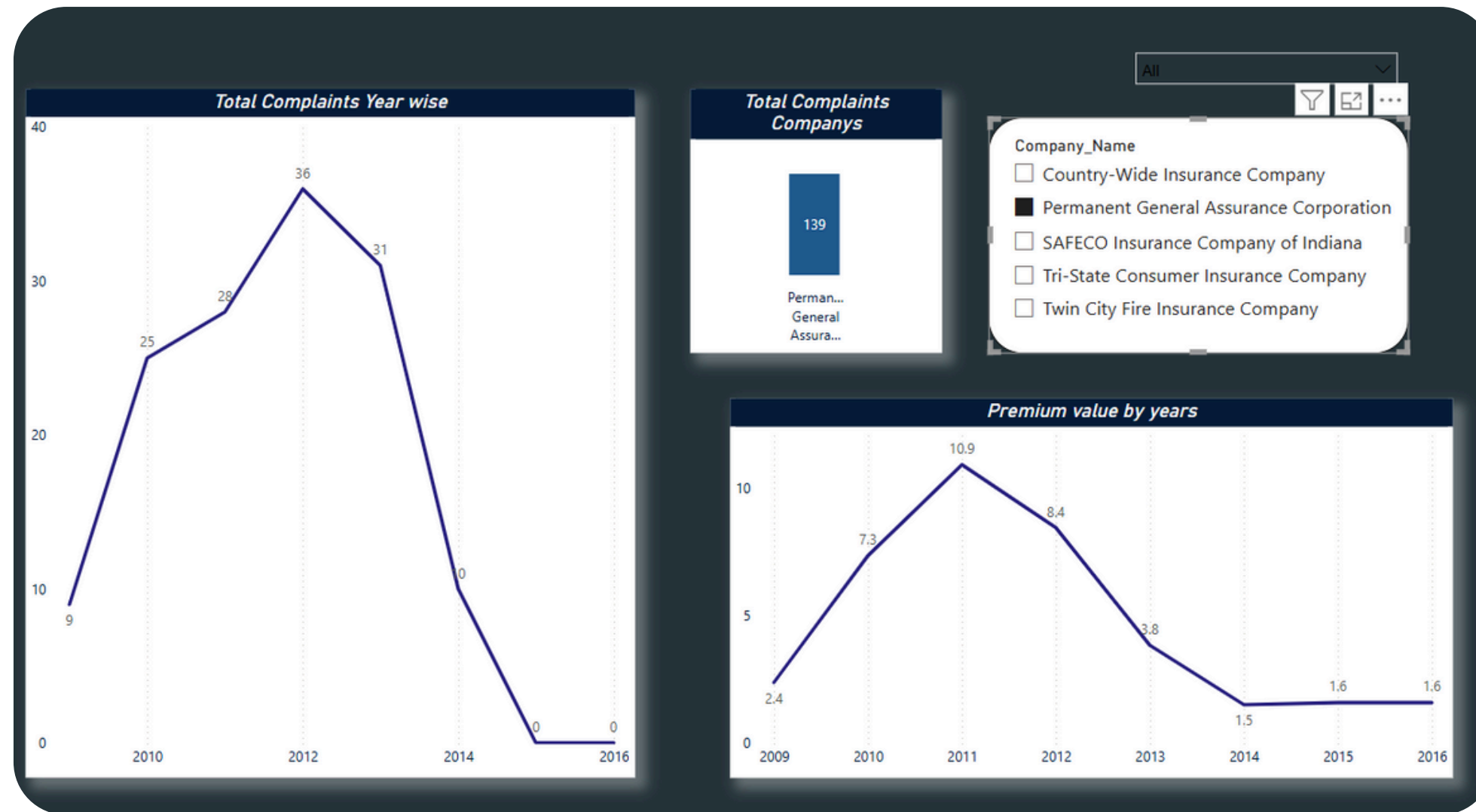
SAFECO Insurance Company of Indiana and Country-Wide Insurance Company



SAFECO Insurance Company of Indiana and Country-Wide Insurance Company experienced spikes in complaints in 2014, which might reflect specific issues during that period

Country-Wide Insurance Company and SAFECO Insurance Company of Indiana saw significant increases in premium values in 2013 and 2014, which might be associated with changes in pricing strategy or policy sales.

Permanent General Assurance Corporation



Permanent General Assurance Corporation experienced fluctuations in premium values, stabilizing at lower values from 2014 onwards

Permanent General Assurance Corporation had a significant spike in complaints in 2011 and 2012 but showed no complaints from 2014 onwards, suggesting possible improvements or changes in complaint handling.

Comparative Analysis Report

Complaints Trends

From 2010 to 2016, Tri-State Consumer Insurance Company had the highest number of complaints, totaling 358. Permanent General Assurance Corporation experienced a significant increase in complaints in 2011 and 2012 but reported no complaints from 2014 onwards. Twin City Fire Insurance Company consistently had fewer complaints compared to the other companies.

Premium Trends

Country-Wide Insurance Company saw a significant rise in premium values in 2013 and 2014. SAFECO Insurance Company of Indiana had a notable peak in premium values during the same years. Conversely, Tri-State Consumer Insurance Company showed a gradual decline in premium values over the years. Twin City Fire Insurance Company's premium values remained relatively stable, with only slight fluctuations.

THANK YOU!