

Guidelines for Ontario Auto Insurance Claimant Satisfaction Research

*Commissioned by the
Insurance Bureau of Canada*

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I. Introduction

The following claimant satisfaction research guidelines have been developed by POLLARA, a national Public Opinion and Marketing Research firm.

The guidelines are based upon the results of a large sample, province wide pre-test of all aspects of the claimant satisfaction research process including sampling, questionnaire design and interviewing. They have been created to ensure that every participating firm follows identical procedures when collecting data on claimant satisfaction, and to ensure that the data which is collected is of the highest quality. In doing so, the results for each firm can be interpreted and compared with confidence.

The survey is to be conducted by each insurance company on an annual basis, with results due to the Financial Services Commission of Ontario (FSCO) by June 30 of each year. The sample is to be based upon claims which have been closed in the previous calendar year.

The following document describes the guidelines in greater detail.

II. Data Collection

A. Data Collection Method

The two data collection methods which are feasible for a tracking study such as this are:

*telephone interviewing, or
a mail survey.*

*In order for the data collected by each company to be comparable however, all companies must collect their data using the same method. Accurate comparisons cannot be made between the results of a mail survey and the results of a study conducted by telephone. Because of the numerous advantages to the telephone methodology, particularly if the telephone methodology is used with a computer-assisted telephone interviewing (CATI) system, **telephone interviewing should be the standard method of data collection.***

Specifically, a telephone methodology is recommended over mail because:

it will deliver a higher rate of response, meaning more accurate results;

a guaranteed sample size - sample sizes vary with mail surveys, and are subject to shifts based upon the time of year; and

mail survey respondents tend to be motivated to respond by either very high or very low levels of satisfaction, meaning results which are not truly representative of claimant satisfaction.

In addition, a telephone methodology will be less expensive for companies to conduct than a properly carried out mail survey.

B. Quality Control

In order for the data for each company to be comparable, quality control standards must be established and adhered to. In order to ensure that these procedures are followed it is recommended that only research firms that are current members of the Canadian Association of Marketing Research Organizations (CAMRO) be employed for this project.

Deloitte and Touche conducts regular audits of CAMRO members' research procedures to ensure that CAMRO standards are being met. A list of CAMRO member firms can be found in Appendix B of this report.

In addition, the satisfaction surveys should be registered with the Canadian Survey Research Council (CSRC), a body recently established by the survey research industry to provide survey respondents with a way of verifying the validity of a survey. If respondents want to verify that the survey they have conducted, or are considering conducting, is originating from an actual research company, they can obtain an immediate answer through the CSRC's toll-free number.

C. Response Rates

*The response rate for this pre-test was 31%. This response rate was achieved without placing additional calls to respondents who refused to conduct an interview - i.e. a pre-determined response rate was not enforced during the fielding process. Because the response rate can influence the accuracy of the results, it is recommended that surveys conducted meet a minimum requirement. At the same time, it is widely recognized in the research industry that high response rates have become difficult, and expensive, to achieve and that enforcing high response rates can sometimes annoy respondents who simply do not want to participate. **For these reasons, it is recommended that the minimum acceptable response rate be in the range of 25%.***

III. Sampling

A. Sample Size

An important factor in choosing the number of respondents to interview is the number of closed claims each company has in their 1998 closed claims register.

For companies which have 18,000 or more closed claims in their 1998 closed claims register, the minimum sample size for each company will be 800 closed claims, which will produce overall results which are accurate to within $\pm 3.5\%$, nineteen times out of twenty. Companies could seek greater assurance by opting for a larger sample size to reduce the margin for error.

For companies which have fewer than 18,000 closed claims in their 1998 closed claims register, a sample size must be selected which will produce a maximum margin of error of $\pm 3.5\%$, nineteen times out of twenty.

NOTE: The sample size must be selected by the market research organization.

CLOSED CLAIMS REGISTER

The 1998 closed claims register, is a list of the following four types of private passenger automobile claims that have been closed in the 1998 year;

*statutory accident benefits schedule (SABS) claims
collision and direct compensation-property damage (DC-PD) claims
(combined)
comprehensive claims (excluding glass claims)
glass claims*

In addition to the closed claims register, insurers must provide their research organization with a percentage summary of their closed claims register. For example:

Example of Percentage Summary

Kind of Claim	Number of Claims	Percentage
SABS	4,000	40.0%
collision & (DC-PD)	3,000	30.0%
comprehensive	2,000	20.0%
glass	1,000	10.0%
TOTAL:	10,000	100%

NOTE: Insurers who are also active Facility Association (FA) carriers must follow the same procedures and provide their market research organization with the same information about their 1998 FA closed claims register, as they would for their 1998 regular closed claims register.

Timing

The survey is to be conducted by each company on an annual basis, with results delivered to the Financial Services Commission of Ontario by June 30 of each year.

IV. Reporting

After the data has been collected, **the survey research firm** is to submit the data set in a SPSS/PC+ format, on a diskette with the name of the insurance company and research firm clearly marked, to the Financial Services Commission.

Each record in the data set must include:

the respondents' first name;

area code;

phone number;

month and year of claim; and

claims identifier.

The research company is to import this information into the data set directly from the sampling information provided by the insurance company.

In addition to the diskette, a printed codebook, percentage summary of the company's closed claims register and frequency responses are to be provided, with the name of the insurance company and research firm clearly marked on each page. The frequency responses must detail sample sizes and percents beside each response category.

NOTE: FSCO will review and analyse all surveys to ensure that the data submitted complies with all of the requirements set out in the Guidelines for Ontario Auto Insurance Claimant Satisfaction Research. If surveys do not meet the criteria of the guidelines or have discrepancies in the data submitted, insurers may be required to re-file or re-survey, depending upon the severity of the discrepancy.

V. The Questionnaire

*The survey instrument included in the Appendix of this package was developed by Pollara. It has been thoroughly pre-tested to ensure that the question meanings are clear to respondents. **This exact questionnaire must be administered by all firms when measuring satisfaction among claimants.***

NOTE: If firms decide to add additional questions on this survey, they must be asked at the end of the questionnaire to ensure that no bias is introduced into the satisfaction ratings.

Appendix A: The Survey Instrument

Claims Benchmarking Questionnaire

*Good morning/afternoon/evening. May I please speak with **(claimant name)**.*

(IF AVAILABLE - CONTINUE)

(IF NOT AVAILABLE - SCHEDULE APPOINTMENT TO CALL BACK)

*(WHEN CLAIMANT ON LINE) Good morning/afternoon/evening. My name is (_____) and I am calling from **(research company's name)** on behalf of **(insurance company's name)**. We are conducting a very short survey of Ontarians who have recently made insurance claims. Would you mind if I asked you a few questions? All of your responses will be confidential.*

(Note: If a respondent has any questions or comments or would like to validate the legitimacy of this survey, please have them call the Canadian Survey Research Council, toll-free, at 1-800--554-9996, citing this project's registration #_____ and schedule an appointment to call them back)

(IF YES) Thank you.

(IF NO) When is a better time for me to call back? (SCHEDULE APPOINTMENT).

*First, were you primarily responsible for dealing with the insurance claim you made in **(month/year)** with **(insurance company name)**, or was that someone else in your household? (IF SOMEONE ELSE) Would it be possible for me to speak with that person? (IF NOT AVAILABLE SCHEDULE APPOINTMENT).*

*(MAKE THE FOLLOWING STATEMENT ONLY FOR COMPANIES THAT SELL THROUGH BROKERS) Please answer the following questions based on your claims experience with **(insurance company name)** and not your experience with your insurance broker who represents several different insurance companies.*

1. *How clearly do you remember the dealings you had with **(insurance company name)** which related to the insurance claim you made in **(month/year)**, even if your only dealing with the company was receiving a settlement. Do you remember it very clearly, clearly, not too clearly, or not at all?*

Very clearly

Clearly

Not too clearly (thank and terminate interview)

Not at all (thank and terminate interview)

2. Thinking back to the insurance claim you made with **(insurance company name)** in **(month/year)**, would you say that you were very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied with the way **(insurance company name)** dealt with your claim?

Very satisfied

Somewhat satisfied

Somewhat dissatisfied

Very dissatisfied

Don't Know

We have come to the end of our survey. Thank you very much for your time.

***Appendix B: The Canadian Association of
Marketing Research
Organizations and its
Membership***

CAMRO FACT SHEET

The Organization:

- *Established in 1975.*
- *The voice of Canada's leading marketing research organizations and the source of information on the industry in Canada.*
- *Represents CAMRO members in their dealings with the public, governments, the media, educational and business communities.*
- *Maintains and improves research standards, rules of professional conduct and ethical practice.*
- *Develops and communicates the views of its members on critical public policy issues relating to marketing research and public opinion polls.*
- *Promotes marketing research as an important tool in the decision-making process of public organizations.*
- *Seven-member Board of Directors from a representative cross-section of the membership.*
- *Currently representing 23 leading marketing research organizations across Canada.*

The Members:

- *Incorporated, have been operating in Canada for a minimum of two consecutive years and have at least six full-time employees.*
- *Offer research, study and sample design, questionnaire preparation, interviewing, data processing, statistical analysis and report writing.*
- *Must meet the high standards of ethical and professional practice as determined by the Board of Directors.*
- *Independently audited and monitored on a regular basis to ensure that research practices of members are above reproach.*
- *Accountable to the publics, companies and organizations they serve.*

Membership List

<i>BBM Bureau of Measurement Ltd.</i>	<i>Creative Research International Inc.</i>	<i>Market Facts of Canada</i>
<i>Burke International Research</i>	<i>Decima Research Ltd.</i>	<i>Marktrend Research Inc.</i>
<i>Butler Research Associates Inc.</i>	<i>DJC Research</i>	<i>Opinion Search Inc.</i>
<i>Canada Market Research Ltd.</i>	<i>EKOS Research Associates Inc.</i>	<i>Pollara</i>
<i>Canadian Facts</i>	<i>Elliott Research Corporation Ltd.</i>	<i>Research House Inc.</i>
<i>COMPAS Inc.</i>	<i>Environics Research Group</i>	<i>Starch Research Services</i>
<i>Ltd.</i>		
<i>Consumer Contact Limited</i>	<i>ISL International Surveys Ltd.</i>	<i>Thompson Lightstone &</i>
<i>Co.</i>		
<i>Corporate Research Asso Inc.</i>	<i>Westmount Research Consultants</i>	

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CAMRO MEMBERSHIP REQUIREMENTS

Membership in the Canadian Association of Marketing Research Organizations is open to full-service marketing research firms and other firms specializing in data collection, incorporated and operating in Canada, which meet the admission requirements described as follows:

- To be eligible as a "full-service" company, the firm's primary role must be the conducting of survey research, and at least 50 per cent of the firm's revenue must be derived from complete projects, i.e. design, execution and reporting. The company must be able to accept final responsibility from the client for entire projects, not just parts of projects.*
- To be eligible as a "data collection specialist," at least 50 per cent of the firm's revenue must be derived from face-to-face and/or telephone interviewing.*
- At least 75 per cent of the firm's activity must be in the field of marketing research.*
- At least 50 per cent of the firm's revenue must be derived from quantitative survey research.*
- No more than 50 per cent of the firm's revenue can be derived from buyers who do not have an "arm's length" relationship with the firm.*
- The firm must have at least six full-time employees, exclusive of interviewers and people not working regular hours on a continuous basis.*
- The firm must have maintained a continuous period of operation of 24 months before applying for membership.*
- The activities of the firm must give evidence of high standards of ethical and professional practice. The Board of Directors of CAMRO can request applicants to provide such evidence.*
- Where a company has incorporated more than one organization involved in the field of marketing research, and where each of these affiliates satisfies the foregoing membership criteria, each affiliate may apply for an individual "limited benefit" membership for a fee that includes the cost of conducting a Standards Audit. This fee is to be charged in addition to the normal fee structure that applies to the umbrella organization.*

Although there would be only one vote permitted for the umbrella organization and its affiliate(s), each of the affiliates, individually, would enjoy the benefits of participation and the public relations program.

CANADIAN ASSOCIATION OF MARKETING RESEARCH ORGANIZATIONS
(CAMRO)

WHAT IT IS...

The marketing research industry in Canada fulfills an immensely important role. It deals with the facts and opinions behind the planning and marketing end of much of Canadian business and government, and it therefore influences thousands of decisions each day.

The Canadian Association of Marketing Research Organizations (CAMRO) is comprised of profit-oriented marketing research companies offering complete research services, including study design, questionnaire preparations, sample design, interviewing, data processing, statistical analysis and report writing. As the trade association for the marketing research industry, CAMRO helps improve research standards and quality among both buyers and suppliers of research. At the same time, CAMRO will promote the use and applications of marketing research as a key management tool in the decision-making process.

The aims of CAMRO include:

- 1. Fostering high standards of quality and professionalism among marketing research companies.*
- 2. Maintaining, among member companies, strict rules of professional conduct and ethical practice in their relations with clients, the public, other member companies, interviewers and sub-contractors.*
- 3. Representing fairly, promoting and acting as authoritative spokesman for marketing research companies in Canada, in their dealings with public, governmental, educational and business communities.*
- 4. Maximizing the value of the marketing research process through the co-operative efforts among member companies in researching solutions to problems common to the profession.*

CAMRO provides invaluable industry information for the exclusive use of its members. Every member submits its billings data to CAMRO confidentially on a quarterly basis. Members also complete an annual industry survey questionnaire of financial activity. The Executive Director of CAMRO tabulates the data and issues regular industry reports to the association members.

The CAMRO Standards Audit, conducted by an independent, "arm's-length" auditor, ensures that all members, new and existing, meet CAMRO's Standards and Rules of Practice.

CAMRO's Public Relations Program encourages buyers of marketing research to consider a CAMRO member company. This is achieved through advertising as well as through a newsletter which is sent to marketing VPs and directors of the top 500 companies in Canada.

CAMRO responds to public policy developments at federal and provincial levels. When it comes to government procurement, it provides input to the Crown to ensure that the tendering process is fair, open and competitive.

CAMRO and Fonorola have arranged an exclusive discount on long distance telephone calls. CAMRO member companies are eligible for significant savings on their long distance bills through Fonorola.