



January 2020

# 2019 SURVEY RESULTS

## Collision Repairer Survey of Insurers

Collision Repair Association and Motor Trade Association



# OUR THANKS TO THOSE WHO TOOK PART IN THE 2019 COLLISION REPAIRER SURVEY OF INSURERS.

## Welcome to the 2019 Collision Repairer Survey of Insurers

This booklet contains the summarised findings of the eighth joint Collision Repairer Survey of Insurers that was recently conducted amongst businesses within the collision repair industry. This survey is the only one of its kind in New Zealand, where collision repairers get their chance to rate the performance of insurance companies that they have worked with over the previous 12 months. The survey was conducted jointly by the Collision Repair Association (CRA) and the Motor Trade Association (MTA), during the months of October and November 2019.

For the 2019 survey we asked the same questions as in 2018 however, respondents were asked one question at a time and rated all insurers they had selected as “dealing regularly with”. In previous years they were asked all 15 questions for each insurer. We believe this change allows for a more direct comparison. It is our position that these questions and scoring scale fairly reflect what is happening in the collision repair industry today.

CRA and MTA have great pleasure in presenting the results of the 2019 Collision Repairer Survey of Insurers to you.

Regards



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Collision Repair Association



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# 2019 survey of collision repairer's opinion of insurers offering motor vehicle accident insurance

The objective of this survey is to gain an accurate reflection of the opinions of collision repairers as to the service delivery of insurers.

## Who was surveyed?

Collision Repair Association members and the collision repair members of the Motor Trade Association.

## When and how were businesses surveyed?

During the months of October and November 2019 an online survey service was used to conduct the survey. Collision repairers were emailed and encouraged to go online to carry out the survey.

## How many businesses completed the survey?

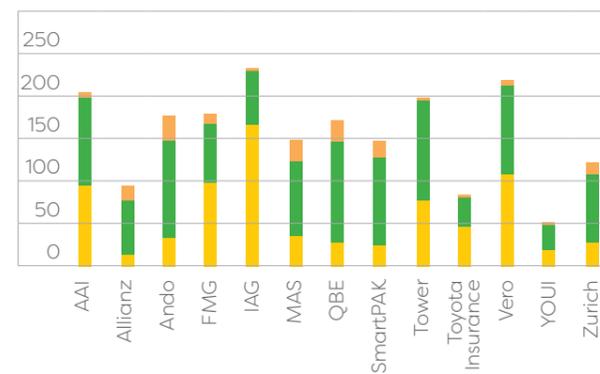
Members of CRA and MTA collision repair members who completed the survey - **237**

## Which insurers were surveyed and how many responses related to each?

- **13** Insurance companies surveyed
- **2,065** total responses across all insurers
- Responses for each insurance company

Insurer	No. of responses
AAI	205
Allianz	97
Ando	179
FMG	178
IAG	232
MAS	154
QBE	177
SmartPAK	154
Tower	198
Toyota Insurance	85
Vero	224
YOUI	58
Zurich	124

## Preferred Repairer



### Key

■ Preferred ■ Non-Preferred ■ N/A

## Questions asked

Respondents were asked to rate each insurer on the following questions. A rating of 1, poor, to 5, excellent, was given. Not Applicable (N/A) was also a possible answer.

## Claims process

1. Time taken for claim to be accepted
2. Time taken from submitting assessment until authorised to start repair
3. Ease of integration of your estimating system to this particular insurance company
4. Repairers administration time per claim
5. How do you rate the parts sourcing process?

## Financial

1. Consistency of assessors
2. Fairness of unit labour rate
3. Fairness of unit time allowance
4. Fairness of paint allowance
5. Fairness of parts margin taking account of freight and success fee
6. Fairness of subcontracted work margins taking into account of maximum limits
7. Ease of invoicing
8. Promptness of payment

## Relationships

1. Relationship with your business
2. Technical competence of assessors

## Additional questions

1. Which repair estimating system do you use?
2. For the insurance companies that you deal with, which ones are you a preferred repairer?
3. For the insurance companies that you deal with, what percentage of your revenues are from each?
4. Thinking about motor vehicle cover which two insurance companies (in no particular order) would you recommend to friends, family and customers?

**Please note that these additional questions did not form part of the overall score.**

## Results groupings

Results have been grouped into three areas as follows:

### • Relationship management index

The relationship questions have been combined to provide an overview of relationship management. The 1 to 5 scores given by respondents to each insurer for the questions in this index were added and then divided by the number of responses.

### • Claims process index

The claims process results provide an overview of claims efficiency. The 1 to 5 scores given by respondents to each insurer for the questions in this index were added and then divided by the number of responses.

### • Financial index

The financial index results provide an overview of the rate, allowances and margins that each insurance company provides. The 1 to 5 scores given by respondents to each insurer for the questions in this index were added and then divided by the number of responses.

### • Overall results index

The overall result combines all questions but weights those under 'Financial' at 50% importance from a collision repairer perspective, 'Relationships' at 30% importance and 'Claims process' at 20% importance.

## Result tables

The tables show the results for all insurers for which responses were received. It is noted that the number of responses received for some insurers is low so the results shown may not be indicative of their true position.

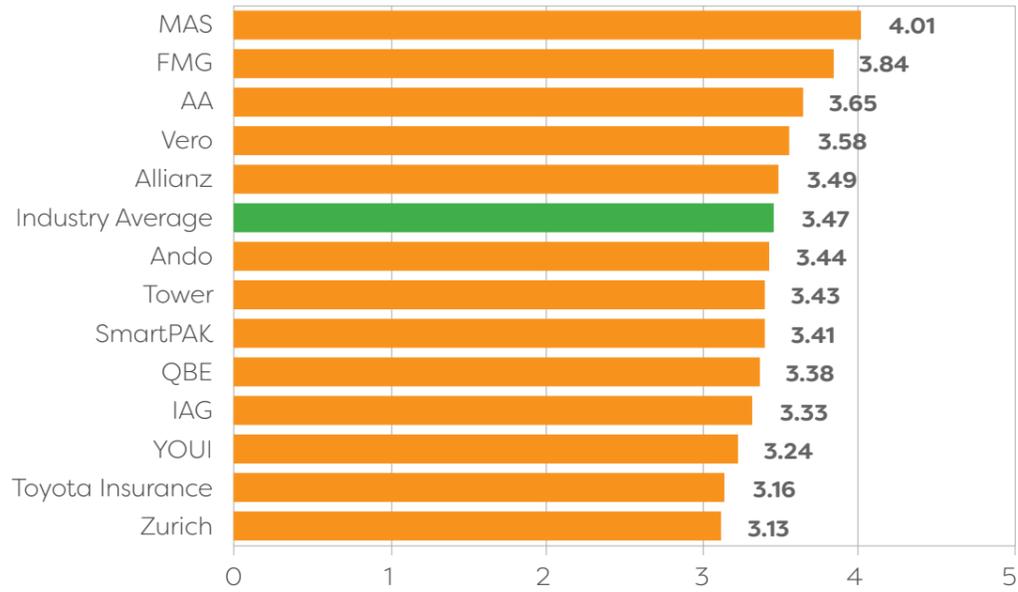
Results closer to 1 indicate a less favoured position and those closer to 5 a more favoured position.

The 'Industry Average' line in each table is an average of all results received relating to that table.

## Disclaimer

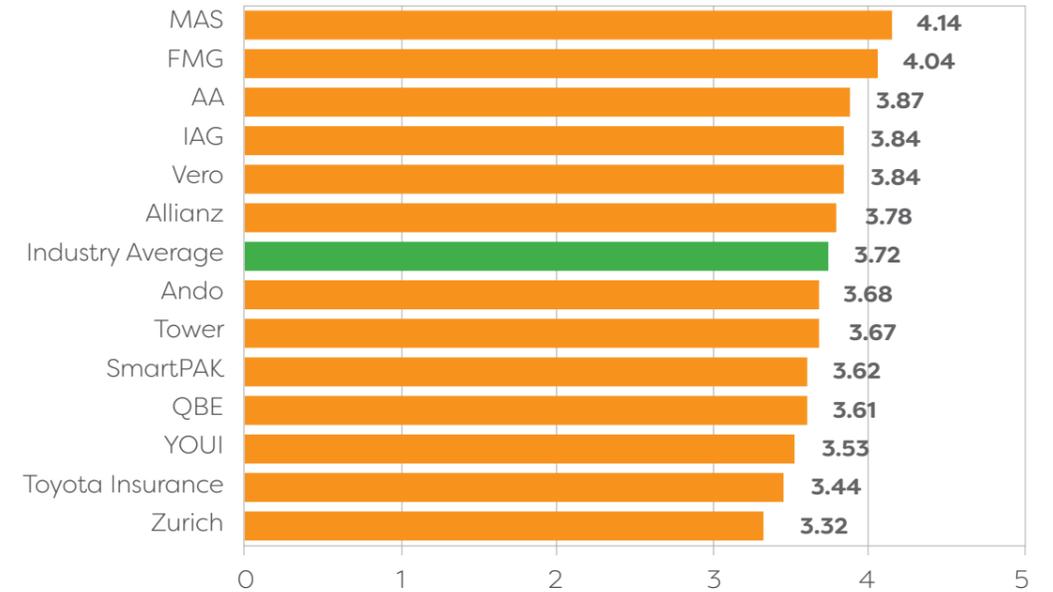
The results in this survey do not reflect the opinions of either the CRA or the MTA, but are the aggregate responses of the members who took part in the survey.

## 2019 OVERALL RESULTS INDEX

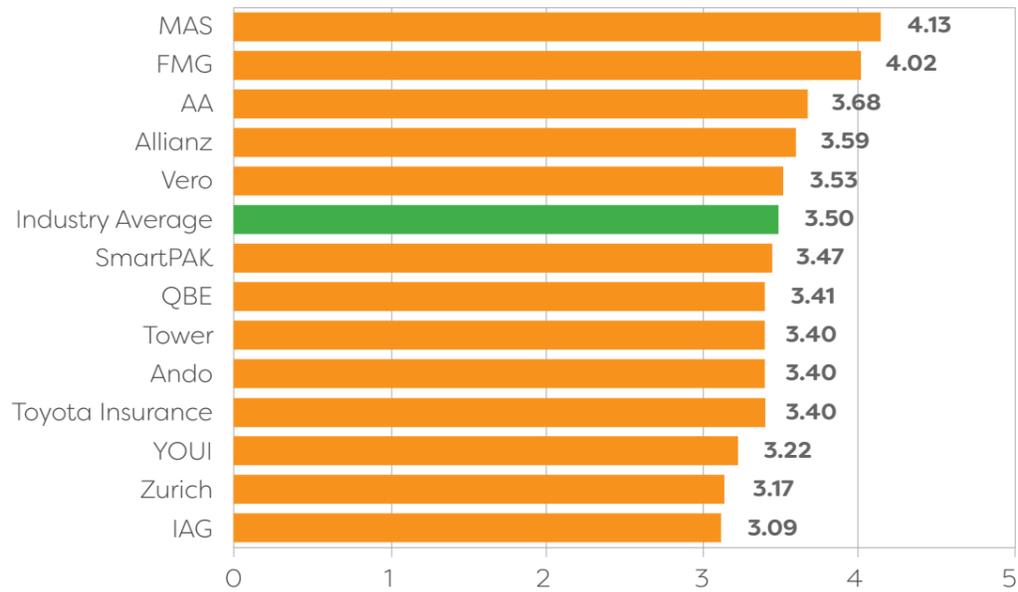


MAS once again top the overall survey results, with FMG in second place and AA Insurance in third. The industry average has dropped by 0.03 points, to 3.47. IAG is the big mover coming up from the bottom to 4th bottom and increasing the score by 8%. Toyota Insurance has dropped by 7%.

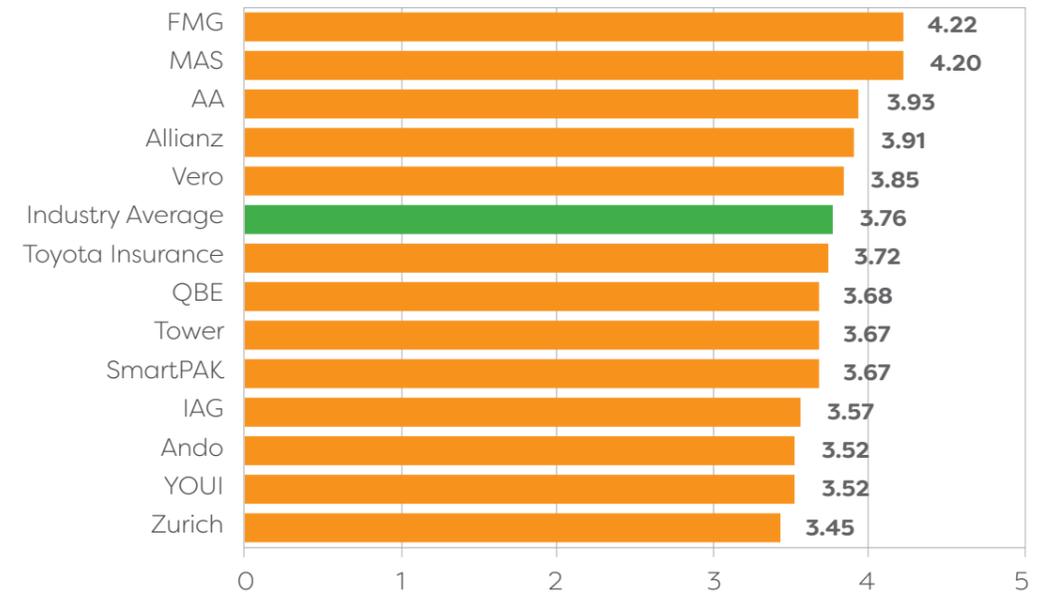
## 2019 RELATIONSHIP MANAGEMENT INDEX



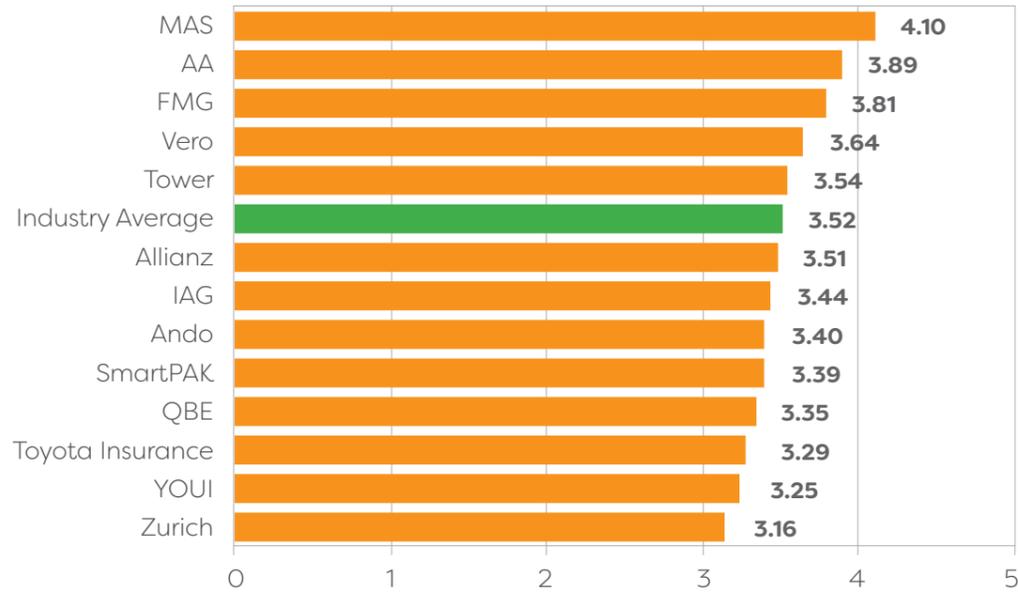
## 2018 OVERALL RESULTS INDEX



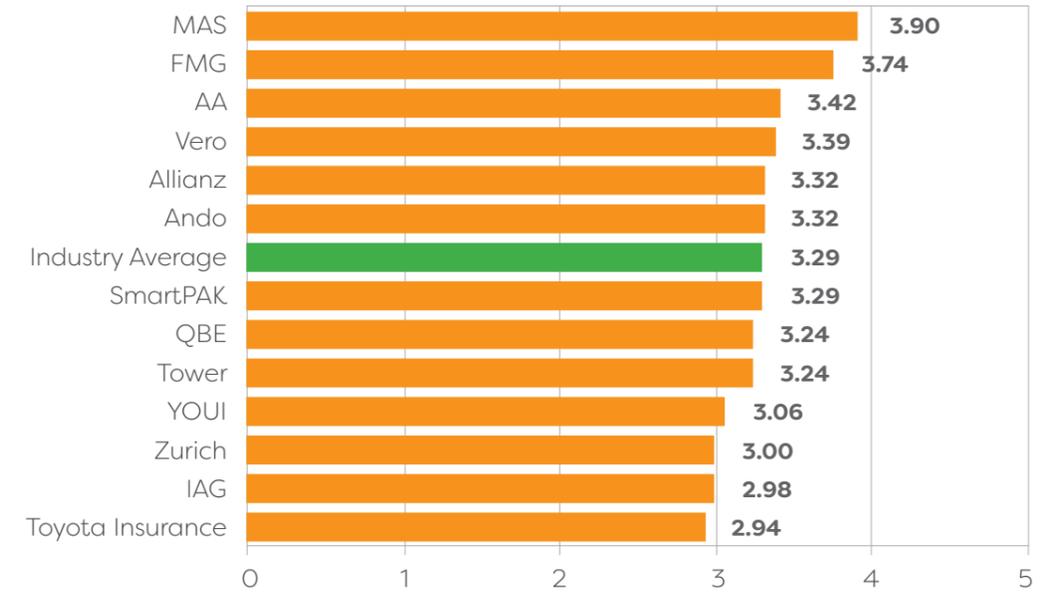
## 2018 RELATIONSHIP MANAGEMENT INDEX



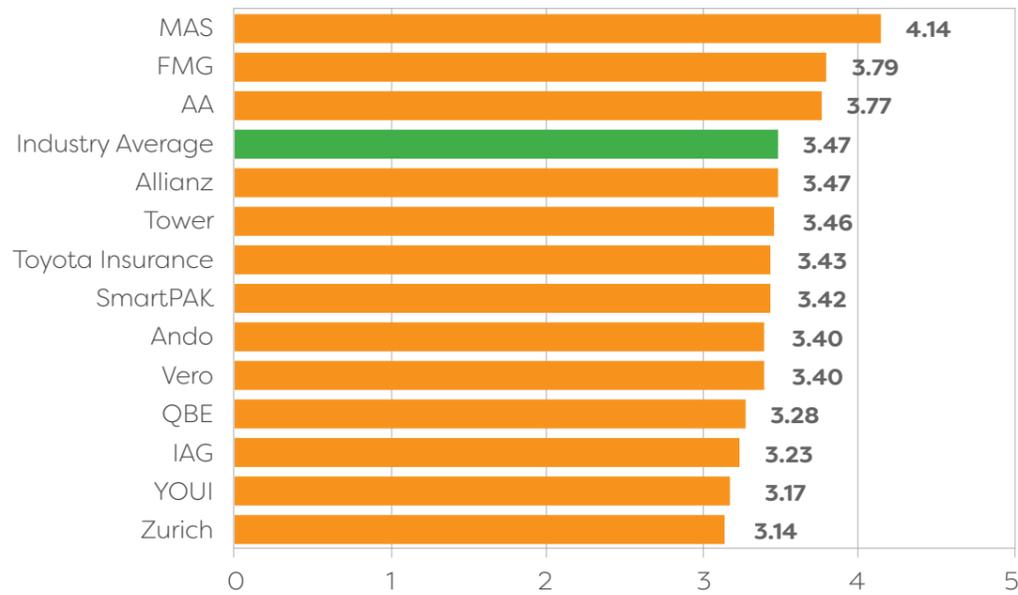
## 2019 CLAIMS PROCESS INDEX



## 2019 FINANCIAL INDEX



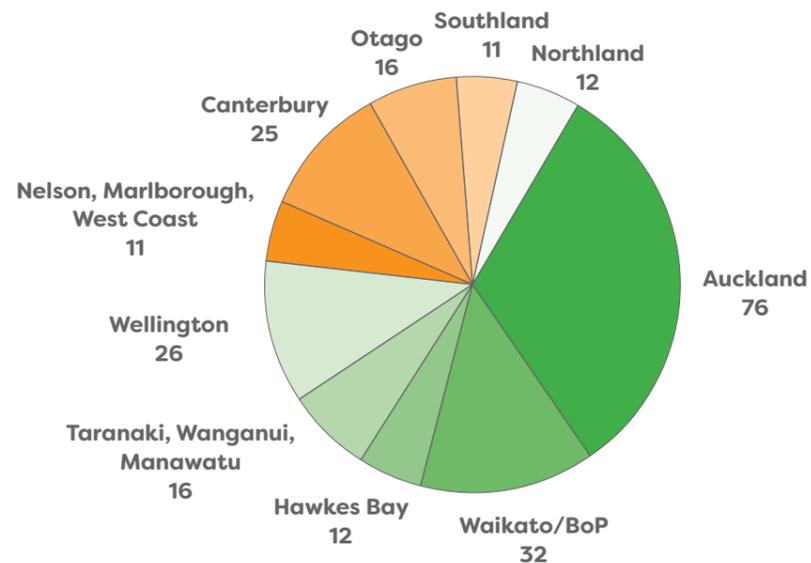
## 2018 CLAIMS PROCESS INDEX



## 2018 FINANCIAL INDEX



## REGIONAL SPLIT



Region	Number of replies
Northland	12
Auckland	76
Waikato/BoP	32
Hawkes Bay	12
Taranaki, Wanganui, Manawatu	16
Wellington	26
Nelson, Marlborough, West Coast	11
Canterbury	25
Otago	16
Southland	11

## ADDITIONAL QUESTIONS

In the 2019 survey there were three additional questions that did not form part of the overall score.

### 1. Reliance on insurers

Respondents were asked to estimate, for the insurance companies that they deal with, "What percentage of their revenues are earned from each insurer?"

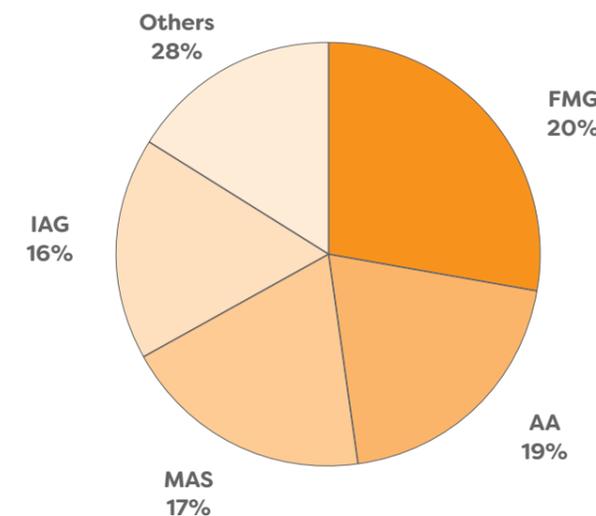
Insurance company	Reliance Percentage
IAG	84% said more than 25%, 55% said more than 50% and for 16% it was over 75% reliance
AA Insurance	30% said more than 25% and, 7% said more than 50%
FMG	20% said more than 25% and 4% said more than 50%
Vero	19% said more than 25% and 2% said more than 50%
Tower	13% said more than 50% and 3% said more than 50%

### 2. Who would you recommend?

Respondents were asked "Thinking about motor vehicle cover which two insurance companies (in no particular order) would you recommend to friends, family and customers."

Recommendation	Number of responses	2016 Responses
FMG	85	122
AAI	82	78
MAS	73	82
IAG	68	65
Vero	34	48
Tower	29	29
Ando	28	12

AAI jumps over MAS into second place and recommendations are more spread out than last year.



Finally, it is worth pointing out that according to a Consumer NZ survey of policyholders, the top 3 insurers in terms of overall satisfaction are MAS, FMG and AAI - exactly the same as the top 3 as reported in this survey of repairers.

