

# Property and Casualty Insurance - US - January 2015

Report Price: £2466.89 | \$3995.00 | €3133.71

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“P&C insurers often attract customers based on price. However, price becomes less important as people age, and they realize that quality claims and customer service are more important to their peace of mind. The challenge for insurers is to provide price-sensitive customers – who are often young – with reasons to stay until price is no longer the key factor in their satisfaction.”  
– Robyn Kaiserman, Financial Services Analyst

This report looks at the following areas:

- How will the changing demographics of America affect the P&C industry?
- How can P&C companies encourage loyalty?

The P&C (property and casualty insurance) industry is a competitive one, and providers are fighting for customers, especially young ones. Since most people don't switch insurance providers, getting young customers is crucial to growth as they can, with attention, be counted on to be long-term customers. However, to the extent people do switch, they tend to do so because of price, so insurers have their work cut out for them. Especially in this low interest rate environment, when some insurers have had to raise their prices to make up for lost investment income, other benefits need to be promoted if insurers want to retain customers. As a result of this changing dynamic, quality customer service, convenience offered by mobile apps, and increased communication will become increasingly important as differentiating factors among companies.

This report focuses on the challenges, both internal and external, that P&C companies are tackling as they continue to recover from the trust issues that stem from the financial crisis and subsequent recession and adapt to changing customer expectations. The companies that can adapt their businesses to the new demands and build and cement trusted relationships with their customers are the ones that will fare the best in this highly – and increasingly – competitive industry.

This report builds on the analysis presented in Mintel's *Property and Casualty Insurance – US, February 2013*.

For the purposes of this report, Mintel has used the following definitions:

Property and casualty insurance protects against property losses to a business, home, or car and/or against legal liability that may result from injury or damage to the property of others. The types of P&C insurance covered in this report are auto, homeowners, and renters.

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DID YOU KNOW?

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Progressive

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