



INSURANCE 2024

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HEADING TOWARD MORE INDIVIDUALIZED AND SAFER SERVICES

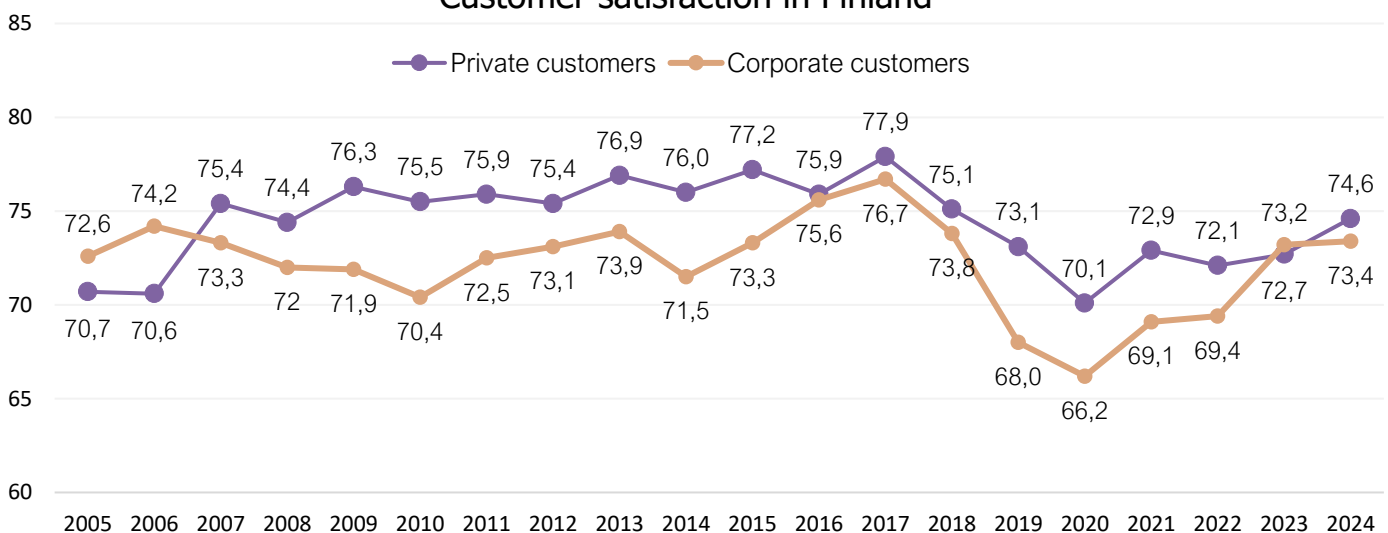
The world has recently experienced significant changes in the areas of economy, technology, and climate. In the Nordic countries, the vulnerability of the financial sector has come to light, bringing stable and reliable insurance services to an even more significant position. The insurance sector acts as an economic safety net for society, and its role has increased with climate change, economic uncertainty, and technological advancements.

The 2024 EPSI Rating survey offers a unique insight into how customer satisfaction and loyalty have developed under this growing pressure. The industry’s customer satisfaction peaked in 2017, but then fell dramatically to its lowest point within three years. However, customer satisfaction in the industry has also recovered strongly, and satisfaction among both private and corporate customers has returned to the good levels of 2018. Among private customers, the figures (74.6 index points) are approaching the threshold for highly satisfied customers (75), already standing out significantly from the 2020 figures (70.1). Corporate customer satisfaction (73.4), on the other hand, remains at the 2023 level (73.2), but this level has risen more strongly since 2020 (66.2) than private customer satisfaction.

Heidi Laitinen, the country manager of EPSI Rating Finland, comments on the survey as follows: “In recent years, the insurance industry has demonstrated strong adaptability in a changing operational environment where consumer expectations are continuously rising. Customers value both digital and personal services more than ever, and the industry players have played a significant role in providing these seamlessly integrated service experiences. Insurance companies that can meet high-quality standards and offer flexible, safe services thus strengthen their customers' trust and long-term commitment.”

The survey results reveal surprising differences within the industry: some players have successfully strengthened their customer satisfaction, while others still face challenges in certain critical areas. The survey shows that the most satisfied customers are found in those companies that have successfully combined technology and personal service seamlessly. The results raise the question: to what extent have different industry players been able to meet their customers' expectations in these rapidly evolving areas?

Customer satisfaction in Finland



Turva has the most satisfied private customers, If catches up

Turva recorded the highest customer satisfaction scores in the comparison for the thirteenth time in the last fourteen years. The company consistently stands out from the industry average in the key areas (image, expectations, product quality, service quality, value for money). "Turva's results are excellent not only in the long-term comparison but have also increased by 2.8 index points compared to last year," Laitinen adds.

If, which measured a customer satisfaction index 3.4 index points higher than last year, ranks second in the comparison. If also stands out positively from the industry average quite consistently in customer assessments, especially in terms of expectations and value for money. POP Vakuutus, which placed second in the previous two years, comes in third with a rise of one index point, crossing into the highly satisfied customer threshold.

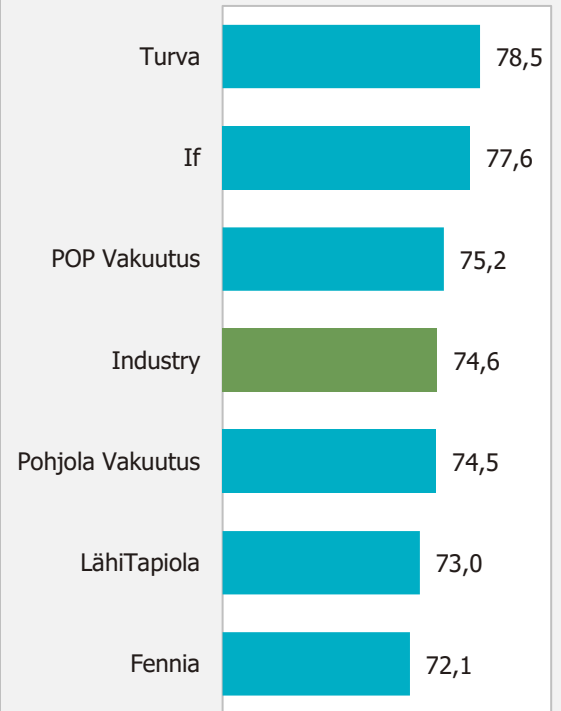
"The overall level in the industry is strong across the board," emphasizes Laitinen. "For instance, the ratings Fennia received do not fall dramatically below the industry average in any area, and the lowest customer satisfaction index in the comparison is largely explained by dissatisfaction within a specific customer segment."

Pohjola Insurance succeeds in standing out in corporate customer evaluations

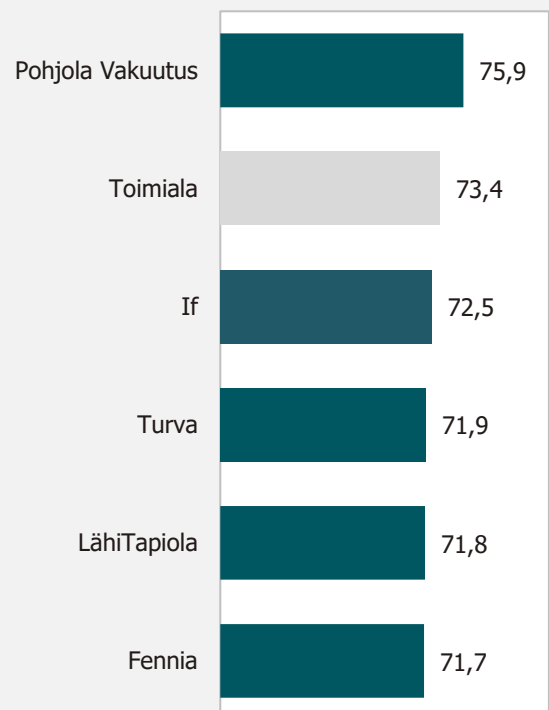
In corporate customer evaluations, the highest scores were measured for Pohjola Vakuutus, which managed to raise its ratings by 4.5 index points compared to the previous year. Coming in second in the comparison is If, similar to the individual customer comparison, and in third place is Turva, which won both comparisons last year.

"The differences among corporate customers are clearly narrower than among private customers," notes Laitinen. "While in the private customer category, companies were within 6.4 index points, a range of just 4.2 index points suffices among corporate customers. Pohjola Vakuutus, which made a significant rise, currently succeeds in distinguishing itself from others, but especially the comparison between Turva, LähiTapiola, and Fennia can be described, using sports terminology, as a game of inches."

Customer satisfaction 2024
Private customers



Customer satisfaction 2024
Corporate customers



Customers are also more loyal now

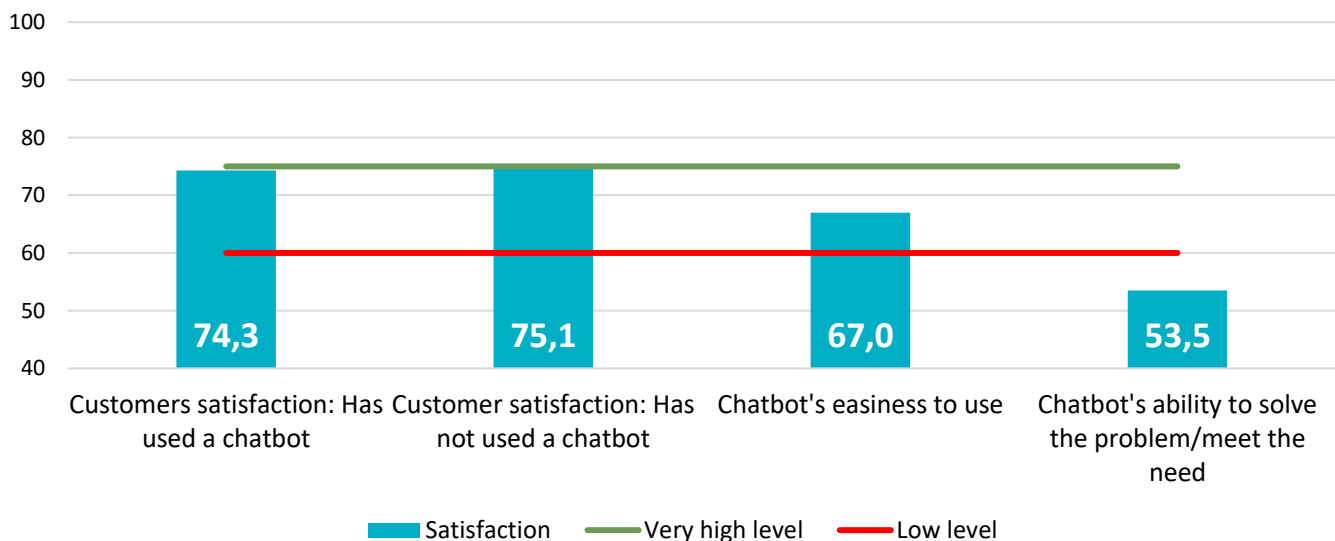
Customer satisfaction among private customers with their primary insurance company has increased by 1.9 index points. This rise reflects the industry's efforts to enhance the service experience for private customers and meet evolving expectations, especially through the development of digital services and customer-centric solutions. The positive trend in customer satisfaction suggests that industry players have become more successful in responding to their customers' needs and expectations, thereby achieving greater customer satisfaction. Customer loyalty has also been on an upward trend. The 2024 survey results show that customer loyalty has now exceeded a value of 76, indicating increasing customer trust in insurance companies. This development signals that more and more consumers see insurance companies as reliable partners they can commit to over the long term. Growing loyalty strengthens the industry's position and highlights its role in Finnish society as an important economic safety net.

The relationship between customer satisfaction, digital services, and AI

According to the study, the use of digital services and artificial intelligence in the insurance industry appears to be related to customer satisfaction in different ways. **If** has distinguished itself with a strong digital service offering, and its customers are particularly satisfied with easy-to-use and versatile digital self-service options. This positively reflects on If's overall customer satisfaction. **POP Vakuutus'** customers have experienced receiving useful assistance through AI for general inquiries and basic issue resolution, which has increased their satisfaction with digital services. In contrast, **LähiTapiola** faces challenges in combining digital solutions with personal service.

Although customer satisfaction among those who have used AI services provided by their insurance company is at the same level as those who have not used them, the results also suggest that if AI services take on too significant a role, they negatively impact customer satisfaction. For example, chatbots are not yet always able to respond to customers' complex needs as personally as traditional customer service. Dissatisfaction with AI can thus become a significant factor in the customer experience, highlighting the need to develop technologies that support more personalized service needs.

Insurance customers' satisfaction on conversational AI-solutions 2024



Balancing personal and digital services

A key question for the development of customer satisfaction in the insurance industry is how digital solutions can be combined with personal service to maintain customer satisfaction. Customers often seek human interaction, especially in complex and personal matters, so insurance companies should consider how AI and digital services can be used to support, but not replace, human-centric service.

The insurance industry must therefore develop AI-based solutions in a way that offers more personalized and higher-quality experiences. In the future, it will be important to find a balance between digital and personal services so that customers feel they receive service that genuinely meets their needs—whether through digital channels or personal customer service.

“Customer satisfaction is higher when customers don’t have to repeat the same information across multiple channels or when customer service representatives show empathy and can clearly explain the claims process. This underscores how crucial it is to manage customer expectations and offer seamless experiences, especially in prolonged processes,” adds Laitinen. “It also shows how critical it is to integrate the use of digital tools with managing customer expectations and personal service in a way that keeps processes consistent and customer-friendly,” Laitinen adds.

Customers are more satisfied with claims handling

Satisfaction with the claims handling process has increased significantly over the year. In 2024, the overall satisfaction score for claims handling was measured at 78.8, compared to 75.3 in 2023. This improvement suggests that insurance companies have succeeded in enhancing the clarity, efficiency, and customer-friendliness of the claims process, thereby increasing the perceived value for customers. Although the number of customers who filed insurance claims has remained relatively stable over the past year (31% in 2024, 35% in 2023), satisfaction with the claims process itself has risen. This indicates that insurance companies have invested more in allocating resources for smooth claims handling and improving the customer experience in this essential and therefore critical area of their core business.

“The smoothness of the claims process and customer satisfaction with its handling are among the most critical factors affecting customer trust and loyalty toward insurance companies. These results show that industry players have managed to meet customer expectations during important service moments and enhance overall customer satisfaction by providing better service exactly when customers need it the most,” concludes Laitinen.

Summary

Customer satisfaction in the insurance industry has risen back to a high level after societal crises affecting the industry in the early 2020’s. Loyalty toward one’s current primary insurance company has increased, and customers generally feel they are in good hands when a mishap occurs.

However, insurance companies cannot afford to become complacent. The operating environment can change drastically within a short time due to crises affecting various levels of society, and the ability to respond to customer needs through multiple channels remains essential. It is likely that in the future, insurance companies will need to continue investing in technology and artificial intelligence, but they must also understand that customer satisfaction is not created solely through technology. While technology can serve as an effective support, maintaining customer satisfaction also requires personal interaction, particularly in complex and personal insurance situations.

The future of the insurance industry is both exciting and crucial – the industry must adapt to evolving customer expectations and leverage technology in a way that complements, rather than replaces, human-centric service. This presents challenges but also opportunities for those companies that can use technology in a customer-centric way and recognize when a human touch is necessary.

EPSI RATING

EPSI Rating is a non-profit academic organization owned by the Swedish Institute for Quality (SIQ), which in turn is owned by the Swedish state.

EPSI Rating was established as an EU research project at the Stockholm School of Economics in 1989, and the organization has conducted national quality index surveys in Finland since 1999.

The organization’s activities are focused on the Nordic countries, but studies are also conducted, for example, in the UK and the Netherlands. In Finland, EPSI Rating is particularly known for its industry surveys (banking and finance, insurance, electricity retail, telecommunications, new residential construction), but cooperation is also carried out with various other entities in both the private and public sectors.

Read more on our website!

<https://www.epsi-finland.org/>

ABOUT THE STUDY

EPSI Data Collection Services interviewed over 2,000 private and corporate customers of insurance companies residing in Finland for the Insurance 2024 study. The interviews were conducted during the period 23.9.-10.10.2024.

The index is produced on a scale of 0–100, where 0-60 indicates dissatisfaction, 60-75 indicates satisfaction, and above 75 indicates high satisfaction.

The margin of error for customer satisfaction is typically around 2-3 index points on the 0-100 scale for each company. The statistical confidence level is 95%.

More information about the study:

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Measuring customer satisfaction

Customer satisfaction and customer loyalty are two important key indicators for companies and organizations. In addition to measuring these two indicators, the EPSI method examines five other aspects that help identify what makes customers satisfied and loyal. Each aspect includes a certain number of questions.

The chart below illustrates the areas on which the EPSI method is based.

