

Keynote<sup>®</sup> Service Level Rankings™



# Keynote Service Level Rankings for Auto Insurers

Spring 2005

## Auto Insurance Study Overview

Keynote conducts benchmarking studies for the auto insurance industry on an ongoing basis, examining the online experiences of prospective customers over time. Keynote Service Level Rankings are a cost-effective way for companies to assess how the technical quality of their key web applications affects their end-user experience, relative to the experience competitors provide, and implement enhancements to improve their competitive positioning.

Superior quotation, research and purchasing functionality have recently driven several consumers online for their auto insurance needs. About 87% of auto insurance consumers visited insurer's online sites to obtain a quote, and 58% were willing to purchase policies online. To capitalize on this consumer trend, insurers must optimize not only quote and research content and functionality, but also the corresponding technical performance. Although convenient online services may be competitive differentiators for auto insurance companies, prospective customers will not appreciate them unless the site is reliable and performs well consistently.

To help auto insurers understand how their site technical quality stacks up against that of key competitors, Keynote Service Level (SL) Rankings provides a customer's perspective on the various components of site performance. The study findings also contain actionable insights into how to improve these site performance components including transaction responsiveness, consistency, geographic uniformity, reliability, scalability, page design, and Internet connectivity.

The study report not only ranks the best and worst Web sites by various performance factors, but also provides specific detail about why the sites ranked where they did. Because the rankings are based on quantifiable metrics, site owners can use Keynote's findings to improve their overall customer/site experience. Keynote's Service Level Rankings also provide valuable industry-wide insights. They identify

the best sites, highlight areas for improvement, help industry analysts keep abreast of how ever-changing Web technology is being applied, and help site owners set service level goals that are appropriate for their own industry. Armed with this intelligence, e-business and Operations Managers can make informed decisions that improve site performance relative to competitors, maximize returns on site content and design investments, and ultimately build stronger relationships with existing and new customers.

The following sites were evaluated as part of this competitive benchmarking study:

- AIG
- AllState
- GEICO
- GMAC
- Liberty Mutual
- Nationwide
- Progressive
- StateFarm

## Overall Service Level Ranking

The Overall Service Level Ranking is based on an aggregate score for site performance that is derived from all the measurements taken by Keynote during the study. This high-level ranking illustrates which sites are providing the best overall service levels for prospective auto insurance customers.

The Keynote study found that GEICO, State Farm and Liberty Mutual ranked highest in the Overall Service Level Ranking.

### Keynote Service Level Rankings

Rank	Auto Insurers Web Sites
1	GEICO
2	State Farm
3	Liberty Mutual

## Key Performance Factors

To obtain the Overall Service Level Ranking, Keynote first evaluates and compares the sites using 35 detailed service level metrics. Key Performance Factors are then derived by ranking the sites based on related sets of these underlying metrics. The 10 Key Performance Factors are:

- Average T1 Response
- Average DSL Response
- Average Dial-up Response
- Response Consistency
- Geographic Uniformity
- Load Handling
- Page Design
- Network Connectivity
- Reliability
- Outage Hours.

Each Key Performance Factor represents a distinct aspect of site performance; as illustrated by the selection of results presented below. It is rare for a single site to excel in all ten aspects. Keynote's Service Level Ranking Report presents detailed analysis and results for each aspect separately.

The full report provides detailed answers to questions like:

- Which sites offer the quickest transactions (fewest steps, fastest pages)?
- Which sites are the most stable, offering consistent levels of service?
- Which sites offer well-designed web pages?
- Which sites provide the best service for dial-up or broadband users?
- Which sites are the most reliable; which have fewest outages?

The following sections summarize the findings for four performance factors: Average T1 Response, Geographic Uniformity, Load Handling, and Reliability.

### Average T1 Response

The Average T1 Response factor represents a customer's experience of site responsiveness when using a high speed Internet connection. This factor is derived from the following five measures of site responsiveness, recorded when each site is measured over a T1 connection:

- Overall Transaction Response Time
- Average Page Download Time
- Home Page Download Time
- General Information Page Download Time
- Vehicle Information Page Download Time

Of the sites in the study, AIG, was the most responsive over a high speed Internet connection, followed by GEICO and State Farm.

#### Average T1 Response

Rank	Auto Insurers Web Sites
1	AIG
2	GEICO
3	State Farm

### Geographic Uniformity

The performance of some Web sites varies according to where in the US a customer is located. The Geographic Uniformity factor represents the degree to which a site delivers consistent performance, independent of geography or Internet backbone. This factor is derived by computing the variation among measurements taken by the 10 Keynote measurement agents.

Keynote's research shows that the State Farm site delivers the most uniform service levels across the US, followed by GMCA and GEICO.

#### Geographic Uniformity

Rank	Auto Insurers Web Sites
1	State Farm
2	GMAC
3	GEICO

#### Average Dial-Up Response

The Average Dial-Up Response factor represents a customer's experience of site responsiveness when using a 56KBps Internet connection. Given that almost 50% of the consumer population is still accessing the Internet over a dial-up connection, response time over dial is critical for all sites. The same underlying metrics were used for this factor that were used for T1 Response.

State Farm and GEICO tied for the most response site over dial-up, followed by Liberty Mutual and AIG.

#### Average Dial-Up Response

Rank	Auto Insurers Web Sites
1	State Farm
1	GEICO
2	Liberty Mutual
3	AIG

#### Reliability

The Reliability factor represents a customer's experience of overall site availability. This factor is derived from the following five measures of site reliability:

- Overall Transaction Reliability (Peak)
- Overall Transaction Reliability (24X7)
- Home Page Reliability (Peak)
- General Information Reliability (Peak)
- Vehicle Information Reliability (Peak)

Of the sites in the study, AllState was the most reliable, followed by Nationwide and GEICO.

#### Reliability

Rank	Auto Insurers Web Sites
1	AllState
2	Nationwide
3	GEICO

### Study Results

The study results are delivered via:

- An executive presentation, which highlights general industry trends and ranks each participating company on each of the ten performance factors. The insight gained helps executives identify general areas of site improvement that have the maximum impact on the customer experience.
- An in-depth presentation that analyzes each of the thirty-five diagnostic metrics, which constitute the ten site performance factors. The presentation also contains detailed information on site design best practices implemented by leaders in the study. Armed with this intelligence, IT Managers can tune specific site elements to improve the performance delivered to customers relative to what key competitors offer.

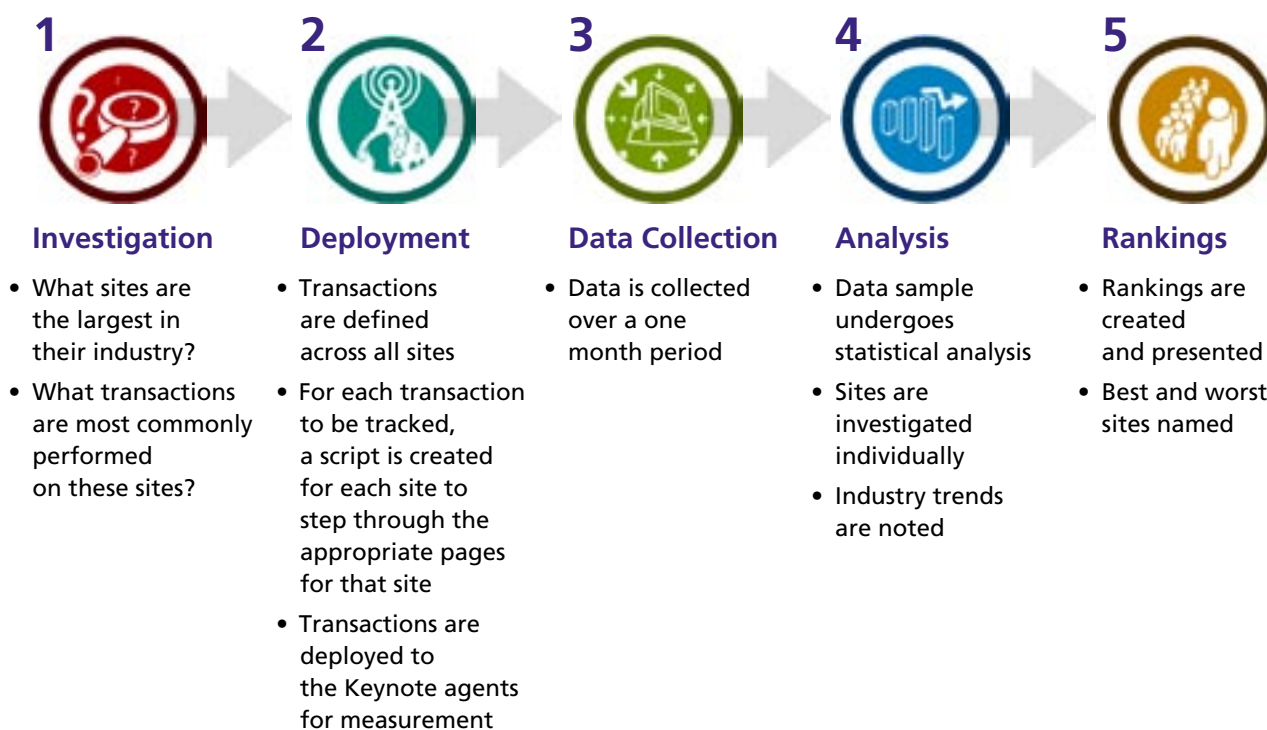
For an additional fee, Keynote's Service Level Analysts can further analyze the performance characteristics of any one of the measured sites and provide actionable recommendations to improve desired performance factors (T1 Response, Load Handling Ability etc.) relative to specific competitors.

## Study Methodology

Keynote used Transaction Perspective agents—the industry's most accurate web application monitoring technology based on the IE 6.0 browser. For this study, we placed Transaction Perspective agents in ten

major US cities. These agents performed multi-page transactions against ten leading brokerage Web sites, collecting over 6,000 detailed measurements of the responsiveness and reliability of each site. The overall methodology is illustrated in the figure below.

### Overall Methodology



### Transaction Measured

Keynote compared the process of beginning an auto insurance quote. Each transaction began at the sites Home Page and ended with the page in the application that requires the vehicle information. The number of pages (or clicks) included in each transaction varied between sites, as each has a unique navigational path.

While Keynote measured only a single transaction, that transaction exercises various portions of the site

and many general site conclusions can be drawn from it. The results obtained apply to the marketing and quote entry portion of the site.

### Measurement Frequency

Transactions were run against each auto insurance site hourly from each of Keynote's US10 agents, and from single Dial-Up and DSL agents. Consequently, each site was measured 288 times daily. Data was collected from March 21st through April 18th, 2005.

## Peak and Off-Peak Periods

When computing many of the metrics evaluated, Keynote used a peak period, defined as every day, 8 am to Midnight EST. Limiting the analysis to a peak period is especially important when calculating reliability, since many sites schedule routine maintenance at nights or during weekends. Including data collected during off-peak periods could affect the rankings adversely.

## Transaction Perspective Agent

The Service Level Rankings study is based on Keynote's highly accurate and realistic Transaction Perspective® measurement service. This service uses measurement computers ("agents") that mimic a series of actions by a consumer interacting with a Web site using the Internet Explorer browser, taking detailed measurements of the entire process.

Keynote's Transaction Perspective measurement computer ("agent") is the most accurate and high fidelity measurement technology available. The Agent uses the IE 6.0 browser to ensure measurement accuracy. Just like a user, the agent uses two concurrent threads to fetch page components and allows the use of persistent connections. This browser also handles SSL, JavaScript, Flash, ActiveX, and other interactive languages that can have a significant impact on both performance and availability. Measurement data includes rendering time of all components to ensure that the data gathered represents the complete customer experience.

## Agent Locations

To represent the experience of real customers, Keynote's agents are located on major Internet backbones and in principal population centers.

### Agent Locations



## Ranking Methodology

Ranking is performed as follows: Keynote first ranks the sites for each metric underlying the key factors. Each underlying metric ranking is based upon the statistic calculated from the large sample of measurements collected during the study. For example, to obtain the underlying metric Average T1 Response, Keynote calculated the geometric mean of the total transaction response time; this is a good measure of the response time a majority of users would experience. Keynote then ranks the sites by their geometric means. Since the sample size is very large, Keynote assumes that any difference greater than a certain measurement precision is statistically significant. Based on the rankings within each key metric, scores are assigned sequentially from top to bottom; the highest possible score is N where N is the total number of sites included in the study.

After all the underlying metrics within each key factor are scored, an average score is calculated for each key factor for each site. For example, the score of the key factor Average T1 Response is the simple average of its five underlying metric scores. Once the scores of all the key factors are calculated, summing the key factor scores produces the overall ranking score for each site. Since the overall ranking score is computed from 10 key factors, the maximum potential score for a site's overall performance is 10xN points. Keynote considers any difference in the overall score of greater than or equal to one point to be significant.

## Longitudinal Comparisons

Keynote Rankings provide a solid base for longitudinal comparisons and benchmarking. Studies are repeated at least annually. Each iteration of a study uses a similar study design, and the analysis is based upon standard Keynote metrics, resulting in data that can be easily benchmarked and compared over time.

Keynote plans to release the next wave of Service Level Rankings for Auto Insurers in Spring 2006.

## About Keynote Systems

Keynote Systems, The Internet Performance Authority®, is the worldwide leader in e-business performance management services. Over 2,100 corporate IT departments and 19,000 individual subscribers rely on Keynote's growing range of measurement and monitoring, service level and customer experience management services to improve e-business performance by reducing costs, improving customer satisfaction and increasing profitability.

Keynote Service Level Management (SLM) solutions provide enterprises with the tools to align IT and e-business goals. Keynote's SLM solution suites offer comprehensive approach to the problem of managing e-business service levels effectively for IT, application deployment and support personnel and e-business executives. To learn more about Keynote's Service Level Rankings study, visit:

[http://www.keynote.com/solutions/slm\\_service\\_level\\_rankings.html](http://www.keynote.com/solutions/slm_service_level_rankings.html), or contact us at [sales@keynote.com](mailto:sales@keynote.com).