



June 2023

Nationwide Homeowners Survey

Insights Report



SURVEY METHODOLOGY



Audiences

U.S. Homeowners

Age 18+ who own a home - nationally representative by age, gender, race, region

Independent Insurance Agents

Identify as an independent insurance agent who sells homeowners' policies - mix of principals, producers, and customer service reps



Sample Size

N=1,000

N=400



Methodology

**15-Minute
Online Survey**



Timing

**Survey Fielded
May 15th – June 2nd,
2023**

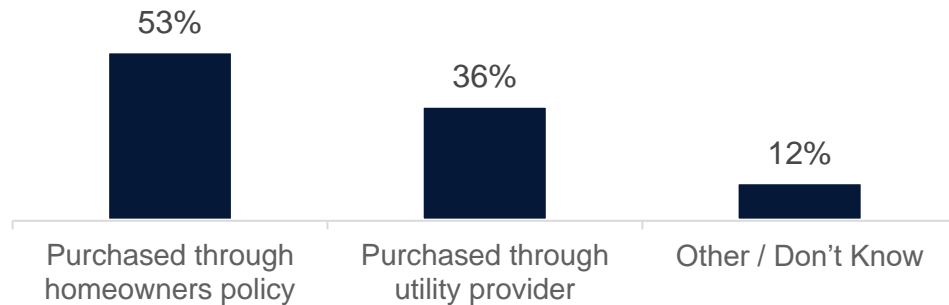
Insurance Coverage

Of those with service line coverage, most purchased it through their homeowners insurance policy

Of those who didn't, only half are aware that this coverage can be purchased through their homeowners policy. Additionally, only a third of homeowners are aware that you can only add service line coverage when renewing a homeowners insurance policy, rather than at any time.

Service Line Coverage: Purchase Behaviors & Perceptions

(Shown % Selected, among those with service line coverage)



(Shown % Selected)



■ U.S. Homeowners

Awareness that Service Line Coverage can be Purchased Through Homeowners Insurance

(Shown % Selected "Yes", among those who did not purchase service line coverage through their insurance policy)

50%
U.S. Homeowners



Q26. You mentioned you currently have service line coverage. Did you purchase this through your utility provider or your homeowners insurance policy? Base: Total with service line coverage (U.S. Homeowners n=276)
 Q27. Are you aware that you can purchase service line coverage through your homeowners insurance? Base: Total who did not purchase service line coverage through their insurance policy (U.S. Homeowners n=131)
 Q28. To your knowledge, which of the following most accurately describes the process of adding service line coverage to your homeowners insurance policy? Base: Total (U.S. Homeowners n=1,000)

The most common types of coverage homeowners believe are included in their base policies include fire, liability, and personal property replacement protection

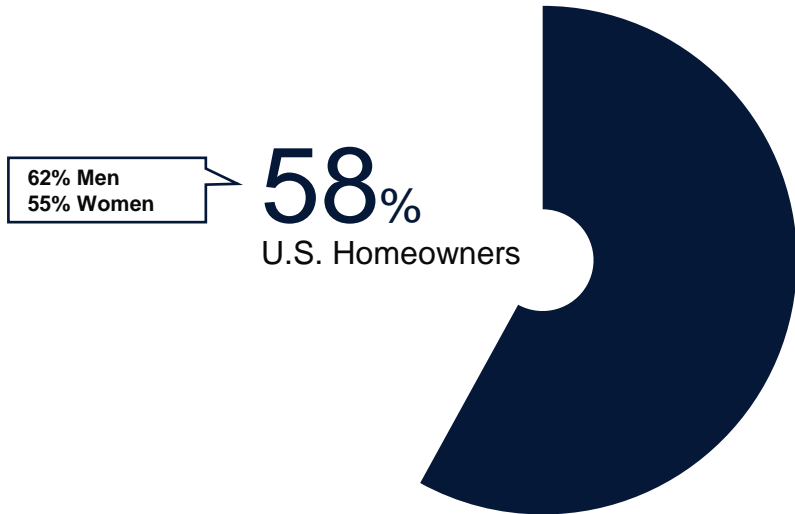
| Coverage Types Believed to be Included in Base Homeowners Policy (Shown: % Selected) | U.S. Homeowners |
|---|-----------------|
| Fire coverage | 89% |
| Liability coverage | 83% |
| Personal property replacement cost coverage | 79% |
| Dwelling coverage | 78% |
| Windstorm coverage | 61% |
| Collectibles / jewelry coverage | 54% |
| Sewer / water backup coverage | 49% |
| Flood coverage | 40% |
| Additional home roof coverage | 39% |
| Umbrella insurance | 38% |
| Seepage coverage (for example from any slow drip leaks) | 36% |
| Service line coverage | 32% |
| Identity theft coverage | 27% |
| Earthquake coverage | 26% |
| Equipment breakdown coverage | 26% |

Over half of homeowners are very or extremely confident that their homeowners policy would meet their needs if they had to file a claim

Those who are not confident struggle with a lack of knowledge around their policy / coverage and overall cost concerns (inflation, high deductibles, etc.).

Confidence in Current Homeowners Insurance Policy

(Shown % Selected T2B “Very” or “Extremely Confident”)



Reasons for Being Confident / Unconfident

(Shown coded open-end responses, among those who are confident / unconfident in their current homeowners insurance policy)

Homeowners are **confident** because...

- 1. Quality of coverage**
(21% U.S. Homeowners)
- 2. Consistent policy reviews / support from agent**
(19% U.S. Homeowners)
- 3. Confidence / satisfaction in insurance provider**
(16% U.S. Homeowners)

Homeowners are **not confident** because...

- 1. Lack of knowledge around coverage**
(22% U.S. Homeowners)
- 2. Cost concerns**
(20% U.S. Homeowners)
- 3. Limited / inadequate coverage**
(14% U.S. Homeowners)

Q18. How confident are you that your current homeowners insurance policy would meet your needs in the event you had to file a claim? Base: Total (U.S. Homeowners n=1,000) Q19a. You mentioned you are very or extremely confident in the coverage provided by your homeowners insurance policy. Why do you feel this way? Base: Total who are confident in their current homeowners policy (U.S. Homeowners n=578) Q19b. You mentioned you are only somewhat or not at all confident in the coverage provided by your homeowners insurance policy. Why do you feel this way? Base: Total who are not confident in their current homeowners policy (U.S. Homeowners n=422)

Nearly all agents believe their customers are knowledgeable about the coverage included in their policies

Over 9 in 10 agents recommend their customers review their homeowners policies at least once per year – with 59% proactively reaching out to customers to do this every 12 months. As a result, most say their typical customers are reviewing their policies annually.

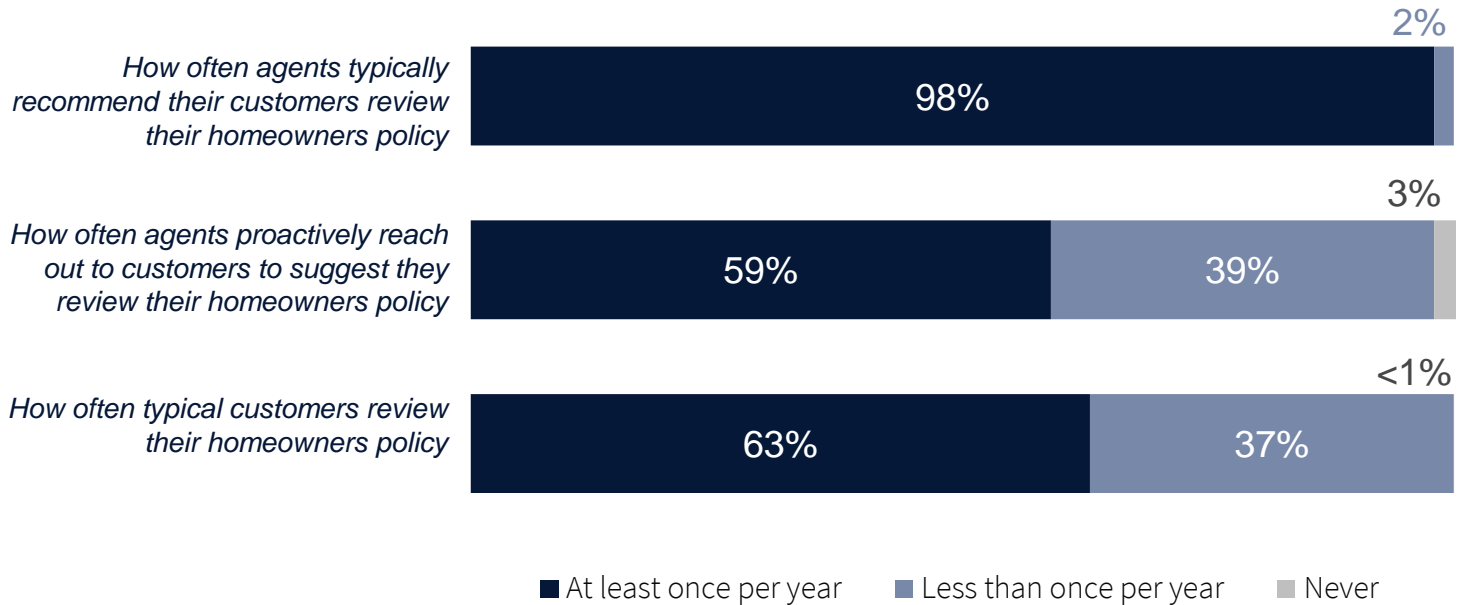
How Informed Typical Customers Are About the Coverage Included in Their Homeowners Insurance Policies

(Shown % Selected “Very” or “Extremely” Informed)



Approach to Policy Reviews

(Shown % Selected)



Homeowners have largely positive perceptions of their current policies, with over 8 in 10 believing their home is insured to the right value, adequately covered, and will protect them in the event of a disaster

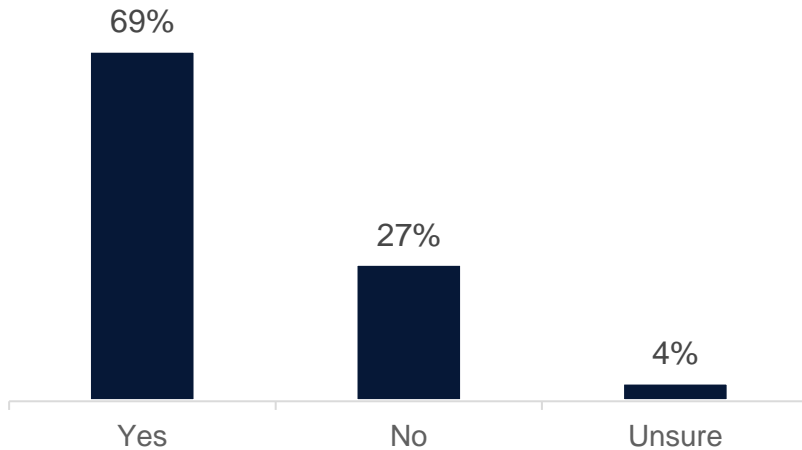
However, many are still concerned that their policy may not cover certain types of damages or incidents (54% U.S. homeowners) or that they may not have enough coverage in case of a major loss or catastrophe (47% U.S. homeowners). Roughly 4 in 10 are also confused about the different types of coverage offered by their policy (39% U.S. homeowners).

| Perceptions of Homeowners Insurance Policy <i>(Shown: % Selected T2B "Agree")</i> | U.S. Homeowners |
|---|------------------------|
| I believe my home is currently insured to the right value | 87% |
| My policy provides adequate coverage for my needs | 86% |
| I feel secure knowing that my policy will protect me in the event of a disaster | 82% |
| I trust that my policy will cover me for all necessary expenses in case of a claim | 81% |
| I am confident in my understanding of the coverage my policy provides | 80% |
| I have read and fully understand my policy's terms and conditions | 76% |
| I have updated my policy after making renovations to my home | 55% |
| I am concerned that my policy may not cover certain types of damages or incidents | 54% |
| I am worried that I may not have enough coverage in case of a major loss or catastrophe | 47% |
| I am confused about the different types of coverage offered by my policy | 39% |

Most homeowners currently work with an insurance agent and are reviewing their homeowners policy at least once a year

Affluent homeowners are more likely than U.S. homeowners to not work with an agent to manage their homeowners insurance needs.

Currently Working With an Insurance Agent
(Shown % Selected "Yes")



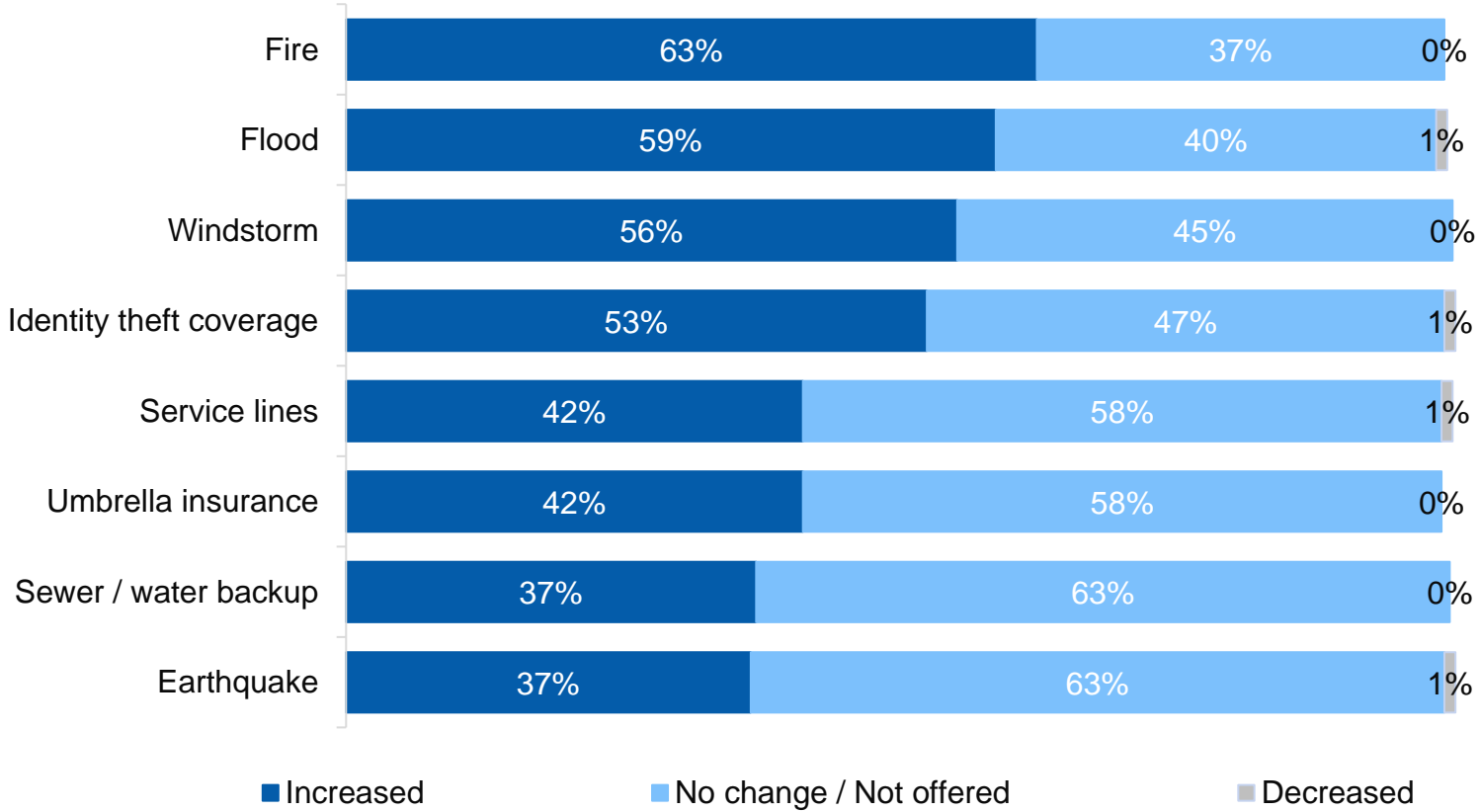
■ U.S. Homeowners

How Often Homeowners are Reviewing Their Policies
(Shown % Selected)

| | U.S. Homeowners |
|-------------------------|-----------------|
| More than once per year | 12% |
| About once per year | 55% |
| Once every few years | 18% |
| Only rarely | 11% |
| I never do this | 5% |

Most agents report an increase in customer interest for fire, flood, windstorm, and identity theft coverage over the past year

Customer Interest in Homeowners Coverage Types Over the Past Year
(Shown % Selected)



Q44. How has customer interest in the following types of coverage changed over the past 12 months? Base: Total (Independent Insurance Agents n=400)