



Australian Government
Australian Reinsurance Pool Corporation

2021 Stakeholder Survey Report



ORIMA
orima.com.au

February 2022

Contents

Executive Summary	1
Key Results	1
Conclusions.....	4
Source of Data	5
Research Findings.....	6
Delivering on the ARPC vision	6
What do customers think of ARPC?.....	8
Does ARPC represent value for money?	11
Does ARPC engage effectively with stakeholders?.....	13
Insurer customers' engagement with risk of a terrorism event.....	17
Conclusions.....	18
Appendices.....	19
Appendix A: Questionnaire.....	19

Executive Summary

The Insurer Customer Survey is part of an annual process that seeks to understand how customers perceive ARPC and measure the effectiveness of its stakeholder engagement activities and communications. The survey was first run in November 2020, with the second wave of data collected during November-December 2021, via a short online survey.

Survey invitations were issued to the primary contacts at each of the 235 ARPC insurer customer organisations. Responses were received from 51 insurer customers, representing a 22% response rate overall (compared to 28% last year). Responses were received from 9 of 36 Australian insurer customers (25% response rate, compared to 33% last year) and 42 of 199 overseas insurer customers (21%, compared to 27% last year).

NOTES: These response rates are within the typical range for surveys of this nature. While absolute sample sizes are small and results should be interpreted with consideration as to how non-respondents might vary from the views of those who chose to participate, the general patterns of results can be considered a reasonable indicator of the views of insurer customers.

The small absolute sample sizes do mean that the results are 'noisier' than ones with larger bases. This is to say a greater proportion of the variations from survey-to-survey may be a factor of variation in how individual respondents feel when they complete the survey, how different respondents may use scales (including how many use the *can't say* option for questions), and/or slight differences in how people interpret the questions asked. It is important to consider this when interpreting time series results, as it is likely that some of the movements observed may reflect or be amplified by statistical noise, and may not necessarily be indicative of or fully attributable to changes in underlying experience. Over time, once multiple data points can be analysed, more meaningful trends may become apparent. Readers should consider this in comparing 2020 and 2021 results reported here.

The 'overall' scores reported throughout are weighted to reflect the relative share of premium income of different insurer customer segments. The weighting is 90% Australian insurer customers, 6% Lloyds and 4% all other overseas insurer customers.

It is also important to note that in many (but not all) cases, a higher proportion of overseas respondents felt unable to give a rating, most likely due to limited experience or business with ARPC, and so lower reported positive scores are not necessarily because they felt negatively towards ARPC.

Key Results

Delivering on the ARPC vision

Vision Indicators	Definition	Overall	Aust.	Overseas
To what extent do you feel that ARPC is "an effective provider of terrorism risk insurance"? ^{Q1}	Large + Moderate extent	87% ▼ (97%)	89% ▼ (100%)	88% ▲ (80%)
What impact do you think ARPC has on private sector terrorism reinsurance participation? ^{Q2}	Substantially + Somewhat facilitates	87% ▼ (97%)	89% ▼ (100%)	79% ▲ (75%)
To what extent do you believe ARPC supports "national resilience"? ^{Q3}	Large + Moderate extent	89% ▼ (97%)	89% ▼ (100%)	95% ▲ (80%)
(2020 results shown in brackets)	Sample size	Weighted	9 (12)	42 (51)

In line with 2020 results, over four-in-five respondents believe that ARPC is delivering on three key aspects of the organisation's vision to at least a moderate extent. Views were largely similar across Australian and Overseas respondents this year. In 2021 the response pattern of Australian

respondents saw selections made across a broader range of options at the positive end of the scale. Along with a higher proportion of Australian respondents selecting *can't say*, this resulted in lower overall positive scores. Among Overseas respondents the opposite pattern was observed, where a greater proportion of respondents selected very positive responses in 2021, and somewhat fewer answered *can't say* to each aspect, resulting in higher positive scores overall.

What customers think of ARPC

Consistent with last year, over 95% of respondents continue to see ARPC as a trusted expert on terrorism reinsurance and consider it easy to deal with. Relative to these two aspects, perceptions of transparency were less positive, with just over three quarters of respondents (76%) indicating that they would describe ARPC as transparent.

Compared to last year, a greater proportion of Overseas respondents used more positive rating for each these aspects. Australian respondents continued to be very positive about aspects of trust and ease of interactions (100% both this year and last). However, in relation to transparency, this year a higher proportion of respondents choose *to a moderate extent* as their answer to this question compared to last year, resulting in the lower overall result.

Perception Indicators	Definition	Overall	Aust.	Overseas
To what extent do you feel the following describes ARPC:				
Trusted expert on terrorism reinsurance ^{Q6a}	Totally + large extent	97% ▬ (98%)	100% ▬ (100%)	86% ▲ (82%)
Easy to deal with ^{Q6b}	Totally + large extent	97% ▬ (96%)	100% ▬ (100%)	88% ▲ (75%)
Transparent ^{Q6d}	Totally + large extent	76% ▼ (89%)	78% ▼ (92%)	83% ▲ (75%)
(2020 results shown in brackets)	Sample size	Weighted	9 (12)	42 (51)

When asked to describe ARPC in two key words, positive words such as *professional, reliable, effective, accommodating* stood out most prominently. Themes of stability and security also came through again this year. 2021 also saw new themes emerge around good governance and partnership, as well as fewer 'pragmatic' descriptors such as *regulation, necessary, and functional*, and fewer differences in themes between Australian and Overseas respondents compared to the previous year.

All respondents





Perceptions of value

In 2021, over three-quarters of respondents felt that the ARPC was a valued partner to their organisation. However, fewer respondents (66%) were of the view the ARPC supports their organisation’s financial strength. Scores on this metric are lower than in 2020, in large part due to the greater proportion of (Australian) respondents selecting they *can’t say* option. The reverse was observed among Overseas respondents, with fewer *can’t say* responses recorded among this segment in 2021. Along with a higher proportion of more positive options selected, this resulted in higher overall ratings among Overseas respondents this year.

While the annual Terrorism Risk & Insurance Webinar continued to be considered more valuable by Australian respondents than Overseas ones, positive perceptions of the seminar were higher across both groups. This was reflective of fewer respondents selecting the *can’t say* option both locally and overseas, and a higher proportion of Overseas respondents indicating the seminar was at least somewhat valuable.

Value Indicators	Definition	Overall	Aust.	Overseas
To what extent do you feel the following describes ARPC: Valued partner to our organisation ^{Q6c}	Totally + large extent	76% ▼ (89%)	78% ▼ (92%)	83% ▲ (75%)
To what extent do you believe ARPC supports your organisation’s financial strength ^{Q4}	Large + Moderate extent	66% ▼ (80%)	67% ▼ (83%)	81% ▲ (55%)
How valuable has your organisation found ARPC’s Annual Terrorism Risk Insurance Seminar ^{Q8}	Very + Somewhat valuable	84% ▲ (62%)	89% ▲ (67%)	60% ▲ (25%)
(2020 results shown in brackets)	Sample size	Weighted	9 (12)	42 (51)

Engagement and communication

In 2021 the ARPC website was rated most highly by respondents, with 89% of Australian and 88% Overseas respondents rating their experience as *good* or *very good*. In addition to a higher proportion of positive ratings among Overseas respondents, a smaller proportion of *can’t say* responses contributed to the higher scores this year. Across other engagement aspects, a greater proportion of Australian respondents rated the elements as *satisfactory* rather than *good* or *very good* compared to last year. Movements in ratings of face-to-face meetings were largely driven by an increase in *can’t say* responses among Australian respondents, and a decrease in *can’t say* responses among those Overseas.

Value Indicators	Definition	Overall	Aust.	Overseas
How would you describe your organisation's experience of:				
ARPC Website ^{Q7A}	Very Good + Good	87% ▲ (80%)	89% ▲ (83%)	88% ▲ (51%)
Digital B-to-B Communications ^{Q7B}	Very Good + Good	77% ▼ (96%)	78% ▼ (100%)	86% ▼ (71%)
Publications ^{Q7c}	Very Good + Good	77% ▼ (97%)	78% ▼ (100%)	86% ▲ (76%)
ARPC Face-to-Face Meetings ^{Q9}	Very Good + Good	65% ▼ (72%)	67% ▼ (75%)	67% (57%)
(2020 results shown in brackets)	Sample size	Weighted	9 (12)	42 (51)

When asked for suggestions on what ARPC could do differently in how it engages with its insurer customers, most respondents indicated that they would simply like ARPC to continue its current approach as it met their needs. The handful of suggestions that were provided largely related to ways ARPC could consider staying connected and share information with its customers.

Conclusions

The response rate to the survey was within the typical range client or stakeholder surveys of this nature. While results from surveys always need to be interpreted with consideration to the practical limitations of the method and the possibility of non-respondents being systematically different from respondents, these results can be considered as being a meaningful indicator of insurer customers perceptions.

Overall, the results from the 2021 survey remain generally strong, and largely consistent with last year. While smaller proportions of Australian respondents gave strongly positive responses, and this reduced the total scores, this change in total scores was mostly due to a higher proportion of *can't say* responses rather than actively negative ratings.

Respondents saw ARPC as largely delivering on its vision, a valuable and important partner, a trusted expert that's easy to deal with, and largely communicating and engaging well with stakeholders. Somewhat fewer perceive ARPC to be contributing to their organisation's financial strength, with a higher proportion of Australian customers unable to rate this aspect in 2021.

Perceptions of engagement and communication are relatively strong, with the website and Terrorism Risk & Insurance Webinar rated most highly this year. Face-to-face meetings were rated relatively less highly, though this was a result of more respondents feeling unable to comment – perhaps due to COVID-19 restrictions limiting engagement in the latter part of 2021.

Overall, compared to last year, in 2021 a greater proportion of Australian respondents gave *can't say* as their answer to various aspects, and a smaller proportion of Overseas respondents did the same. In addition, small differences in distribution of other responses given were also seen, with Australian respondents providing a broader range of responses across the positive end of the scale, while the responses from Overseas respondents were more tightly clustered around the very positive end of the scale. In combination, this difference in response patterns resulted in decreases in scores for Australian respondents and increases among respondents from Overseas.

At face value this pattern of results may suggest that Australian and Overseas Insurer Customers perceived ARPC's engagement with them somewhat differently during COVID-affected 2021. However, more information from the ongoing Interaction Survey and the 2022 Insurer Customer Survey, as well as from other sources, would be required to corroborate this observation and to confidently draw conclusions about how Insurer Customer experiences may be changing.

Source of Data

Purpose and Guiding Principles

The Australian Reinsurance Pool Corporation (ARPC) provides a service to 235 insurer customers. Of these, 36 are Australian, and 199 are based overseas.

Since 2020 the ARPC has administered an annual Insurer Customer Survey to measure the effectiveness of its engagement activities and communications with insurer customers. To minimise the burden of the survey, and to maximise participation, feedback from stakeholders is collected via a very short online survey. All insurer customers are invited to participate.

The survey design was guided by an intensive internal executive workshop and seeks to address the key focal points of interest to ARPC now and in the future. These are:

1. Are we delivering on our vision?
2. What do our customers think of us?
3. Does ARPC represent value for money?
4. Does ARPC engage effectively with stakeholders?

Technical Details

The 2021 wave of the survey was conducted online during November and December 2021. The survey was sent to the primary ARPC contact for each insurer customer – in most cases the Reinsurance Manager, or equivalent. Insurer customer contacts were initially sent a pre-approach letter (PAL) as an email from the ARPC CEO, informing them of the upcoming survey, noting it would be deliberately very short to complete, and highlighting that the invitation would come from ORIMA Research to ensure confidentiality and independence. Survey invitations and two reminders were then sent to insurer customer contacts by ORIMA, and a mid-survey communique to all Australian insurer customers was also issued by ARPC directly. A final survey reminder was subsequently issued by ORIMA to Australian customers in the final week before the survey closed.

All survey responses need to be reviewed and approved prior to submission. To be valid submissions for analysis, surveys need to be confirmed and submitted by the Reinsurance Manager or the person with the closest working relationship with ARPC. Surveys that are not endorsed in this way are not included in the analysis.

Several individuals were the primary contacts for two or more insurer customers. These contacts were sent a single link to a central webpage where they could complete a survey on behalf of each entity, they represented or copy their responses from a single completed survey to some or all the others, depending on whether they wished to provide different answers on behalf of different entities. Contacts also had the option to share each entity's survey link with other individuals who may be best placed to respond.

Of the 235 insurer customers, valid (endorsed) responses were received from 51 contacts, representing an overall response rate of 22%. 9 of 36 Australian insurer customers took part (25% response rate) and 42 of 199 overseas insurer customers (21% response rate) responded to the survey. In 2020 the overall response rates was 28%, 33% for Australian insurer customers, and 27% for overseas insurer customers.

To reflect the relative importance and value of premiums paid by insurer customer segments, a weighting is applied to the calculation of the 'overall' scores reported. The weighted overall scores reflect 90% Australian insurer customers, 6% Lloyds insurer customers and 4% all other overseas insurer customers. Australian and overseas results are reported using unweighted data.

A copy of the questionnaire used can be seen in Appendix A of this report.

Research Findings



Reader note: Sample sizes in this report are small from a statistical perspective but reflect responses from around a quarter of all ARPC insurer customers. As such, while exact percentages should be treated with caution due to the small absolute numbers involved, patterns and general proportions can be interpreted with a reasonable level of confidence.

While a reasonable indicator of insurer customer views (due to the proportion of the total population who responded), the small absolute sample sizes mean the results are 'noisier' than ones with larger bases. This is because individual responses have a greater impact on the total results, including where individual respondents chose *can't say* for specific questions.

Readers should be careful of interpreting variations in results between years as meaning there have been material changes in experience from year to year. Where results vary in ways that are consistent with other evidence or known changes, it may be possible to infer that changes have occurred. In the absence of such corroboration, current results should be treated as indicating differences in how those insurer customers who chose to respond in late 2021 perceived ARPC at that time compared to insurer customers who chose to respond to the survey last year. Once multiple data points can be seen over a course of several years, more meaningful trends may become apparent.

Readers should consider the possibility that views of non-respondents systematically vary from insurer customers who chose to respond. 'Overall' scores are weighted to reflect 90% Australian insurer customers, 6% Lloyds and 4% other overseas.

Delivering on the ARPC vision

ARPC's vision is:

*To be an **effective provider of terrorism risk insurance** that **facilitates private participation, supports national resilience** and reduces losses arising from catastrophic events caused by terrorism*

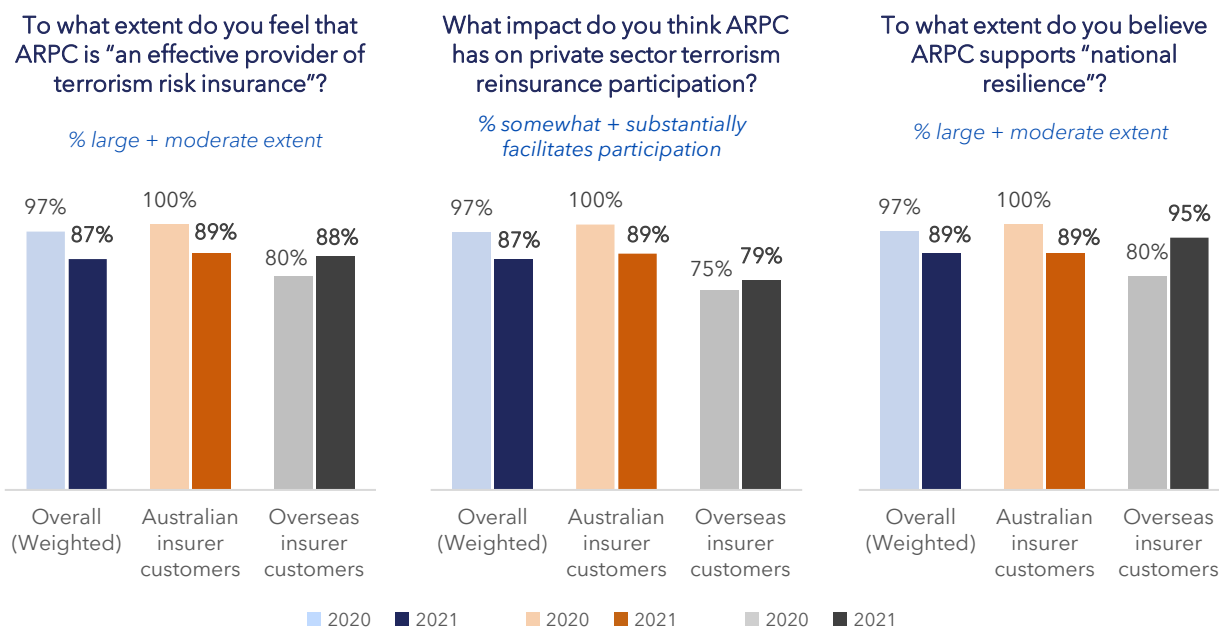
Insurer customers were asked to reflect on the three specific aspects of this vision.

In line with 2020 results, over four-in-five respondents believe that ARPC is delivering on three key aspects of the organisation's vision to at least a moderate extent. Views were largely similar across Australian and Overseas respondents.

Compared to last year's survey, in 2021 Australian respondents selected a broader range of responses from across the positive end of the scale. A higher proportion of Australian respondents also used the *can't say* option compared to 2020 respondents, resulting in somewhat lower positive scores overall. Among Overseas respondents the opposite pattern was observed. A greater proportion of Overseas customers selected more positive responses within the positive range, and somewhat fewer answered *can't say* to each aspect, resulting in higher positive scores overall.

Note that very few respondents gave low or negative ratings, with most non-positive responses to all three aspects being *can't say*.

Figure 1. Perceptions of delivering on aspects of the ARPC vision



Base: Aus insurer customers n=-9-12; OS insurer customers n=42-51

Table 2. Perceptions of being an effective provider of terrorism risk insurance

To what extent do you feel that ARPC is "an effective provider of terrorism risk insurance"? ^{Q1}			
	Overall	Aust.	Overseas
Large extent	65%	67%	79%
Moderate extent	22%	22%	10%
Large + Moderate extent	87%	89%	88%
Small extent	-	-	-
Not at all	-	-	-
Can't say	13%	11%	12%
Sample size	Weighted	9	42

Table 3. Perceptions of impact on private sector terrorism reinsurance participation

What impact do you think ARPC has on private sector terrorism reinsurance participation? ^{Q2}			
	Overall	Aust.	Overseas
Substantially facilitates	44%	44%	64%
Somewhat facilitates	42%	44%	14%
Substantially + Somewhat facilitates	87%	89%	79%
No effect	10%	11%	-
Somewhat limits	1%	-	5%
Can't say	-	-	-
Sample size	Weighted	9	42

Table 4. Perceptions of supporting national resilience

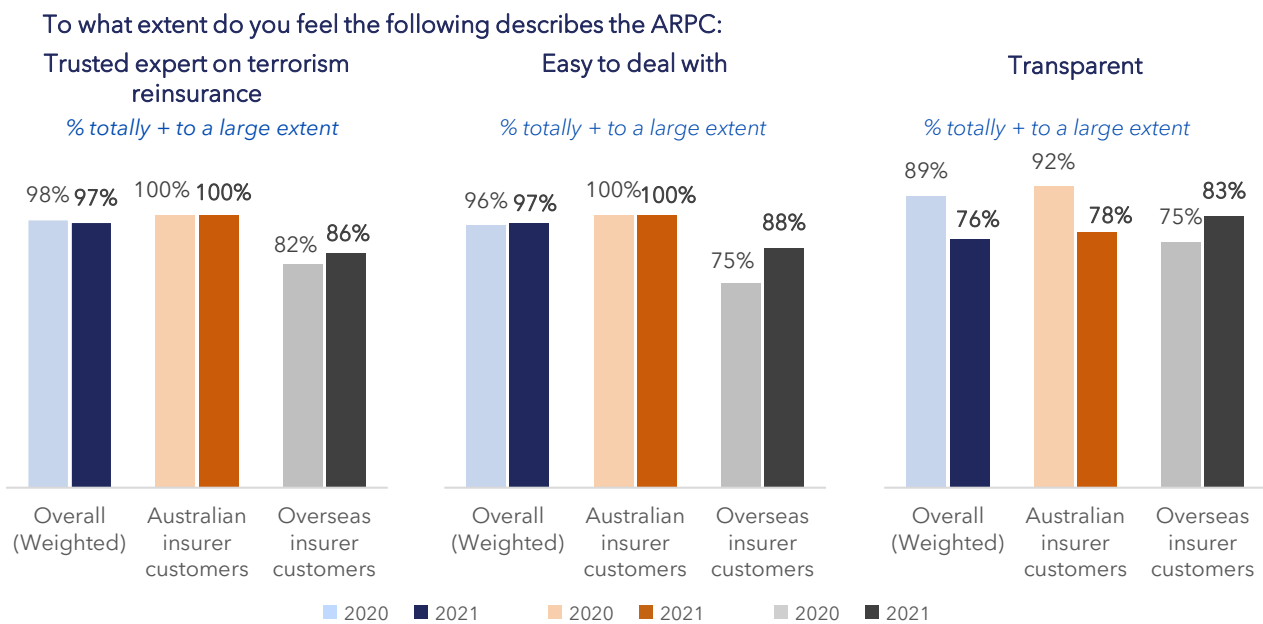
To what extent do you believe ARPC supports "national resilience"? ^{Q3}			
	Overall	Aust.	Overseas
Large extent	56%	56%	83%
Moderate extent	32%	33%	12%
Large + Moderate extent	89%	89%	95%
Small extent	-	-	-
Not at all	-	-	-
Can't say	11%	11%	5%
Sample size	Weighted	9	42

What do customers think of ARPC?

Consistent with last year, the over 95% of respondents continue to see ARPC as a trusted expert on terrorism reinsurance and consider it easy to deal with. Relative to these two aspects, perceptions of transparency were less positive, with around three quarters (76%) of respondents indicating that they would describe ARPC as transparent.

In 2021, fewer Overseas respondents selected to a moderate extent as their answer with respect to these aspects, with more responses collected at the more positive end of the scale. On the transparency aspect, Australian responses showed the reverse pattern, with more respondents choosing to a moderate extent as their answer to this question compared to last year and resulting in the lower positive score.

Figure 5. Perceptions of ARPC



Base: Aus insurer customers n=9-12; OS insurer customers n=42-51

Respondents were asked for two key words to describe ARPC. Australian and overseas respondents both used positive words to describe ARPC, with *accommodating*, *professional*, *effective*, and *reliable* most prominent.



Table 6. Perceptions of ARPC - Trusted Expert

To what extent do you feel the following describes ARPC: Trusted expert on terrorism reinsurance ^{Q6a}			
	Overall	Aust.	Overseas
Totally	53%	56%	29%
To a large extent	44%	44%	57%
Totally + large extent	97%	100%	86%
To a moderate extent	3%	-	12%
Not at all	1%	-	2%
Sample size	Weighted	9	42

Table 7. Perceptions of ARPC - Easy to deal with

To what extent do you feel the following describes ARPC: Easy to deal with ^{Q6b}			
	Overall	Aust.	Overseas
Totally	64%	67%	71%
To a large extent	33%	33%	17%
Totally + large extent	97%	100%	88%
To a moderate extent	2%	-	10%
Not at all	1%	-	2%
Sample size	Weighted	9	42

Table 8. Perceptions of ARPC - Transparent

To what extent do you feel the following describes ARPC: Transparent ^{Q6d}			
	Overall	Aust.	Overseas
Totally	54%	56%	67%
To a large extent	22%	22%	17%
Totally + large extent	76%	78%	83%
To a moderate extent	23%	22%	14%
Not at all	1%	-	2%
Sample size	Weighted	9	42

Below are the descriptive words given by Australian and overseas respondents. Last year, there was a notable difference in the types of words used by respondents from Australia compared to those located overseas, with Australian respondents using more 'emotive' words, compared to more 'pragmatic' words chosen by respondents overseas. This year, the words used by both groups are more similar than different.

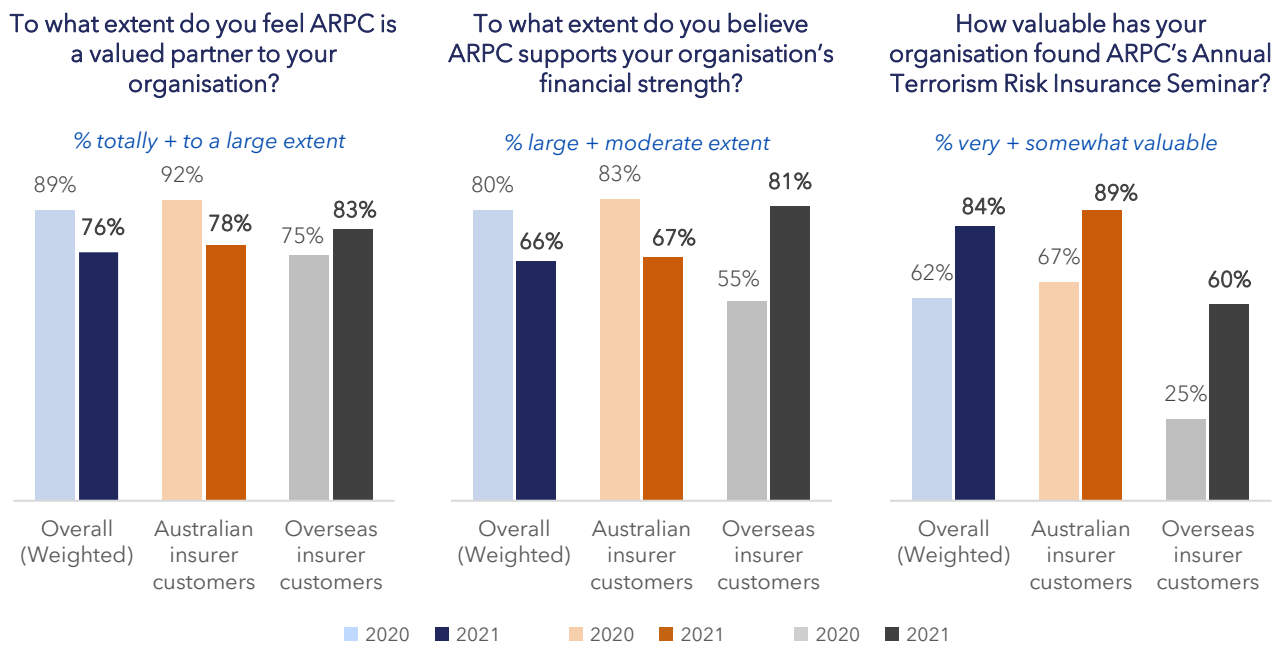


Does ARPC represent value for money?

In 2021, over three-quarters of respondents felt that the ARPC was a valued partner to their organisation. However, fewer respondents (66%) were of the view the ARPC supports their organisation’s financial strength. Scores on both metrics are lower than seen from 2020 respondents, in large part driven by a greater proportion of Australian respondents selecting the *can’t say* option. The reverse pattern was again observed among Overseas respondents, with fewer *can’t say* responses recorded in 2021. Along with an increase in the number of more positive options selected, this resulted in higher overall ratings among Overseas respondents this year.

While the annual Terrorism Risk & Insurance Webinar continued to be considered more valuable by Australian respondents than Overseas ones, positive perceptions of the seminar improved across the board. Fewer respondents selected the *can’t say* option both locally and overseas, and a higher proportion of Overseas respondents indicated the seminar was at least somewhat valuable. These results are also congruent with feedback received through the Customer Interaction Survey, where attendees indicated that they found the 2021 content useful, current, comprehensive, and appropriately contextualised.

Figure 9. Perceptions of the value of ARPC



Base: Aus insurer customers n=9-12; OS insurer customers n=42-51

Table 10. Perceptions of ARPC - A valued partner to our organisation

To what extent do you feel the following describes ARPC: Valued partner to your organisation ^{Q6c}			
	Overall	Aust.	Overseas
Totally	52%	56%	24%
To a large extent	24%	22%	60%
Totally + large extent	76%	78%	83%
To a moderate extent	23%	22%	14%
Not at all	1%	-	2%
Sample size	Weighted	9	42

Table 11. Perceptions of ARPC supporting insurer customer's financial strength

To what extent do you believe ARPC supports your organisation's financial strength? ^{Q4}			
	Overall	Aust.	Overseas
Large extent	21%	22%	17%
Moderate extent	45%	44%	64%
Large + Moderate extent	66%	67%	81%
Small extent	22%	22%	10%
Not at all	-	-	-
<i>Can't say</i>	11%	11%	10%
Sample size	Weighted	9	42

Table 12. Perceptions of the annual ARPC *Terrorism Risk and Insurance Webinar*

How valuable has your organisation found ARPC's Annual Terrorism Risk Insurance Seminar? ^{Q8}			
	Overall	Aust.	Overseas
Very valuable	21%	22%	2%
Somewhat valuable	63%	67%	57%
Very + Somewhat valuable	84%	89%	60%
Not very valuable	-	-	-
Not at all valuable	1%	-	2%
<i>Can't say</i>	15%	11%	38%
Sample size	Weighted	9	42

Does ARPC engage effectively with stakeholders?

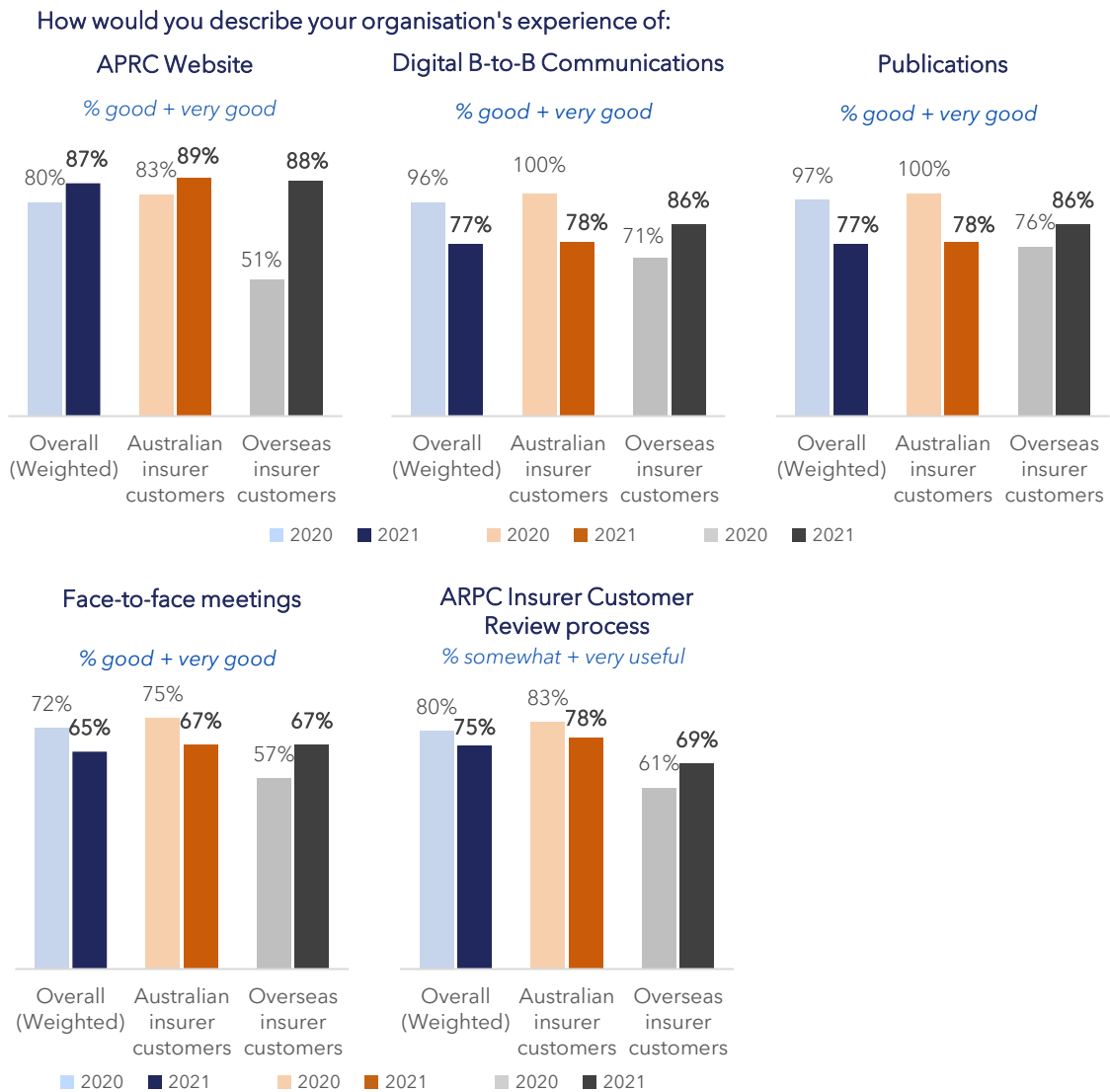
In 2021 the ARPC website was rated most highly by respondents, with 89% of Australian and 88% Overseas respondents rating their experience as *good* or *very good*. In addition to an increase in positive ratings among Overseas respondents, a decrease in the number of *can't say* responses contributed to the higher scores this year.

Across other engagement aspects, a greater proportion of Australian respondents rated the elements as *satisfactory* compared to last year. Movements in ratings of face-to-face meetings were largely driven by an increase in *can't say* responses among Australian respondents, and a decrease in *can't say* responses among respondents from Overseas.

Of those who did not rate a particular aspect as *good* or *very good*, all ratings were either *satisfactory* or *can't say / not applicable*. No respondents rated any aspects as *unsatisfactory*.

Three quarters of respondents indicated they had found the ARPC Insurer Customer Review process *very useful* or *somewhat useful*. Among the remaining responses, most indicated they *couldn't say*, and one Australian respondent indicated they did not find the process very useful.

Figure 13. Perceptions of ARPC communication and engagement



Base: Aus insurer customers n=9-12; OS insurer customers n=42-51

Table 14. ARPC engagement and communications - Website

How would you describe your organisation's experience of: ARPC Website ^{Q7A}			
	Overall	Aust.	Overseas
Very good	12%	11%	24%
Good	75%	78%	64%
Very Good + Good	87%	89%	88%
Satisfactory	12%	11%	7%
Unsatisfactory	-	-	-
<i>Can't say</i>	-	-	-
Sample size	Weighted	9	42

Table 15. ARPC engagement and communications - Digital B-to-B Communications

How would you describe your organisation's experience of: Digital B-to-B Communications ^{Q7B}			
	Overall	Aust.	Overseas
Very good	21%	22%	14%
Good	55%	56%	71%
Very Good + Good	77%	78%	86%
Satisfactory	21%	22%	7%
Unsatisfactory	-	-	-
<i>Can't say</i>	-	-	-
Sample size	Weighted	9	42

Table 16. ARPC engagement and communications - Publications

How would you describe your organisation's experience of: Publications ^{Q7C}			
	Overall	Aust.	Overseas
Very good	21%	22%	21%
Good	56%	56%	64%
Very Good + Good	77%	78%	86%
Satisfactory	22%	22%	12%
Unsatisfactory	-	-	-
<i>Can't say</i>	-	-	-
Sample size	Weighted	9	42

Table 17. ARPC engagement and communications - Face-to-Face meetings

How would you describe your organisation's experience of: Face-to-face meetings ^{Q9}			
	Overall	Aust.	Overseas
Very good	41%	44%	10%
Good	24%	22%	57%
Very Good + Good	65%	67%	67%
Satisfactory	10%	11%	2%
Unsatisfactory	-	-	-
<i>Have not had any</i>	-	-	-
Sample size	Weighted	9	42

Table 18. ARPC engagement and communications - Insurer customer Review Process

How useful has your organisation found the ARPC Insurer Customer review process ^{Q10}			
	Overall	Aust.	Overseas
Very useful	1%	-	10%
Somewhat useful	74%	78%	60%
Very + Somewhat useful	75%	78%	69%
Not very useful	10%	11%	-
Not at all useful	-	-	-
<i>Can't say</i>	15%	11%	31%
Sample size	Weighted	9	42

Desired changes or improvements to engagement

Reflecting the generally positive ratings of ARPC engagement and communications, there were few suggestions from respondents about how they would like ARPC to engage with them differently in the coming year. Most respondents reiterated that the current approach was sufficient and that they would simply like ARPC to continue its current approach.

"Current engagement is satisfactory" - Australian respondent

"The current approach is working well." - Overseas respondent

"No change, very happy with current frequency, format & 'plain English' style of communications." - Overseas respondent

"No change to current methods." - Overseas respondent

"The current level of engagement is at a sufficient level to accommodate our requirements and support our business needs on Terrorism-related topics and knowledge sharing." - Australian respondent

Those few suggestions provided included:

⊙ More contact and interaction

"Perhaps to stay connected, ARPC can consider producing short videos to explain the scheme." - Overseas respondent

"Annual newsletter would be helpful." - Overseas respondent

⊙ Knowledge sharing and transparency

"Updated information on the relevant topics via webinars etc." - Australian respondent

"Perhaps provide a list of key contacts as we never know when people may leave and also for emergency situations (IT-related)." - Overseas respondent

⊙ Engagement formats and frequency

"Email only" - Overseas respondent

"Make the audits every 4 years." - Australian respondent

Insurer customers' engagement with risk of a terrorism event

Broadly in line with last years' results, the great majority of respondents consider and manage the financial risk of the possibility of a terrorism event either *continuously* or at least *periodically*. This year however, Overseas respondents were somewhat more likely to say their organisations manage terrorism risk with greater frequency compared to those of Australian respondents, reflecting a decrease in the frequency with which Australian organisations who responded say they review this risk.

Table 19. Insurer customers' engagement with the risk of a terrorism event

How actively does your organisation consider and manage the financial risk associated with the possibility of a terrorism event ^{Q12}						
(2020 results shown in brackets)	Overall		Aust.		Overseas	
Continuously	58%	(73%)	56%	(75%)	83%	(51%)
Periodically	31%	(25%)	33%	(25%)	5%	(35%)
Continuously + Periodically	89%	(99%)	89%	(100%)	88%	(86%)
Occasionally	10%	-	11%	-	-	-
Rarely	<1%	-	-	-	2%	-
Not actively managed	-	(<1%)	-	-	-	(2%)
Can't say	<1%	(1%)	-	-	10%	(12%)
Sample size	Weighted		9	(12)	42	(51)

Conclusions

The response rate to an organisational or stakeholder survey can be an important indicator of perception and engagement in itself. **The 22% overall response rate to the ARPC survey is reasonably typical of such a survey**, and the fact that it was again similar across Australian (25%) and overseas (21%) insurer customers suggests an ongoing homogeneity across the sample base. Absolute sample size numbers are small due to the small underlying population size, but the proportional response is not unusual for a client or stakeholder survey – and particularly one where many of the same individuals may be asked to provide feedback year in year out.

The results of any survey should be treated with due consideration of the methodological limitations, and of the fact that non-respondents may be systematically different to respondents – but at face value, the sample for the 2021 ARPC survey can be considered typical and appropriate, and consistent with last year’s sample.

Overall, the results from the 2021 survey remain generally strong, and largely consistent with last year. While smaller proportions of Australian respondents gave strongly positive responses, and this reduced the total scores, this change in total scores was mostly due to a higher proportion of *can’t say* responses rather than actively negative ratings. Respondents saw ARPC as:

- Largely delivering on its vision;
- A valuable and important partner;
- A trusted expert;
- Easy to deal with; and
- Largely communicating and engaging well with stakeholders – with the website and Terrorism Risk Insurance Seminar rated most highly.

Perceptions of contribution to organisational financial strength were somewhat lower than other indicators again this year, and the total score was lower than in 2020 (driven by more *can’t say* responses). This suggests that the potential benefit provided by terrorism re-insurance may still not be well understood or fully accounted for when considering current financial outcomes.

With respect to engagement and communications, relatively **lower ratings of face-to-face meetings this year** were also largely driven by an increase in *can’t say* responses, which may be a factor of the COVID-19 restrictions in place in the second half of 2021 limiting such contact. This may have also contributed to **higher proportion of moderate ratings of ARPC transparency**.

In the 2021 survey, two distinct response patterns were observed that affected the ratings reported here. The first was a **greater proportion of Australian respondents selecting *can’t say* responses than in 2020, and a smaller proportion of Overseas respondents doing the same**. Amplifying this further, this year Australian respondents provided a broader range of responses across the positive end of the scale, while the responses from Overseas respondents were more tightly clustered around the very positive end of the scale. In combination, these patterns saw lower total scores for Australian respondents reported, while those for Overseas respondents were higher across many metrics.

At face value these patterns may suggest that ARPC’s engagement with insurer customers during the COVID-affected conditions of 2021 was perceived differently by Australian and overseas insurer customers. However, as noted throughout this report, given the absolute sample sizes care needs to be taken in drawing this conclusion in the absence of corroborating evidence from other sources. Feedback from the ongoing Interaction Survey and the 2022 survey will provide additional insight into the relative experiences of Australian and Overseas customers and stakeholders, as well as how these may be changing over time.

Appendices

Appendix A: Questionnaire

The Australian Reinsurance Pool Corporation (ARPC) is seeking feedback on your perceptions of its performance and contribution.

This is the first time APRC has sought feedback like this from clients and stakeholders, and the information will be used to shape its working relationships.

A recent email sent to you from APRC CEO Chris Wallace on DATE provides more information about the survey.

An independent Australian market research firm, ORIMA Research, has been engaged to conduct the research.

This is to ensure objectivity in the collection and analysis of responses. Your email contact details were provided to us by ARPC and will only be used for the purposes of carrying out this survey.

Completing the survey

This survey has been deliberately designed to be very short. It contains just 17 questions, and should take around 5-7 minutes to complete (though you may wish to take longer to canvas opinions before finalising your responses).

You can save your responses to the survey and come back any time to update or complete it.

As a final step, to ensure data quality, responses need to be confirmed and submitted.

Who should complete the survey?

The survey may have been sent to multiple contacts in your organisation. Each person accesses the same survey, and only one set of responses can be submitted. While different people may provide answers, the final survey should be reviewed and submitted by the Reinsurance Manager (or the person who has the main working relationship with APRC). Only responses confirmed and submitted will be used for reporting.

Participation in this research is voluntary.

You can choose not to answer any question. You can decide to stop at any time.

The information you provide will be treated as private and confidential.

No individual responses will be able to be identified from the research results, and ORIMA will only report aggregate results to ARPC. Your answers will only be used for the purposes of the research.

At any time during or after the survey, you can ask that the information you provided not be used by ORIMA Research.

ARPC’s vision is:

To be an effective provider of terrorism risk insurance that facilitates private participation, supports national resilience and reduces losses arising from catastrophic events caused by terrorism

We would first like to ask you three questions about how well we are delivering on this vision:

1. To what extent do you feel that ARPC is “an effective provider of terrorism risk insurance”?

Large extent	Moderate extent	Small extent	Not at all	Can't say / not sure
1	2	3	4	9

2. What impact do you think ARPC has on private sector terrorism reinsurance participation?

Substantially facilitates participation	Somewhat facilitates participation	Has no effect	Somewhat limits participation	Substantially limits participation	Can't say / not sure
1	2	3	4	5	9

3. To what extent do you believe ARPC supports “national resilience”, ie economic recovery following a terrorist attack causing physical damage to property?

Large extent	Moderate extent	Small extent	Not at all	Can't say / not sure
1	2	3	4	9

Thinking more broadly about ARPC now:

4. To what extent do you believe ARPC supports your organisation’s financial strength?

Large extent	Moderate extent	Small extent	Not at all	Can't say / not sure
1	2	3	4	9

5. What two key words would you use to describe ARPC?
Each field maximum of 15 characters

6. To what extent do you feel that the following terms describe ARPC?

	Totally	To a large extent	To a moderate extent	To a small extent	Not at all
Trusted expert on terrorism reinsurance	1	2	3	4	5
Easy to deal with	1	2	3	4	5
A valued partner to our organisation	1	2	3	4	5
Transparent	1	2	3	4	5

Thinking about the way ARPC has engaged and communicated with you and your organisation in the last 12 months:

7. How would you describe your organisation’s experience of:

	Very good	Good	Satisfactory	Unsatisfactory	Very unsatisfactory	Can’t say / not sure
The ARPC website	1	2	3	4	5	9
ARPC’s digital business-to-business communications with you	1	2	3	4	5	9
ARPC’s publications (Annual Report, Corporate Plan, media releases)	1	2	3	4	5	9

8. How valuable has your organisation found ARPC’s Annual *Terrorism Risk Insurance Seminar*

Very valuable	Somewhat valuable	Not very valuable	Not at all valuable	Can’t say / not sure
1	2	3	4	9

9. How would you describe your organisation’s experience of ARPC’s face-to-face meetings with you:

Very good	Good	Satisfactory	Unsatisfactory	Very unsatisfactory	Have not had a face-to-face meeting
1	2	3	4	5	9

10. How useful has your organisation found the ARPC insurer customer review process?

Very useful	Somewhat useful	Not very useful	Not at all useful	Can't say / not sure
1	2	3	4	9

11. How would you like ARPC to engage with your organisation in the next 12 months that we don't usually?

Finally, thinking about your own organisation:

12. How actively does your organisation consider and manage the financial risk associated with the possibility of a terrorism event?

Continuously managing this risk	Periodically reviews and manages this risk	Occasionally reviews and manages this risk	Rarely actively reviews or manages the risk	Does not actively manage or review the risk	Can't say / not sure
1	2	3	4	5	9

Save Responses
Allows you to return and update or complete your answers

Proceed to Confirm and Submit Survey
Go to the final step to submit your answers

Declaration

You are answering about **EntityName**.

IF SURVEY IS NOT FULLY COMPLETE SHOW:

Whilst none of the questions are compulsory, we'd appreciate you completing as many questions as possible before submission. Currently the following questions do not have an answer:

[LIST SECTIONS AND % COMPLETE]

Go back to questions
Allows you to return and update or complete your answers

IF SURVEY IS FULLY COMPLETE SHOW:

The survey has been fully completed. Thank you.

13. As the Reinsurance Manager of my organisation within Australia (or other person who has the closest working relationship with APRC), I endorse the answers provided in this survey.

First Name: _____

Position:	Reinsurance Manger	Other (Specify) _____
	1	2

SURVEY CANNOT BE SUBMITTED WITHOUT RESPONSES TO THIS QUESTION

Please note that the software prevents access to your completed questionnaire once it is submitted. If you wish to keep a copy of your responses, please print or save a copy prior to submission.

Save a PDF
Allows you to save a summary of your answers

Print a copy
Will enable you to print a hard copy of your answers

Once your answers are complete and you have saved or printed a copy, please use the button below to **submit** your responses for reporting.

Submit Answers
This is the final step to complete the survey