



Australian Government
Australian Reinsurance Pool Corporation

2022 Insurer Customer Survey Report



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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. This short online survey was first run in November 2020, with the second wave conducted during November-December 2021, and the most recent wave collected during November-December 2022. A small number of questions about the new Cyclone Pool were included in 2022.

Survey invitations were issued to the primary contacts at each of the 230 ARPC insurer customer organisations. 41 insurer customers provided a final response, representing an overall response rate of 18% - somewhat lower than 22% in 2021 and 28% in 2020. Responses were received from 8 of 57 Australian insurer customers (14% response rate, compared to 25% last year) and 33 of 173 overseas insurer customers (19%, compared to 21% last year).

NOTES: These response rates are within a 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 indicative of the current views of insurer customers.

The small absolute sample sizes mean that the results are 'noisier' than surveys with larger bases, and a greater proportion of the variations from survey-to-survey may be due to variations 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.

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. To assist interpretation, a rolling 3-year average has been included in the reporting.

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

ARPC Terrorism Pool Stakeholder Perceptions Index (T-SPI)

A perceptions index score (T-SPI) was calculated from responses to three key questions, resulting in an index score ranging from 0 (low) to 100 (high). In 2022, an overall favourable T-SPI of 75_{/100} was achieved, although this was slightly lower than 2021. Australian respondents held somewhat more positive perceptions, achieving a T-SPI of 76_{/100}, compared to 67_{/100} for overseas respondents.

	Definition	Overall	Aust.	Overseas
T-SPI index score				
Q1. To what extent do you feel that ARPC is an effective provider of terrorism risk insurance				
Q4. To what extent do you believe ARPC supports your organisation's financial strength?	(0-100)	75 _{/100} ▼ (80 _{/100})	76 _{/100} ▼ (81 _{/100})	67 _{/100} ▼ (79 _{/100})
Q6. To what extent do you feel the ARPC is a valued partner to your organisation?				
(2021 results shown in brackets)	Sample size	Weighted	8 (9)	33 (42)

Delivering on the ARPC vision

Respondents continued to strongly believe that ARPC is delivering on three key aspects of the organisation's vision to at least a moderate extent – in particular, nearly all felt that ARPC is an effective provider of terrorism risk insurance (higher than 2021) and provides sustainable and effective reinsurance for terrorism events. Ratings for the impact of ARPC on private sector terrorism reinsurance participation were somewhat lower, with a decline from 2021 being recorded among Australian respondents, however this was due to an increased proportion answering *can't say* for this aspect rather than giving negative ratings.

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	97% ▲ (87%)	100% ▲ (89%)	91% ▬ (88%)
What impact do you think ARPC has on private sector terrorism reinsurance participation? ^{Q2}	Substantially + Somewhat facilitates	73% ▼ (87%)	75% ▼ (89%)	85% ▲ (79%)
To what extent do you believe ARPC provides sustainable and effective reinsurance for terrorism events? ^{Q3}	Large + Moderate extent	98%	100%	94%
(2021 results shown in brackets; Q3 is new in 2022)	Sample size	Weighted	8 (9)	33 (42)

What customers think of ARPC

Consistent with previous years, the majority of respondents saw ARPC as a trusted expert on terrorism reinsurance, easy to deal with and transparent, with similar ratings given for both Australian and overseas respondents. Due to a slight increase in *moderate* answers given by Australian respondents, ratings related to expertise on terrorism reinsurance and being easy to deal were slightly lower than 2021. On the other hand, perceptions of ARPC's transparency were somewhat higher, due to higher proportions of positive responses from both Australian and overseas respondents.

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	86% ▼ (97%)	88% ▼ (100%)	91% ▲ (86%)
Easy to deal with ^{Q6b}	Totally + large extent	86% ▼ (97%)	88% ▼ (100%)	91% ▬ (88%)
Transparent ^{Q6d}	Totally + large extent	85% ▲ (76%)	88% ▲ (78%)	88% ▲ (83%)
(2021 results shown in brackets)	Sample size	Weighted	8 (9)	33 (42)

Perceptions of value

In line with 2021, around three quarters of respondents felt that ARPC was a valued partner to their organisation. However, ratings for the ARPC supporting organisation's financial strength continued to drop (39%, lower than 66% in 2021 and 80% in 2020). This decline was driven by a higher proportion of Australian respondents feeling that ARPC only supported their organisation's financial strength to a *small extent*. On the other hand, ratings provided by overseas respondents remained stable from 2021 for this measure.

As in previous years, nearly all of those who attended the annual Terrorism Risk & Insurance Webinar found it to be at least somewhat valuable. Only n=1 overseas respondent felt that it was not very 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	73% ▬ (76%)	75% ▬ (78%)	85% ▬ (83%)
To what extent do you believe ARPC supports your organisation's financial strength ^{Q4}	Large + Moderate extent	39% ▼ (66%)	38% ▼ (67%)	85% ▬ (81%)
How valuable has your organisation found ARPC's Annual Terrorism Risk Insurance Seminar * ^{Q8}	Very + Somewhat valuable	98% ▬ (99%)	100% ▬ (100%)	96% ▬ (96%)
(2021 results shown in brackets)	Sample size	Weighted	8 (9)	33 (42)

*Results exclude can't say/ not sure' responses

Engagement and communication*

Respondents rated ARPC's website, publications, Digital B-to-B communications and Publications very strongly, especially Australian respondents who gave higher ratings than in 2021 across each of these communications. All overseas respondents who attended a face-to-face meeting with ARPC were satisfied with their experience, as were 4 of the 5 Australian respondents who attended a face-to-face meeting.

Value Indicators	Definition	Overall	Aust.	Overseas
How would you describe your organisation's experience of:				
ARPC Website ^{Q7A}	Very Good + Good	99% ▲ (88%)	100% ▲ (89%)	96% ▬ (93%)
Digital B-to-B Communications ^{Q7B}	Very Good + Good	99% ▲ (78%)	100% ▲ (78%)	96% ▬ (92%)
Publications ^{Q7c}	Very Good + Good	98% ▲ (78%)	100% ▲ (78%)	90% ▬ (88%)
ARPC Face-to-Face Meetings ^{Q9}	Very Good + Good	81% ▼ (86%)	80% ▼ (86%)	100% ▬ (97%)
(2021 results shown in brackets)	Sample size	Weighted	8 (9)	29 (43)

*Results exclude can't say/ not sure' responses

When asked for suggestions on what ARPC could do differently in how it engages with its insurer customers, the majority noted that they were satisfied with the current approach. The handful of suggestions that were provided commonly related to communications and ways that ARPC could provide information.

Perceptions of ARPC's Cyclone Pool

While Australian respondents typically rated cyclone pool information provided by the ARPC positively, most were not sure of the extent to which their organisation was considering when it will join the Cyclone Pool. When asked for suggestions on assistance that the ARPC could provide to enable transition into the cyclone pool, a few respondents suggested needing more information and clarity on how the pool will operate and who it would apply to.

All overseas respondents reported being aware or having heard some general information about the Cyclone Pool. However all indicated that they were either unsure whether they would join or that they were unlikely to.

Conclusions

The response rate to an organisational or stakeholder survey can be a useful indicator of perception and engagement in itself. The population of ARPC's insurer customers is small in absolute numbers, and so the absolute sample size for the survey will inevitably be quite small. In the first two waves of the survey the response rate was 26% and 22% respectively, reflecting the views of around a quarter of the population. With the commencement of the Cyclone Pool underway, **engagement with the 2022 survey was somewhat lower**, at 18%. It is not clear if this lower response rate is linked to the commencement of the Cyclone Pool, but the responses obtained suggest that there may be considerable uncertainty from insurer customers about their process to join the Cyclone Pool, and it is not impossible that this factor could have had a limiting impact on survey responses in 2022. This engagement rate will be monitored in the next wave of the survey.

Overall, the absolute sample size is not dramatically lower than in the previous surveys. Though care always needs to be taken when interpreting survey samples, especially small absolute samples, the results can be broadly compared with those obtained in previous years.

As in the two previous years, **the results obtained from the survey are mostly strongly favourable**, with respondents feeling the most positive about the ARPC:

- Largely delivering on its vision – particularly in terms of being an effective provider of terrorism risk insurance and providing sustainable and effective reinsurance for terrorism events;
- Being a trusted expert;
- Being easy to deal with and transparent; and
- Largely communicating and engaging well with stakeholders – with the website, B2B communications and publications rated most highly.

Overall perceptions of ARPC's performance are slightly lower in 2022, with the Stakeholder Perceptions Index for Terrorism Pool (T-SPI) being 75/100, lower than the 3-year average of 82/100. Perceptions of **contribution to organisational financial strength remained the lowest rated aspect in the survey, and was considerably lower than in 2021 and 2020**. This was driven by a lower proportion of positive responses provided by Australian respondents in 2022, whereas ratings among overseas respondents remained relatively stable and positive for this measure.

Engagement and communication scores for the ARPC website, B-to-B communications and Publications remain strong, and were particularly strong among Australian respondents, with higher ratings observed compared to 2021 for each of these aspects. Engagement with face-to-face meetings and the ARPC Insurer Customer Review process was lower, although ratings generally remained favourable among those who participated in these, particular for overseas respondents.

Australian respondents generally rated **information provided about the Cyclone Reinsurance Pool positively**, although they indicated **high levels uncertainty when asked about the extent to which they considered when they would potentially join the pool**. Among overseas respondents, at least partial awareness of the Cyclone Pool was very high, though **none of this group indicated an intention towards joining**.

Source of Data

Purpose and Guiding Principles

The Australian Reinsurance Pool Corporation (ARPC) provides a service to 230 entities. Of these, 57 are Australian, and 173 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 2022 survey was conducted online during November-December 2022. The survey was sent to the primary ARPC contact for each insurer customer – in most cases the Reinsurance Manager, or equivalent. 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 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.

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 230 insurer customers, valid (endorsed) responses were received from 41 contacts, representing an overall response rate of 18%. 8 of 57 Australian insurer customers took part (14% response rate) and 33 of 173 overseas insurer customers (19% response rate) responded to the survey. In 2021 the overall response rates was 22%, 25% for Australian insurer customers, and 21% for overseas insurer customers. It is not clear why engagement with the 2022 survey was somewhat lower than in 2020 and 2021, though it is possible that the concurrent introduction of the new Cyclone Pool may have inhibited some contacts from responding.

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.



Reader note: Sample sizes in this report are small from a statistical perspective but reflect responses from around 1-in-5 of all ARPC insurer customers, and despite the lower response rate in 2022, the sample sizes is only somewhat smaller than the previous surveys. 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.

To assist readers interpret the current results, a 3-year rolling average has been added to the overall results, incorporating all responses to the survey received over the past three cycles.

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.

Research Findings (Terrorism Pool)

In the first section of the survey, respondents were directed to only consider their views in light of ARPC's Terrorism Pool operations. Thus, results throughout this section should only be reflective of perceptions regarding the Terrorism pool, allowing for appropriate time-series comparisons with 2021 and 2020.

Terrorism Pool Stakeholder Perceptions Index (T-SPI)

An overall index score (T-SPI) was calculated from key relevant questions to provide a single measure of ARPC's performance and overall perceptions of respondents. The T-SPI was calculated from responses to three key questions from the Terrorism Pool insurer customer survey:

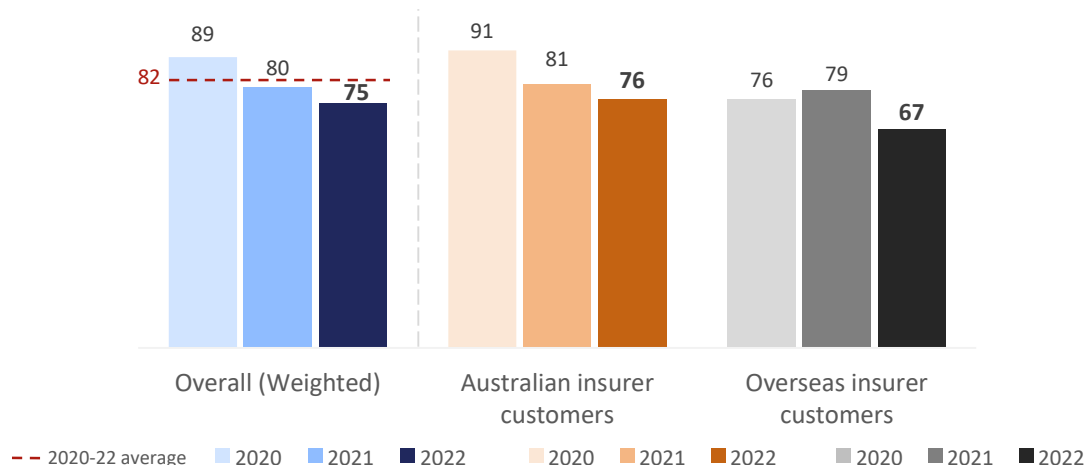
- Q1: To what extent do you feel that ARPC is an effective provider of terrorism risk insurance? (*worth 40% of the overall index*)
- Q4: Specifically in relation to the Terrorism Pool... To what extent do you believe ARPC supports your organisation's financial strength? (*worth 30% of overall index*)
- Q6c: In relation to the Terrorism Pool, to what extent do you feel that the following terms describe ARPC... A valued partner to our organisation? (*worth 30% of overall index*)

T-SPI scores range from 0 to 100 index points, with 0_{/100} occurring if respondents give the lowest scores available for each question (i.e. 'Not at all') and 100_{/100} occurring if they give the highest scores available for each question (i.e. 'Large extent' and 'Totally').

In 2022, a moderately high overall T-SPI of 75_{/100} was achieved, although this was slightly lower than 80_{/100} in 2021 and the 3-year weighted average of 82_{/100}. In line with previous years, Australian customers (76_{/100}) achieved a fairly higher index score compared to overseas customers (67_{/100}), with overseas customers recording a larger decrease from 2021.

For Australian respondents, the slight decline in T-SPI score was driven by a much lower proportion of customers feeling that ARPC supports their organisation's financial strength (38% *large or moderate extent*, down from 67% in 2021). Among overseas respondents, the decline was driven by much lower proportions rating the effectiveness of ARPC in providing terrorism risk insurance and being a valued partner to a *large extent* (although *moderate* ratings increased, resulting in similar overall positive ratings to 2021).

Figure 1. T-SPI Scores



Base: Aus insurer customers n=8-12; OS insurer customers n=33-51

Delivering on the ARPC vision

ARPC's vision is:

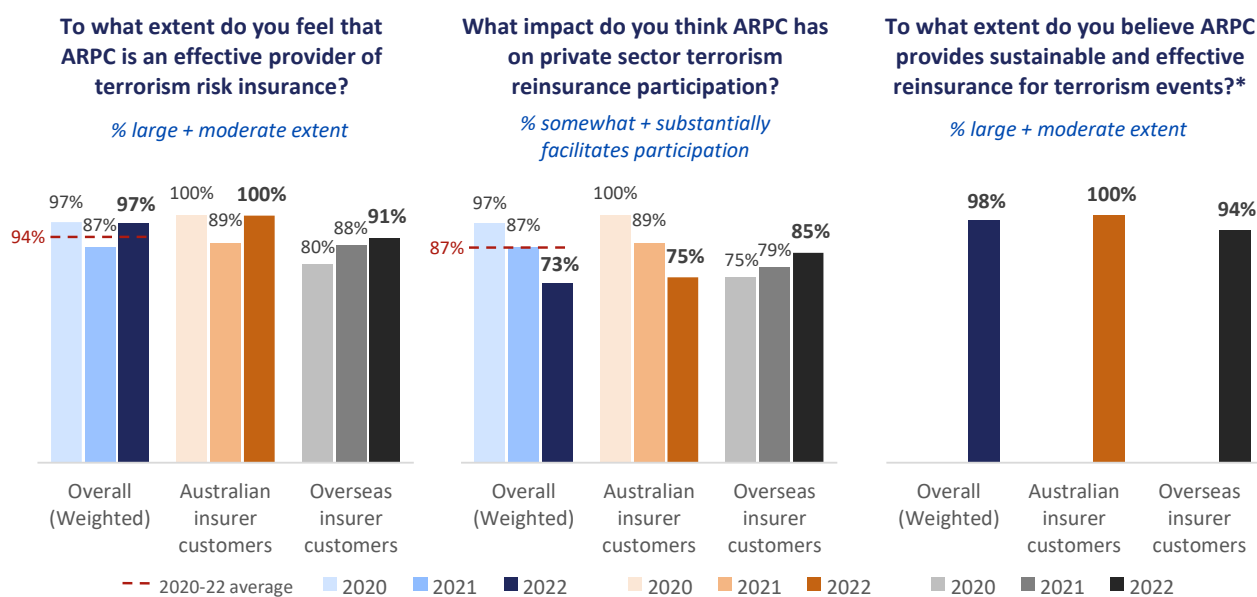
*"To protect the Australian community with **sustainable and effective reinsurance for terrorism and cyclone events.**"*

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

Most respondents believed that ARPC is delivering on the three key aspects of the organisation's vision to at least a moderate extent. Compared to last year, respondents were more likely to feel that ARPC is an effective provider of terrorism risk. This increase in favourable ratings was driven by a higher proportion of positive responses from Australian respondents (100% rated as *large or moderate extent*) compared to 2021, whereas ratings among overseas customers remained more stable. Nearly all respondents also felt that ARPC provides sustainable and effective reinsurance for terrorism events (100% of Australian respondents and 94% of overseas respondents).

Respondents were less likely than previous years to feel that ARPC helps facilitate private sector terrorism reinsurance participation, however this was primarily due to an increase in Australian respondents selecting *can't say*, rather than providing unfavourable responses.

Figure 2. Perceptions of delivering on aspects of the ARPC vision



Base: Aus insurer customers n=8-12; OS insurer customers n=33-51

*New question introduced in 2022

Table 3. 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	94%	100%	21%
Moderate extent	3%	-	70%
Large + Moderate extent	97%	100%	91%
Small extent	1%	-	3%
Not at all	-	-	-
<i>Can't say</i>	2%	-	6%
Sample size	Weighted	8	33

Table 4. 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	48%	50%	18%
Somewhat facilitates	24%	25%	67%
Substantially + Somewhat facilitates	73%	75%	85%
No effect	13%	13%	6%
Somewhat limits	1%	-	3%
Substantially limits	-	-	-
<i>Can't say</i>	13%	13%	6%
Sample size	Weighted	8	33

Table 5. Perceptions of providing sustainable and effective reinsurance for terrorism events

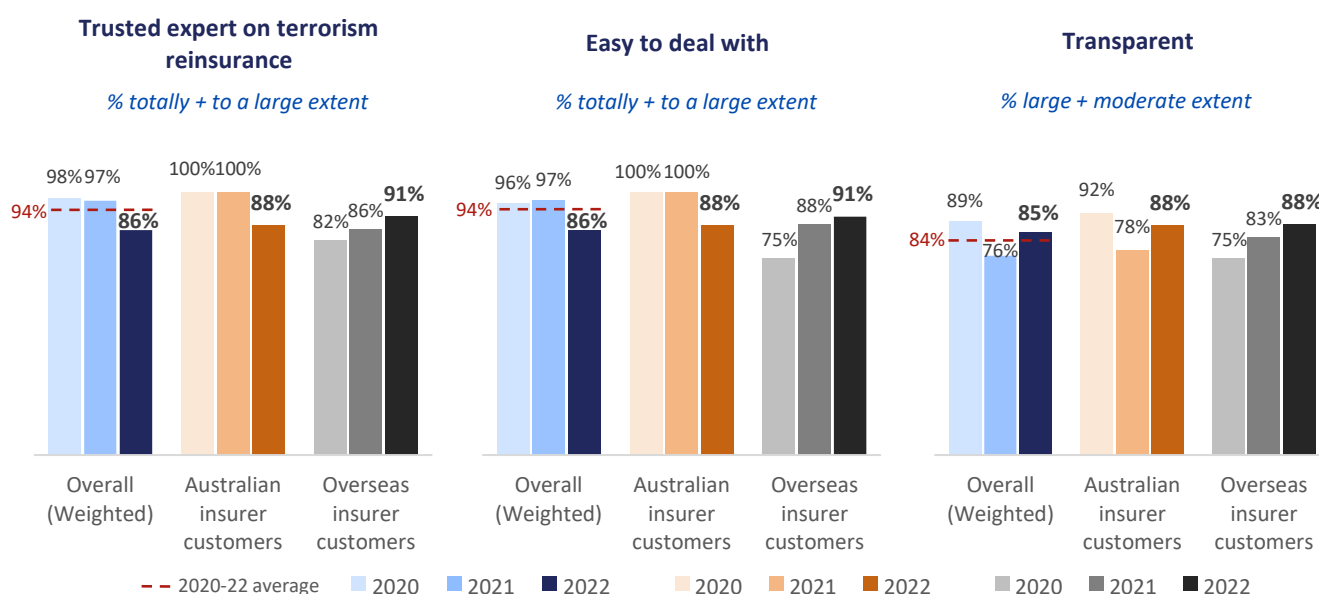
To what extent do you believe ARPC provides sustainable and effective reinsurance for terrorism events? ^{Q3}			
	Overall	Aust.	Overseas
Large extent	62%	63%	85%
Moderate extent	36%	38%	9%
Large + Moderate extent	98%	100%	94%
Small extent	-	-	-
Not at all	-	-	-
<i>Can't say</i>	2%	-	6%
Sample size	Weighted	8	33

What do customers think of ARPC?

Over 8 in 10 respondents saw ARPC as a trusted expert on terrorism reinsurance, easy to deal with and transparent *totally or to a large extent*. Of those who did not, all felt that the description applied to a *moderate extent*, and no respondents felt that it only applied *a small extent or not at all*. Compared to 2021, respondents felt more positive about ARPC's transparency (85%, up from 76%). Although still remaining strong, ratings relating to ARPC being a trusted expert on terrorism reinsurance and being easy to deal with were slightly lower due to a small increased proportion of Australia respondents selecting *to a moderate extent* as their answer. Ratings for each aspect were rated similarly between Australian and overseas customers.

Figure 6. Perceptions of ARPC

To what extent do you feel the following describes the ARPC:



Base: Aus insurer customers n=8-12; OS insurer customers n=33-51

Table 7. 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	48%	50%	15%
To a large extent	38%	38%	76%
Totally + large extent	86%	88%	91%
To a moderate extent	14%	13%	9%
To a small extent	-	-	-
Not at all	-	-	-
Sample size	Weighted	8	33

Table 8. 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	49%	50%	79%
To a large extent	37%	38%	12%
Totally + large extent	86%	88%	91%
To a moderate extent	14%	13%	9%
To a small extent	-	-	-
Not at all	-	-	-
Sample size	Weighted	8	33

Table 9. Perceptions of ARPC – Transparent

To what extent do you feel the following describes ARPC: Transparent ^{Q6d}			
	Overall	Aust.	Overseas
Totally	49%	50%	73%
To a large extent	36%	38%	15%
Totally + large extent	85%	88%	88%
To a moderate extent	15%	13%	12%
To a small extent	-	-	-
Not at all	-	-	-
Sample size	Weighted	8	33

Respondents were asked for two key words to describe ARPC. Both Australian and overseas respondents used positive words to describe ARPC, with *effective* and *accommodating* being the most prominent, followed by *partner* and *reliable*. There were no notable differences in the themes of words given by Australian and overseas respondents.

All respondents





Australian respondents (n=8)



Overseas respondents (n=33)

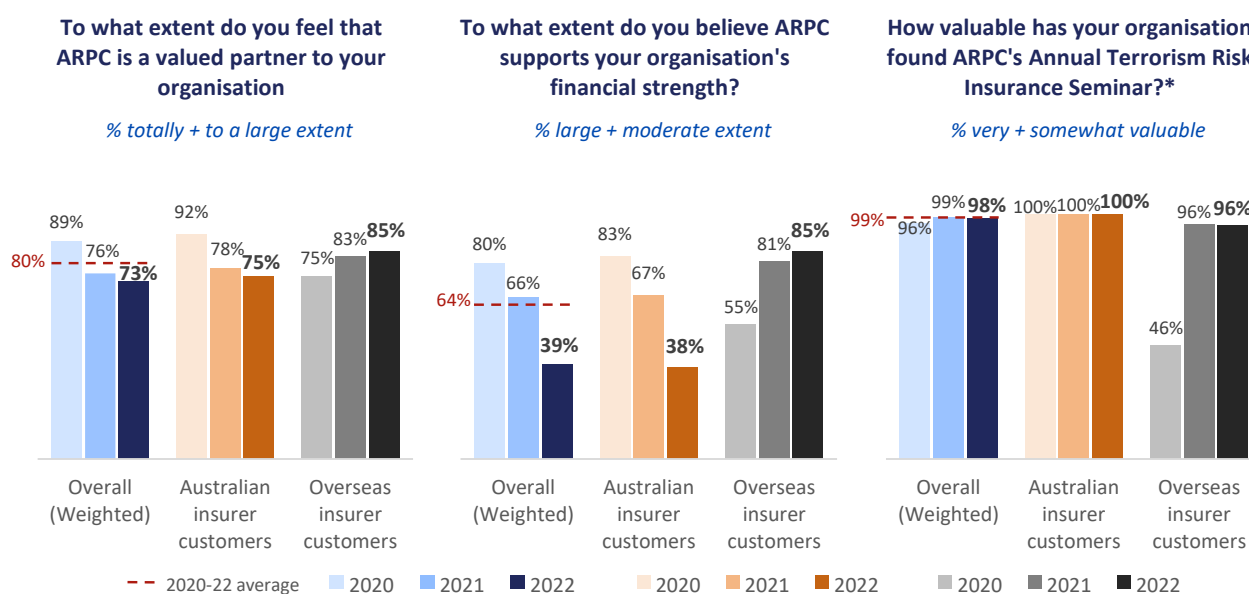
Does ARPC represent value for money?

In line with 2021, around three quarters of respondents felt that the ARPC was a valued partner to their organisation, with overseas customers being slightly more positive than Australian customers.

Compared to previous years, a much lower proportion of Australian respondents believed that ARPC supports their organisation’s financial strength (38% *large or moderate extent*), due to a greater proportion who felt that ARPC only supported their financial strength *to a small extent*. Overseas respondents, on the other hand, were much more likely to feel that the ARPC supports their organisation’s financial strength, continuing to rate this aspect quite highly (85%).

In previous years, the annual Terrorism Risk & Insurance Webinar appeared to be considered more valuable by Australian respondents than Overseas ones, however in 2022 the reverse was recorded, primarily due to a larger share of Australian respondents selecting the *can't say* option.

Figure 10. Perceptions of the value of ARPC



Base: Aus insurer customers n=5-12; OS insurer customers n=24-51

Table 11. 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	25%	25%	6%
To a large extent	48%	50%	79%
Totally + large extent	73%	75%	85%
To a moderate extent	14%	13%	9%
To a small extent	13%	13%	6%
Not at all	-	-	-
Sample size	Weighted	8	33

Table 12. 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	15%	13%	18%
Moderate extent	24%	25%	67%
Large + Moderate extent	39%	38%	85%
Small extent	49%	50%	12%
Not at all	-	-	-
<i>Can't say</i>	<i>12%</i>	<i>13%</i>	<i>3%</i>
Sample size	Weighted	8	33

Table 13. Perceptions of the annual ARPC *Terrorism Risk and Insurance Seminar**

How valuable has your organisation found ARPC's Annual Terrorism Risk Insurance Seminar? ^{Q8}			
	Overall	Aust.	Overseas
Very valuable	<1%	-	4%
Somewhat valuable	98%	100%	92%
Very + Somewhat valuable	98%	100%	96%
Not very valuable	2%	-	4%
Not at all valuable	-	-	-
Sample size	Weighted	5	24

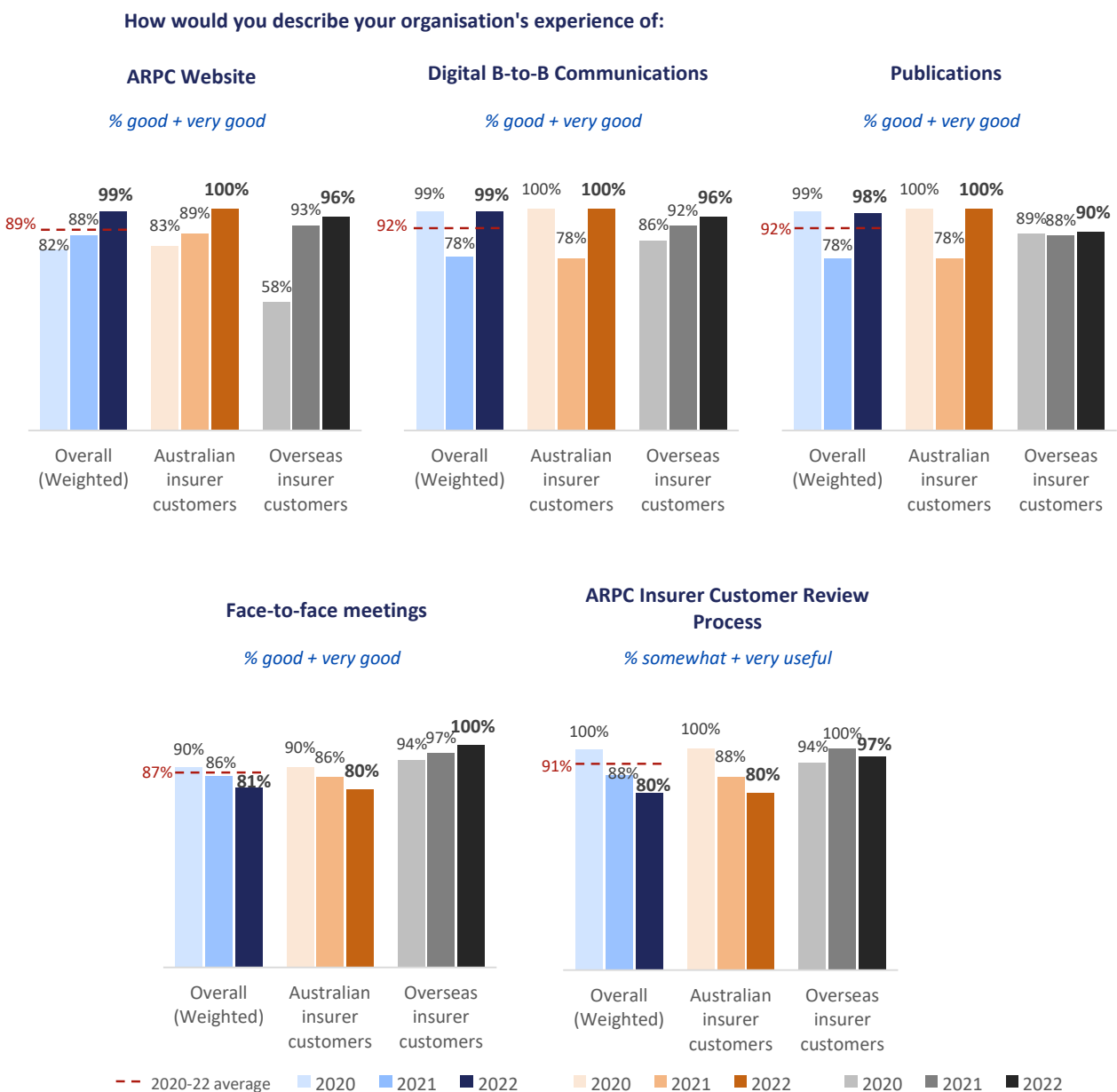
*n=12 respondents who selected 'can't say/ not sure' are excluded from these figures

Does ARPC engage effectively with stakeholders?

In 2022, perceptions relating to the ARPC website, Digital B-to-B communications and ARPC Publications were nearly universally positive, with higher scores seen among Australian respondents compared to 2021 (100% rated each as *good* or *very good*). Perceptions of face-to-face meetings and the ARPC Insurer Customer Review process among those who engaged with these were slightly lower among Australian respondents although still remained very favourable.

Over 9 in 10 overseas respondents rated each metric favourably, with ratings remaining similar to 2021. They were slightly more likely than Australian respondents to be satisfied with face-to-face meetings and the ARPC Insurer Customer Review process.

Figure 14. Perceptions of ARPC communication and engagement



Base: Aus insurer customers n=5-12; OS insurer customers n=26-45

Table 15. ARPC engagement and communications – Website*

How would you describe your organisation's experience of: ARPC Website ^{Q7a}			
	Overall	Aust.	Overseas
Very good	14%	13%	11%
Good	85%	88%	86%
Very Good + Good	99%	100%	96%
Satisfactory	1%	-	4%
Unsatisfactory	-	-	-
Very unsatisfactory	-	-	-
Sample size	Weighted	8	28

*n=5 respondents who selected 'can't say/ not sure' are excluded from these figures

Table 16. 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	14%	13%	7%
Good	85%	88%	89%
Very Good + Good	99%	100%	96%
Satisfactory	1%	-	4%
Unsatisfactory	-	-	-
Very unsatisfactory	-	-	-
Sample size	Weighted	8	28

**n=5 respondents who selected 'can't say/ not sure' are excluded from these figures

Table 17. ARPC engagement and communications – Publications***

How would you describe your organisation's experience of: Publications ^{Q7c}			
	Overall	Aust.	Overseas
Very good	14%	13%	7%
Good	84%	88%	83%
Very Good + Good	98%	100%	90%
Satisfactory	2%	-	10%
Unsatisfactory	-	-	-
Very unsatisfactory	-	-	-
Sample size	Weighted	8	29

***n=4 respondents who selected 'can't say/ not sure' are excluded from these figures

Table 18. 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	76%	80%	-
Good	5%	-	100%
Very Good + Good	81%	80%	100%
Satisfactory	19%	20%	-
Unsatisfactory	-	-	-
Very unsatisfactory	-	-	-
Sample size	Weighted	5	26

**n=10 respondents who selected 'have not had any' are excluded from these figures

Table 19. 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	22%	20%	17%
Somewhat useful	59%	60%	79%
Very + Somewhat useful	80%	80%	97%
Not very useful	18%	20%	-
Not at all useful	2%	-	3%
Sample size	Weighted	5	29

**n=7 respondents who selected 'can't say' are excluded from these figures

Desired changes or improvements to engagement

Consistent with the generally strong ratings observed for ARPC engagement and communications and low levels of active dissatisfaction, there were few suggestions from respondents about how they would like ARPC to engage with them differently in the coming year. Many respondents noted that the current approach was effective or sufficient and that they would simply like ARPC to continue as is.

“Per existing, current engagement is effective.” – Australian respondent

“Am happy with current arrangement and ARPC staff are always approachable on any issues or questions we may have.” – Overseas respondent

“We are comfortable with the level of engagement.” – Australian respondent

“No changes needed, very happy with current methods of communication” – Overseas respondent

“Generally satisfactory.” – Overseas respondent

“Being a relatively smaller insurer, the engagement levels have been sufficient thus far.” – Australian respondent

The few suggestions provided commonly related to increasing communications and providing videos/ seminars for information sharing.

“Email.” – Australian respondent

“Would be helpful to have feedback on returns submitted.” – Overseas respondent

“Perhaps to stay connected, ARPC can consider producing short videos to explain the scheme.” – Overseas respondent

“Perhaps some tutorial video lessons on ARPC.” – Overseas respondent

“Seminars.” – Australian respondent

“Further Market Bulletins distributed as discussed as part of the recent audit review process.” – Overseas respondent

Insurer customers' engagement with risk of a terrorism event

The majority of respondents considered and managed the financial risk of the possibility of a terrorism event either *continuously* or at least *periodically*, although the reported frequency was slightly lower than last year. Similar to 2021, overseas respondents were more likely to say their organisations manage terrorism risk continuously (100%) compared to those of Australian respondents, reflecting a decrease in the frequency with which Australian organisations who responded say they review this risk.

Table 20. 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}						
(2021 results shown in brackets)	Overall		Aust.		Overseas	
Continuously	55%	(58%)	50%	(56%)	100%	(83%)
Periodically	23%	(31%)	25%	(33%)	-	(5%)
Continuously + Periodically	78%	(89%)	75%	(89%)	100%	(88%)
Occasionally	11%	(10%)	13%	(11%)	-	-
Rarely	11%	(<1%)	13%	-	-	(2%)
Not actively managed	-	-	-	-	-	-
<i>Can't say</i>	-	(<1%)	-	-	-	(10%)
Sample size	Weighted		8	(9)	33	(42)

Research Findings (Cyclone Pool)

ARPC commenced operation of the Cyclone Pool on 1 July 2022. To assist ARPC in the establishment phase of this operation, a small number of questions relating to the Cyclone Pool were introduced towards the end of the 2022 survey. In future years, it is expected that a parallel set of performance and perceptions questions will be asked as for the Terrorism Pool, but it was premature to include such questions in 2022.

Australian respondents' perceptions of the Cyclone Pool

Australian respondents gave strong ratings for Cyclone Pool information proactively provided to them by the ARPC, and somewhat lower but still favourable ratings for information available from the ARPC when they sought it. When asked about the extent to which respondents' organisations considered when it will join the Cyclone Pool, the majority (63%) were *unsure*. Only n=1 (13%) respondent said that their organisation had decided when to join, and n=2 (25%) noted that they had not yet considered when to join.

Table 21. Perceptions of Cyclone Pool information (Aus. respondents only)

How would you rate the information about the cyclone pool...	Proactively provided to you by the ARPC ^{CP_A1a}	Available from the ARPC when you seek it ^{CP_A1b}
	Aust.	Aust.
Very good	13%	13%
Good	75%	50%
Very good + Good	88%	63%
Satisfactory	-	13%
Unsatisfactory	13%	13%
Very unsatisfactory	-	-
<i>Can't say/ Not applicable</i>	-	13%
Sample size	8	8

Table 22. Consideration of joining Cyclone Pool (Aus. respondents only)

To what extent has your organisation considered when it will join the Cyclone Pool? ^{CP_A2}	
	Aust.
Has already joined	-
Has decided when to join	13%
Has formally considered when to join, but not yet made a decision	-
Has informally considered when to join, but not yet made a decision	-
Has not yet considered when to join	25%
<i>Can't say/ Not sure</i>	63%
Sample size	8

Table 23. Consideration of timeline of joining Cyclone Pool (Aus. respondents only)

When do you think it is most likely your organisation will join the Cyclone Pool? ^{CP_A3}	
	Aust.
April-June 2023	13% (n=1)
July-September 2023	13% (n=1)
<i>Can't say/ Not sure</i>	75% (n=6)
Sample size	8

When prompted on suggestions for assistance that ARPC could provide to enable transition into the cyclone pool, comments generally related to requiring more information and clarity on how the pool will operate and who it would apply to.

“Introductory seminar on how the pool will operate and what reporting needs to be submitted”.

“We currently only insure a group master policy with very few risks in northern Australia. It is uncertain whether the policyholder will renew the existing policy in the current form, or request a change to insure excess of an aggregate retention. We will reach out in due course for assistance.”

“Can it apply to mining risks.”

“As all of our Master policies have limits >5M, seeking confirmation that we are not required to join the Cyclone Pool.”

“Difficult to say at this stage.”

Overseas respondents’ perceptions of Cyclone Pool

While all overseas respondents reported being aware of the Cyclone Pool or having heard some general information about it, likelihood of joining was low with around two thirds (64%) reporting that they *probably won’t* join and the remainder (36%) being *unsure*.

Table 24. Awareness of the Cyclone Pool (Overseas respondents only)

Was your organisation aware of the Cyclone Pool that came in effect on 1 July 2022? CP_01	
	Overseas
Yes	23%
Had heard some general information about this	77%
No	-
Sample size	31

Table 25. Likelihood of joining the Cyclone Pool (Overseas respondents only)

How likely is it that your organisation will join the Cyclone Pool? CP_02	
	Overseas
Definitely will	-
Probably will	-
Probably won’t	64%
Definitely won’t	-
<i>Can’t say/ Unsure</i>	36%
Sample size	31

Reflecting the level of indifference and uncertainty to joining the cyclone pool among this group, the few comments provided by overseas respondents did not relate to any specific suggestions.

“Will only know when time comes that we wish to join.”

“Outside of the people populating this questionnaire’s remit.”

“I am not sure.”

Conclusions

The response rate to an organisational or stakeholder survey can be a useful indicator of perception and engagement in itself. The population of ARPC's insurer customers is small in absolute numbers, and so the absolute sample size for the survey will inevitably be quite small. In the first two waves of the survey the response rate was 26% and 22% respectively, reflecting the views of around a quarter of the population. With the commencement of the Cyclone Pool underway, **engagement with the 2022 survey was somewhat lower**, at 18%. It is not clear if this lower response rate is linked to the commencement of the Cyclone Pool, but the responses obtained suggest that there may be considerable uncertainty from insurer customers about their process to join the Cyclone Pool, and it is not impossible that this factor could have had a limiting impact on survey responses in 2022. This engagement rate will be monitored in the next wave of the survey.

Overall, the absolute sample size is not dramatically lower than in the previous surveys. Though care always needs to be taken when interpreting survey samples, especially small absolute samples, the results can be broadly compared with those obtained in previous years.

As in the two previous years, **the results obtained from the survey are mostly strongly favourable**, with respondents feeling the most positive about the ARPC:

- Largely delivering on its vision – particularly in terms of being an effective provider of terrorism risk insurance and providing sustainable and effective reinsurance for terrorism events;
- Being a trusted expert;
- Being easy to deal with and transparent; and
- Largely communicating and engaging well with stakeholders – with the website, B2B communications and publications rated most highly.

Overall perceptions of ARPC's performance are slightly lower in 2022, with the Stakeholder Perceptions Index for Terrorism Pool (T-SPI) being 75/100, lower than the 3-year average of 82/100. Perceptions of **contribution to organisational financial strength remained the lowest rated aspect in the survey, and was considerably lower than in 2021 and 2020**. This was driven by a lower proportion of positive responses provided by Australian respondents in 2022, whereas ratings among overseas respondents remained relatively stable and positive for this measure.

Engagement and communication scores for the ARPC website, B-to-B communications and Publications remain strong, and were particularly strong among Australian respondents, with higher ratings observed compared to 2021 for each of these aspects. Engagement with face-to-face meetings and the ARPC Insurer Customer Review process was lower, although ratings generally remained favourable among those who participated in these, particular for overseas respondents.

Australian respondents generally rated **information provided about the Cyclone Reinsurance Pool positively**, although they indicated **high levels uncertainty when asked about the extent to which they considered when they would potentially join the pool**. Among overseas respondents, at least partial awareness of the Cyclone Pool was very high, though **none of this group indicated an intention towards joining**.

Appendices

Appendix A: Questionnaire

The Australian Reinsurance Pool Corporation (ARPC) is seeking feedback on your perceptions of its performance and contribution. Feedback will be used to shape ARPC's working relationships, and results are published on the ARPC website.

Completing the survey

This survey has been deliberately designed to be very short. The main Terrorism Pool survey contains 17 questions that are asked each year, and should take around 5-7 minutes (though you may wish to take longer to canvas opinions before finalising your responses). In 2022 we also have 3-5 questions about the new Cyclone Pool.

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

Who should complete the survey?

One survey is completed for each organisation listed in the table below. Multiple people can go into the survey and provide or update answers. The final survey responses should be reviewed and submitted by the Reinsurance Manager (or the person who has the main working relationship with ARPC). Only responses confirmed and submitted on the last page can be used for reporting.

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.

See additional privacy information below the Survey Management Table.

Privacy Information

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.

Your email contact details were provided to ORIMA by ARPC and will only be used for the purposes of carrying out this survey.

Participation in this research is voluntary. You can choose not to answer any question. You can decide to stop at any time.

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

Part 1: Terrorism Pool

ARPC has recently been legislated to commence operation of a Cyclone Pool in addition to the Terrorism Pool. In answering the questions on this page, please only think about your experience and perceptions of ARPC's Terrorism Pool operations. A small number of questions about the Cyclone Pool are asked on the next page.

ARPC's purpose is:

To protect the Australian community with sustainable and effective reinsurance for terrorism and cyclone events

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

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 provides sustainable and effective reinsurance for terrorism events?

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, and specifically in relation to the Terrorism Pool:

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?

6. In relation to the Terrorism Pool, 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 relation to the Terrorism Pool 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 in relation to the Terrorism Pool:

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 in relation to the Terrorism Pool?

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 relation to the Terrorism Pool 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

Part 2: Cyclone Pool

NOTE: ALL NEW CONTENT IN PART 2

ARPC commenced operation of the Cyclone Pool on 1 July 2022. In future years, similar questions will be asked about the operations of the Cyclone Pool. For this year's survey, we have just a small number of questions to assist us in the establishment phase.

ASK CP_A1 TO CP_A5 IF AUSTRALIAN RESPONDENT

CP_A1. How would you rate the information about the Cyclone Pool:

	Very good	Good	Satisfactory	Unsatisfactory	Very unsatisfactory	Can't say / Not applicable
<u>Proactively provided to you by ARPC</u>	1	2	3	4	5	9
<u>Available from ARPC when you seek it</u>	1	2	3	4	5	9

CP_A2. To what extent has your organisation considered when it will join the Cyclone Pool?

1. Has already joined
2. Has decided when to join
3. Has formally considered when to join, but not yet made a decision
4. Has informally considered when to join, but not yet made a decision
5. Has not yet considered when to join
6. Can't say / Unsure

ASK IF NOT ALREADY JOINED [IE: CP_A2 = 2-6]

CP_A3. To assist ARPC with planning, when do you think it is most likely your organisation will join the Cyclone Pool? *If unsure, please select the quarter you think is most likely if possible*

1. Before 31 December 2022
2. January-March 2023
3. April-June 2023
4. July-September 2023
5. October-December 2023
6. January-March 2024

7. April-June 2024
 8. July-September 2024
 9. October-December 2024
-
10. Later

11. Can't say / unsure

CP_A4. And in which specific month do you think it is most likely your organisation will join the Cyclone Pool?

1. January
 2. February
 3. March
-
4. April
 5. May
 6. June
-
7. July
 8. August
 9. September
-
10. October
 11. November
 12. December
-

13. Really can't say

CP_A5. What assistance could ARPC provide to enable transition into the Cyclone Pool?

ASK CP_O1 TO CP_O3 IF OVERSEAS RESPONDENT

CP_O1. Was your organisation aware of the Cyclone Pool that came in effect on 1 July 2022?

1. Yes
2. Had heard some general information about this
3. No

CP_O2. How likely is it that your organisation will join the Cyclone Pool?

1. Definitely will
 2. Probably will
 3. Probably won't
 4. Definitely won't
-
5. Can't say / Unsure

ASK UNLESS DEFINITELY WILL NOT JOIN [IE: CP_O2 = 1-3 OR 5]

CP_O3. If you did wish to join the Cyclone Pool, what assistance could ARPC provide to enable transition into the pool?

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.

D1. As the Reinsurance Manager of my organisation within Australia (or other person who has the closest working relationship with ARPC), I endorse the answers provided in this survey.

First Name: _____

Position:	Reinsurance Manger	Other (Specify) _____
	1	2

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