

## Car Renters Insurance Survey

This study was commissioned by NAIC and conducted via ICR's *EXCEL* Omnibus. Interviews were conducted from September 19 - 30, 2007 among a sample of 632 respondents age 18 and older regarding their knowledge about the need to purchase or not to purchase additional insurance through the car rental agency when renting a car. To qualify for the survey a respondent must have indicated that they have rented a car for either leisure or business in the last two years.

### Rentals for Leisure vs. Pleasure

Almost six in ten said they rented a car in the last two years for leisure (56%) or for both leisure and business (29%). Only 13% said the car rental was strictly for business purposes.

Among respondents who rented cars for personal use, most (80%) believe that their personal auto insurance provides coverage for the rental car.

Fewer respondents who rented cars for work-related purposes said their employer's policy provides coverage for the rental car (49%).

### Insurance Coverage

Almost six in ten respondents (56%) said their credit card does not or were not sure if it provided insurance coverage when renting a car.

Only about one-third (34%) said they tend to purchase the rental car company's insurance to be sure they are covered.

- As income and education increase, the likelihood of purchasing the rental car company's policy decreases:

INCOME			
Under \$25K	\$25K<\$50K	\$50K<\$75K	\$75K+
67% ↑	52% ↑	35% ↑	22%
EDUCATION			
HS or less	Some college	College+	
49% ↑	36% ↑	22%	

↑ = % significantly higher than corresponding column

Approximately two in five respondents said they were either thoroughly confused (18%) or had only a rough idea (24%) about their need for additional coverage when renting a car.

- The same downward trend for level of education continues as it applies to the confusion about what is and what is not covered when renting a car. Significantly more respondents with only a high school education or less said they find it thoroughly confusing (29% vs. 13% some college or more).

EDUCATION		
HS or less	Some college	College+
29% ↑	13%	13%

↑ = % significantly higher than corresponding column

### Respondent Profile

Respondents in this survey are approximately evenly split between men and women (51% vs. 49% respectively). Most respondents in this survey are married (66%), and are employed full-time (68% vs. 9% part-time and 23% not employed). Respondents are most likely to have either two (31%), three (21%), or four (25%) persons in the household, with two of these persons being adults ages 18 and older (60%). More than one-half of those surveyed do not have children (55%). Among the 44% of households with children, the children's ages are evenly dispersed from 17 years down to 5 years and younger. On average, respondents in this sample are approximately 46 years of age. Respondents are likely to have some college education (25%) or have graduated from college (25%). Average household income is approximately \$75K. Respondents in this sample are likeliest to be White (64% vs. 9% Black and 17% Hispanic).

Respondents in this sample come from all four major geographic regions in the U.S. (19% Northeast, 17% North Central, 35% South, and 29% West). Most are currently living in Metro areas (90%).

This study was conducted in ICR's *EXCEL* Omnibus. *EXCEL* is a national, twice-weekly telephone omnibus service designed to meet the standards of quality associated with custom research studies. The *EXCEL* survey consists of a standard set of introductory and demographic questions supplemented by a changing series of questions on various topics as contracted by participating companies.

### ***Sample Design***

Each *EXCEL* survey consists of a minimum of 1,000 interviews, with 50% men and 50% women. *EXCEL* uses a fully-replicated, stratified, single-stage random-digit-dialing (RDD) sample of telephone households. Sample telephone numbers are computer-generated and loaded into on-line sample files accessed directly by the CRT system. Within each sample household, one adult respondent is randomly selected using a computerized procedure based on the "Most Recent Birthday Method".

Respondents answering questions in an *EXCEL* insert specifically designed for this survey were 632 men and women who had rented a car within the last two years.

### ***Weighting***

*EXCEL* is weighted to provide nationally representative and projectable estimates of the population ages 18+. The weighting process takes into account the disproportionate probabilities of household selection due to the number of separate telephone lines and the probability associated with the random selection of an individual household member. Following application of the above weights, the sample is post-stratified and balanced by key demographics such as age, sex, region, and education.

### ***Margin of Error***

Because this is a sample, and not an actual population, an associated margin of error applies. At a 95% level of confidence, the margin of error for this sample of 632 is +/- 3.9%. This essentially means that we can be 95% certain that, for any percentage result for the total sample, the "true" percentage is within 3.9 percentage points of that which is actually reported.

### ***Significant Differences***

Within this report, significant differences are reported at the 95% level of confidence.