Program Benchmarking
Quick Start Guide

December 2017

Introduction

Scope and Purpose

Client Insight Benchmarking enables users to better understand the range of insurance program premiums, limits, and retentions based on a set of input parameters about the insured and the coverage type.

Benchmarking data come from RIMS members, retail and wholesale brokerage Data Share Partners from across North America and Europe.

Key Terms

Industry - A distinct group of productive or profit-making enterprises based on Standard Industry Codes (SIC) or keywords

Coverage - The scope of protection provided under an insurance policy

LOB - Line of Business

Program Peer Group - Similar companies for comparing results of a firm

Exposure – Possibility of loss

Premium - Price of insurance protection for a specified risk for a specified time period

Limit - Maximum amount of insurance which can be paid for a covered loss. Advisen uses " per occurrence" limits in benchmarks.

Retention - Portion of the premium used by the insurance company for administrative costs

**RPM** – Rate Per Million

Quartile Graphs ("Range Charts") – Show the range of values for a variety of rates which may be calculated for the peer group. The charts illustrate the middle 50% of the calculated rates, but use the entire peer programs.

Benchmark ("Histograms") - Charts for premiums, limits, and retentions that graph the range of values within a selected peer group.
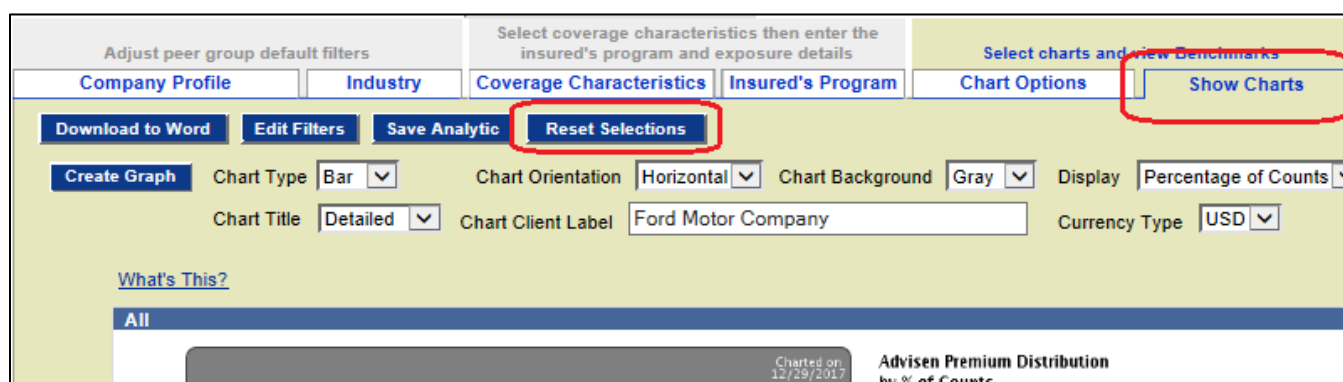
Creating Benchmarks

Process

1. Log into the Advisen.com online platform and select Benchmarking →
   Advanced.
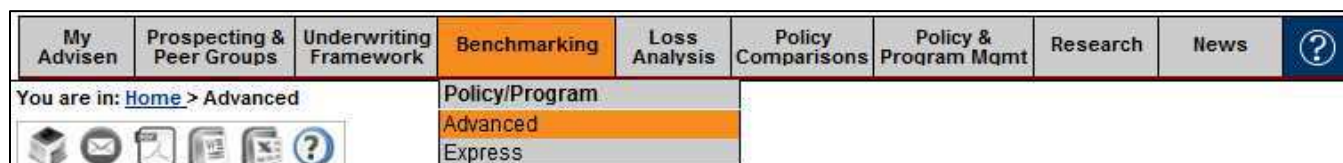
Default view is Show Charts – which shows a distribution of all data from the last
company looked up in Company Quickview. Hit "Reset Selections" button on
the "Show Charts" screen to start over.

2. Select "Industry" Tab and choose all industries that apply

Adjust peer group default filters		Select coverage characteristics then enter the insured's program and exposure details		Select charts and view Benchmarks	
Company Profile	Industry	Coverage Characteristics	Insured's Program	Chart Options	Show Charts

    a. Choose your preferred Industry search method – Global Industry (GIND) codes, SIC codes, or keywords, as appropriate.

        i. Type "Construction" and hit KEYWORD button
       ii. Select 201030 - Construction & Engineering

3. Select LOB that you wish to benchmark.

    a. Select Coverage Characteristics tab.

Adjust peer group default filters		Select coverage characteristics then enter the insured's program and exposure details		Select charts and view Benchmarks	
Company Profile	Industry	Coverage Characteristics	Insured's Program	Chart Options	Show Charts

    b. Select Category, LOBs, Time Periods.

Category:

All

- All
- Cyber/Tech Risk
- Farm
- Fidelity, Surety & Crime
- Financial & Political Risk
- Liability
- Management Liability
- Marine & Aviation
- Medical Malpractice
- Other
- Package
- Professional Liability
- Property
- Workers Compensation

Time Periods   **Selection**

◉ Policies placed in the previous months:

| Last 3 Months |
| Last 6 Months |
| Last 9 Months |
| Last 12 Months |
| 12 to 24 Months |
| 24 to 36 Months |

Last 12 Months
12 to 24 Months

○ Policies placed in the year:

All
2018
2017
2016
2015
2014

i. Select Category = Liability, Line of Business = Umbrella/Excess, maintain the pre-selected Time Periods

Coverage and Line of Business	Selection
Category: Liability	Liability
Line of Business: Owner/Contractor Protective, Pollution/Environ. Liability, Products Liability, Punitive Damages, Railroad Protective, **Umbrella/Excess**	Umbrella/Excess

Time Periods	Selection
● Policies placed in the previous months: Last 3 Months, Last 6 Months, Last 9 Months, **Last 12 Months**, **12 to 24 Months**, 24 to 36 Months	Last 12 Months, 12 to 24 Months
○ Policies placed in the year: All, 2018, 2017, 2016, 2015, 2014	

4. Filtering the Company Profile

    a. Once you have selected the industry and LOB, fill in any relevant remaining filters on the "Company Profile" tab

    b. Select your desired company exposures, which include:
- Revenues (default)
- Assets
- Deposits
- Employees
- Market Cap
- Net Worth
- Profits
- Retirement Plan Assets
- Retirement Plan Participants
- Surplus

c. Select your exposure's range.

    i. You can select from the pre-defined range, or:

    ii. Enter your desired figures.

5. Click the "Insured's Program" tab.

Adjust peer group default filters		Select coverage characteristics then enter the insured's program and exposure details		Select charts and view Benchmarks	
Company Profile	**Industry**	**Coverage Characteristics**	**Insured's Program**	**Chart Options**	**Show Charts**

    a. Enter Insured's Premium, Limit, and Retention

    b. Enter Exposure Information (Optional)
- This will auto-fill if you have a company selected in the Company Quickview.

Program Structure

Program: None ▼

Premium:	Limit:	Retention:
74,000	20,000,000	80,000

Exposure Information

Revenue:	Employees:	Net Worth:	Market Cap:

Profits:	Assets:	Retirement Plan Participants:	Retirement Plan Assets:

When inputting numeric data, you may abbreviate thousands with k or K, millions with m or M and billions with b or B. For example, 33,000,000 may be expressed as 33m or 33M.
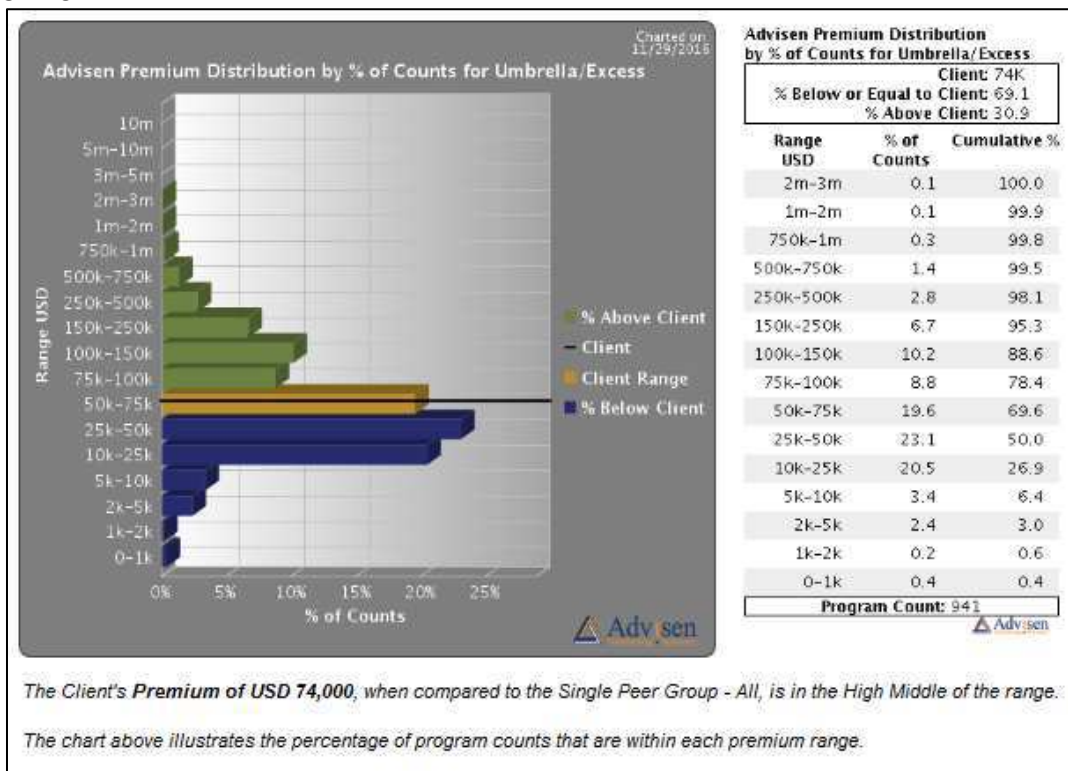
6. To review your applied filters, you can view the FILTER SELECTIONS in Tools Quickview.

7. Click the "Show Chart" tab to view your benchmarks and it will show the following:

Premium

Advisen Premium Distribution by % of Counts for Umbrella/Excess

Advisen Premium Distribution by % of Counts for Umbrella/Excess

Client: 74K
% Below or Equal to Client: 69.1
% Above Client: 30.9

Range USD	% of Counts	Cumulative %
2m-3m	0.1	100.0
1m-2m	0.1	99.9
750k-1m	0.3	99.8
500k-750k	1.4	99.5
250k-500k	2.8	98.1
150k-250k	6.7	95.3
100k-150k	10.2	88.6
75k-100k	8.8	78.4
50k-75k	19.6	69.6
25k-50k	23.1	50.0
10k-25k	20.5	26.9
5k-10k	3.4	6.4
2k-5k	2.4	3.0
1k-2k	0.2	0.6
0-1k	0.4	0.4
Program Count: 941		

The Client's **Premium of USD 74,000**, when compared to the Single Peer Group - All, is in the High Middle of the range.

The chart above illustrates the percentage of program counts that are within each premium range.

Limit

Advisen Limit Distribution by % of Counts for Umbrella/Excess

Advisen Limit Distribution by % of Counts for Umbrella/Excess

Client: 20M
% Below or Equal to Client: 91.5
% Above Client: 8.5

Range USD	% of Counts	Cumulative %
75m-100m	0.7	100.0
50m-75m	0.4	99.3
30m-50m	1.5	98.9
20m-30m	5.9	97.4
10m-20m	15.3	91.5
5m-10m	41.2	76.2
2m-5m	32.0	35.0
1m-2m	1.6	3.0
750k-1m	1.4	1.4
Program Count: 1.1K		

The Client's **Limit of USD 20,000,000**, when compared to the Single Peer Group - All, is in the High End of the range.

The chart above illustrates the percentage of program counts that are within each limit range.

Retention

Advisen Retention Distribution by % of Counts for Umbrella/Excess

Charted on 11/29/2016

Advisen Retention Distribution by % of Counts for Umbrella/Excess

Client: 80K		
% Below or Equal to Client: 0.0		
% Above Client: 100.0		

Range USD	% of Counts	Cumulative %
5m–10m	0.4	100.1
2.5m–5m	0.4	99.7
1m–2.5m	7.5	99.3
750k–1m	91.8	91.8
Program Count: 280		

The Client's **Retention of USD 80,000**, when compared to the Single Peer Group - All, is in the Low End of the range.

The chart above illustrates the percentage of program counts that are within each retention range.

Due to data collection methods there may be fewer peer respondents for Retention than for Premium and Limit.

Rate Per Million and Limit Per Revenue
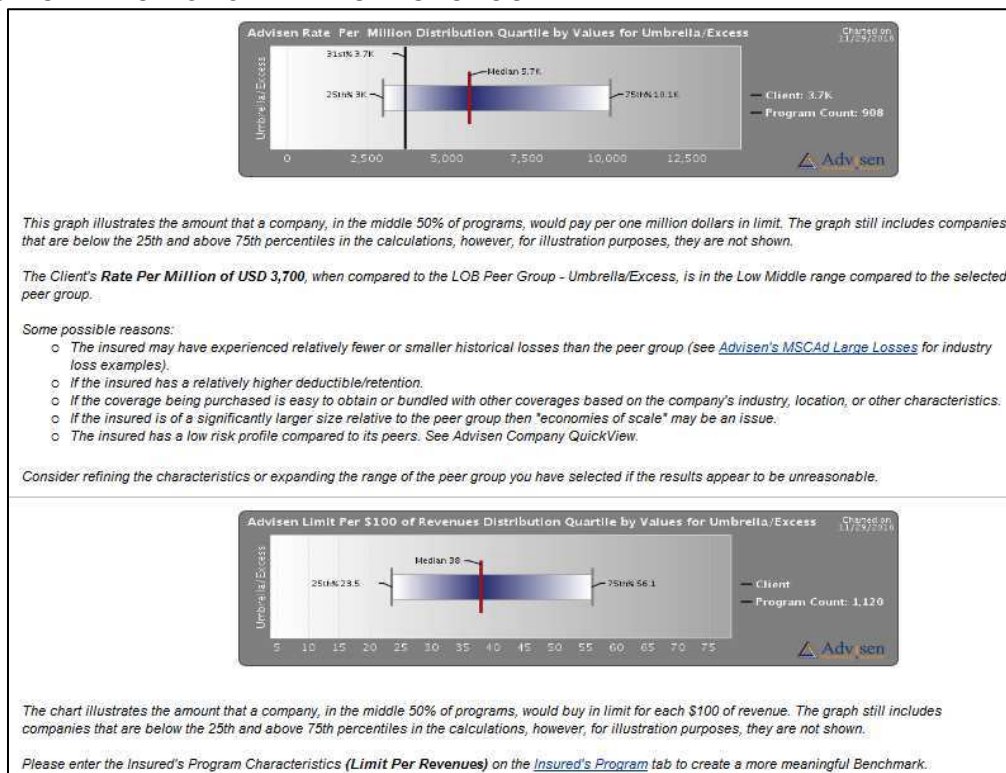
8. Make selections to download or save your benchmarks using the blue buttons.

   a. On the upper left-hand portion of the screen, click the printer icon to print your benchmarks.

9. Use the "Chart Options" tab to modify your benchmark visual presentation as desired (contact your Client Manager or support@advisen.com for more guidance).

   a. We are constantly updating our offering with new and innovative charts—be sure to check regularly for new options.

10. In order to customize your graphs output, check the "Create your own Benchmarking Report" box.

   a. This will allow you to select a custom set of graphic displays.

    b. Below is an example of our new Limit Quartile charts which is a new way to interpret appropriate limits & viewing where the client stands.
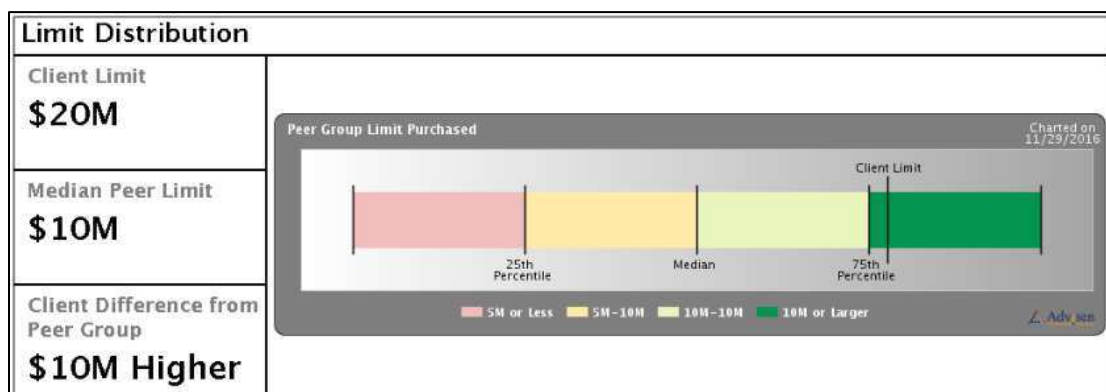
c. Additionally, if your company shares data with Advisen you will be able to check the box in the lower left corner to "Use your book of business"


As seen below, you will graph your company's rates and limits vs. the Advisen Aggregate to discover pricing advantages clients of yours may have.
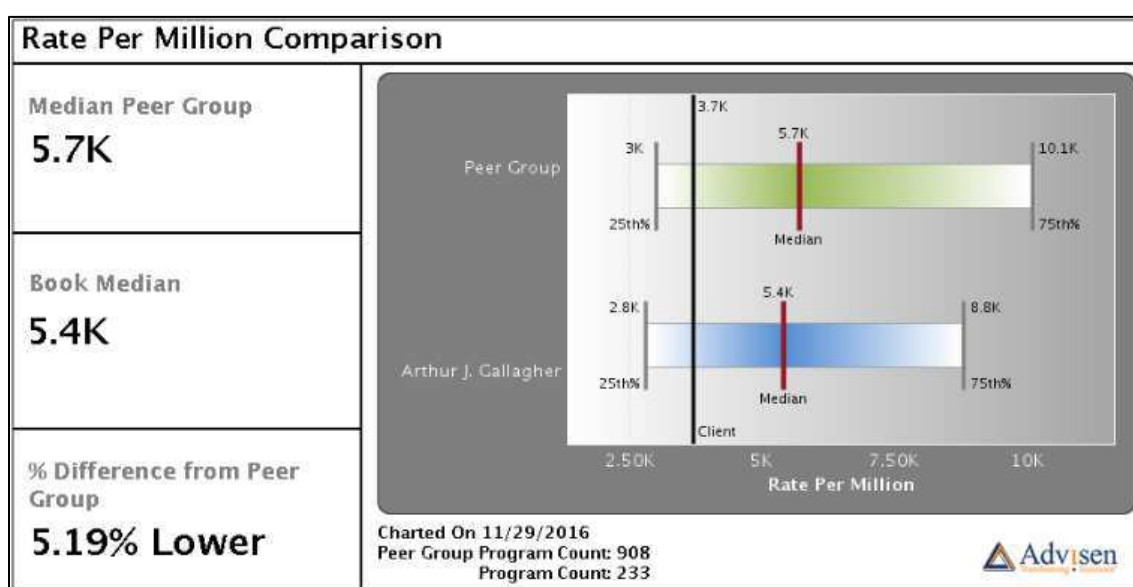
If you are uncertain if your company shares data or are interested in sharing data with Advisen, please contact your client manager or support@advisen.com.

11. Client Insight Expert clients of Advisen will also have access to our Limit Adequacy chart.

    a. The Limit Adequacy chart graphs our Median Policy limit for the peer group and intersects our loss insight data on the same chart to show the losses we have on file associated with the peer group.

    b. This graph will display in our default charts if you are a Client Insight Expert subscriber.
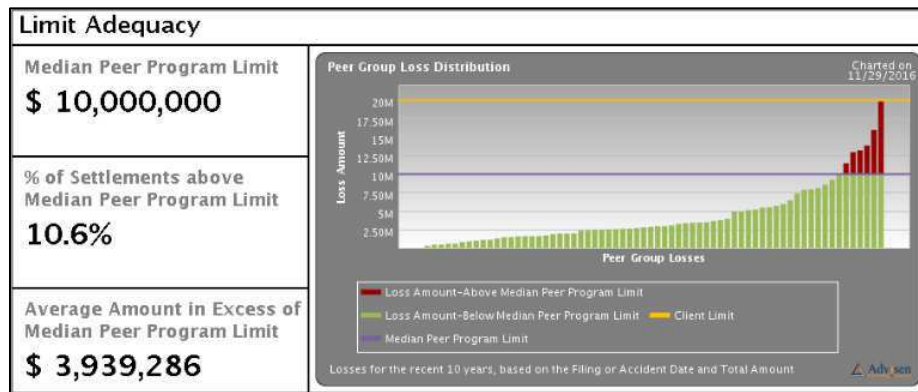
For more information about the Client Insight Expert, visit our [Loss Benchmarking guide](#).