

Telematics

A Better Consumer Product

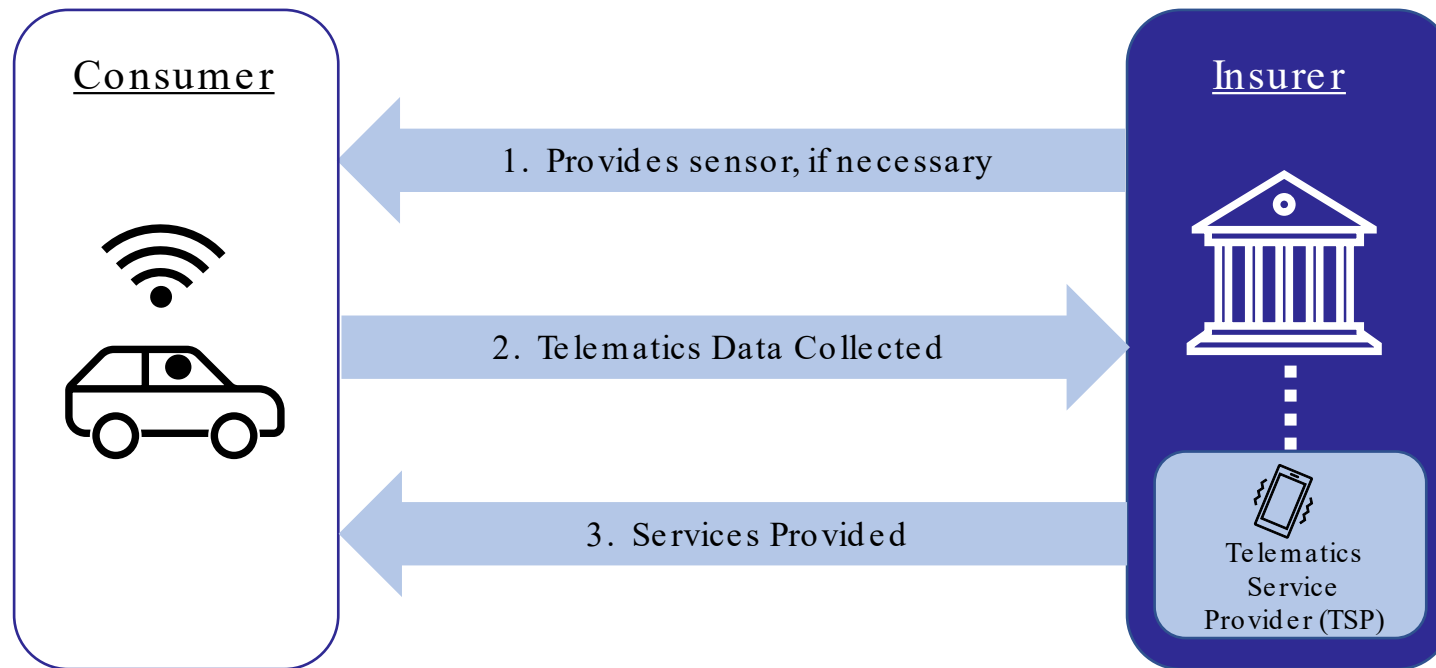
Singapore Actuarial Conference
November 2021

What does the customer want?

	 Consumer
 Product	More options to fit their specific needs
 Pricing	Understandable, fair and controllable
 Claims	Quick, hassle-free return to “normal”
 Safety	Keep family safer

Telematics can help do all of these things!

What is Telematics-based Insurance (TBI)?



Product

Telematics: A Product Manager's Dream!

Different needs for different folks



Remote (worker) Ronnie



Cautious Calvin



Cynical Cyrus



Hopeless Holly

Remote (worker) Ronnie?



Remote (worker) Ronnie

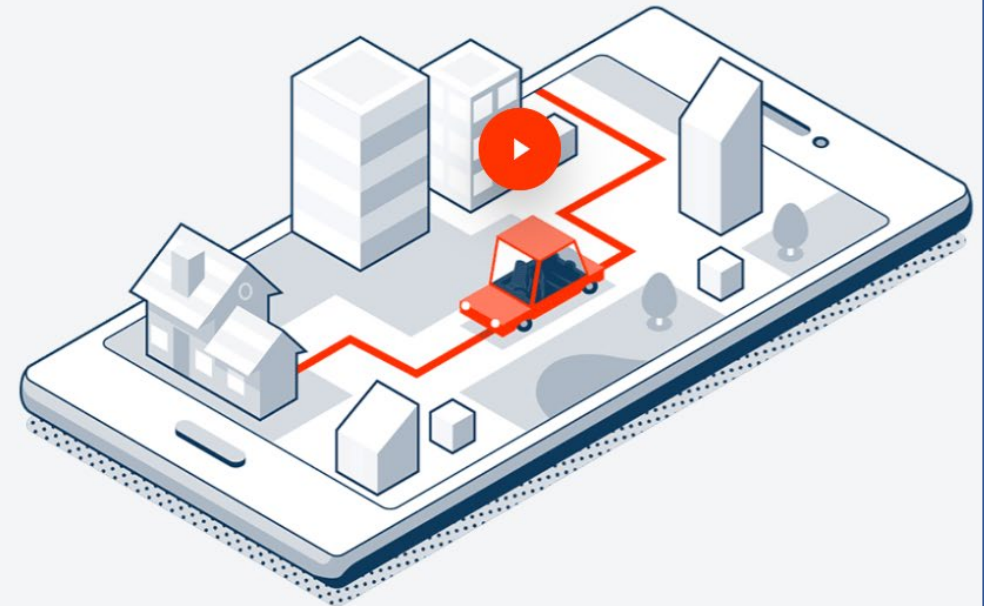
noblr A USAA COMPANY

Drive Less Save More

plus the better you drive,
the more you can save

GET A QUOTE

RETRIEVE YOUR QUOTE



Cautious Cal?



Cautious Calvin

 Insurance Banking Investments Get a Quote Pay a Bill Claims Find an Agent

Insurance > Auto > Discounts > Drive Safe & Save

Be rewarded with Drive Safe & Save™ discounts

Get a discount of up to 30% on your auto insurance. ¹Download our app or use OnStar® and save just for signing up. ²

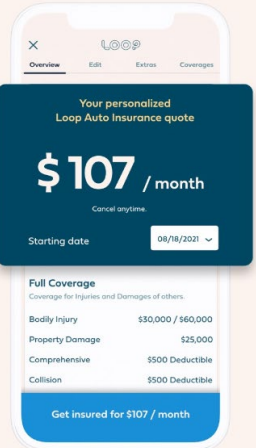
You've got control

Cynical Cyrus?



Cynical Cyrus

LOOP



Your personalized
Loop Auto Insurance quote

\$107 / month

Cancel anytime.

Starting date: 08/18/2021

Full Coverage
Coverage for injuries and damages of others.

Bodily Injury	\$30,000 / \$60,000
Property Damage	\$25,000
Comprehensive	\$500 Deductible
Collision	\$500 Deductible

Get insured for \$107 / month

Honest pricing.

No credit check. Zero hidden fees.

Car Insurance Rates Are Biased. Meet the Duo Working to Rewrite the Rules

Alex Galley 
April 6, 2021 | 6 MIN READ



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Hopeless Holly?



Hopeless Holly

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TEEN SAFE DRIVER

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Safe Driver Discount Program for Teens

Helping your teen master safe driving habits just got easier with the Teen Safe Driver program. Our Teen Safe Driver™ smartphone app monitors **distracted driving** and other risky behaviors to help your teen learn how to drive safer and smarter — all via a fun smartphone app that cleverly improves driving habits. And as a parent, you'll have the app on your smartphone, too. That way, you can track your teen's progress and keep an eye on their whereabouts while they're behind the wheel. To top it off, you can earn a 10% car insurance discount* after your teen completes 3,000 miles or one year in the program.

Getting Started With the Teen Safe Driver Program

Enrolling in the Teen Safe Driver program is simple! To be eligible, your teen must be a licensed or permit driver, and can participate up to age 21. Talk to your agent about signing up and they'll get you and your teen set up with a smartphone app link.

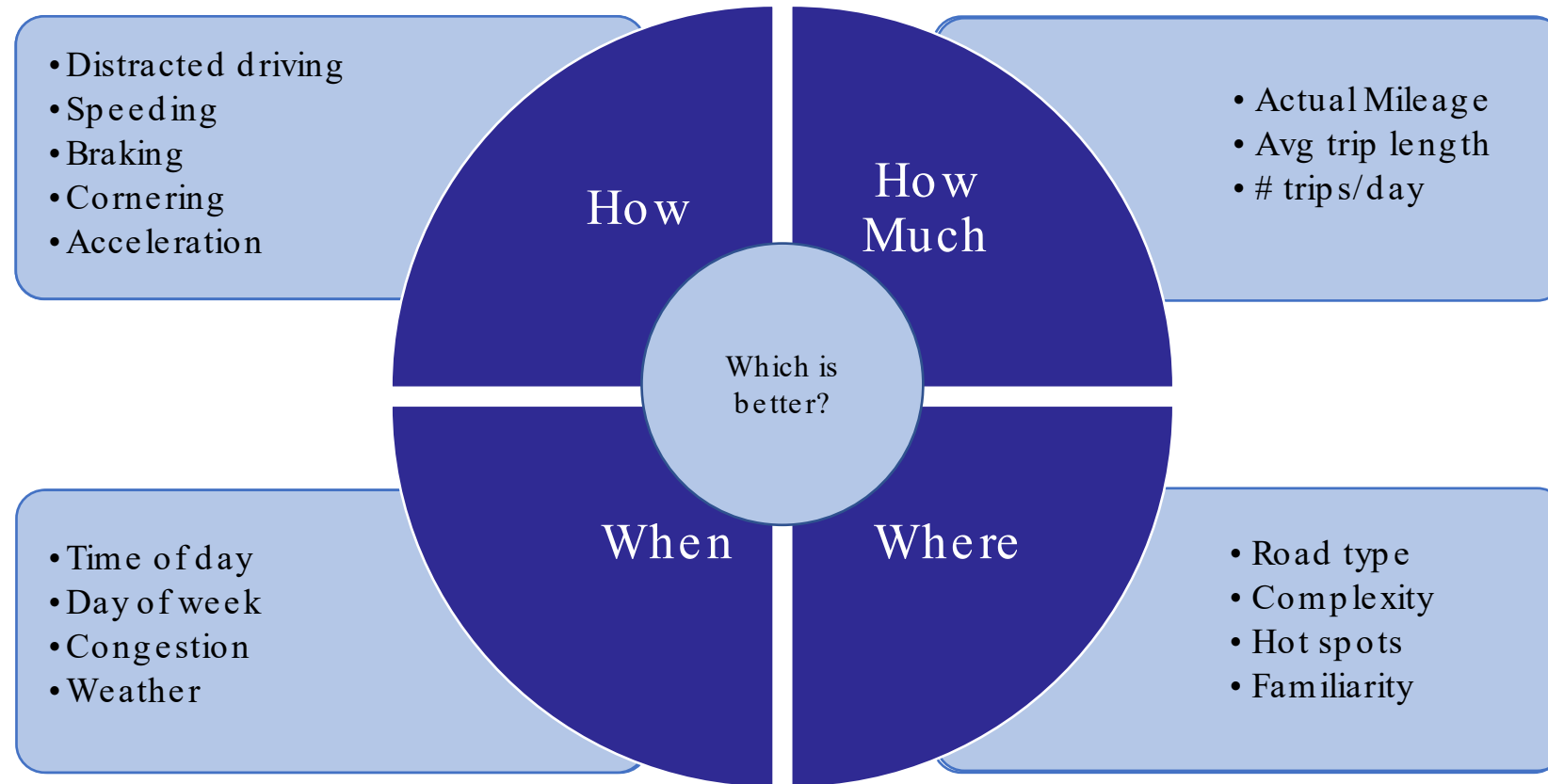
For new American Family customers:

Interested in the Teen Safe Driver program? Need **car insurance**? Our agents are happy to help you find the car insurance option best for you, and can help you enroll in the Teen Safe Driver program. [Get a quote](#) or connect with an [American Family Insurance agent](#) using the button below to find out more about enrolling in this program.

Pricing

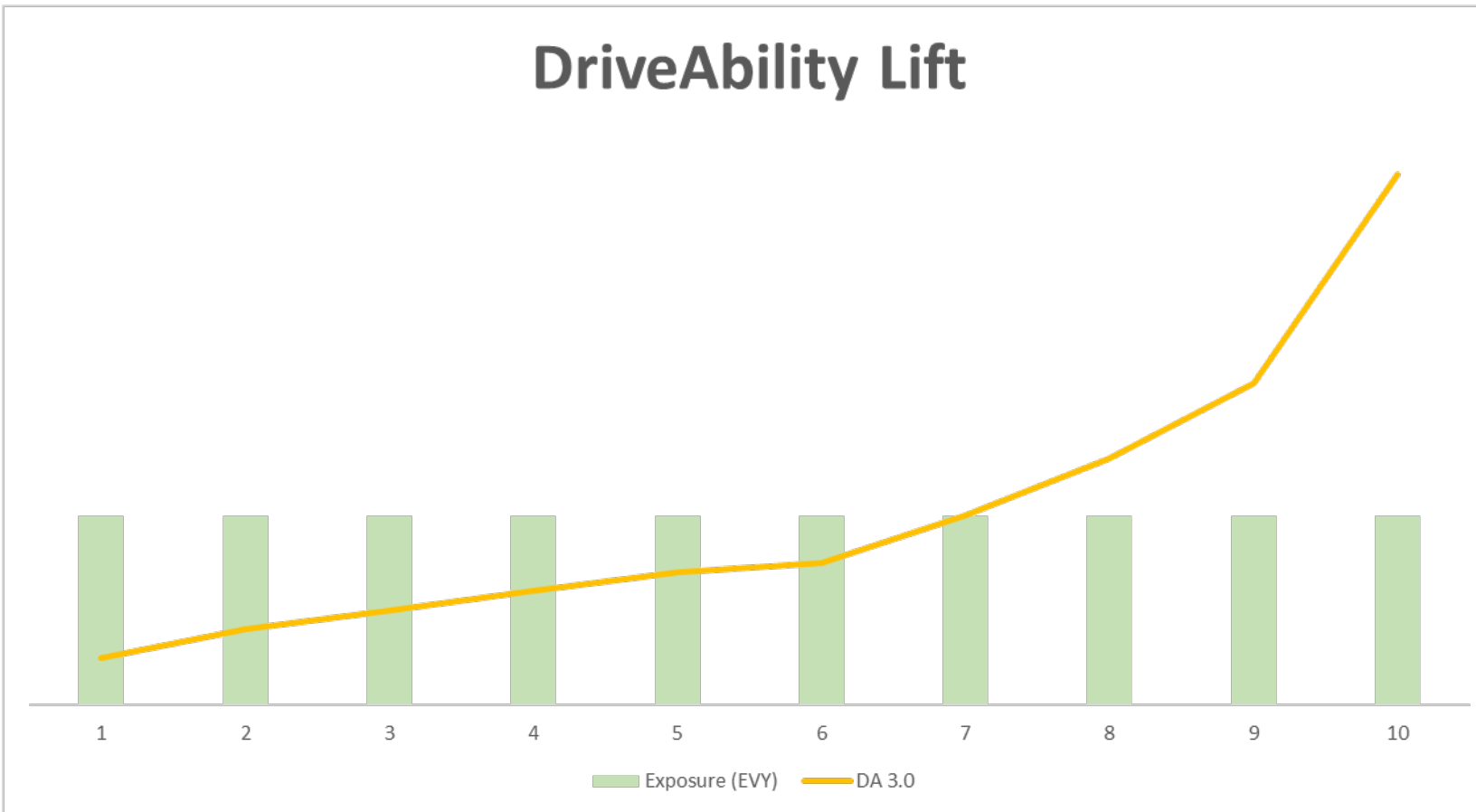
Fairer, Transparent and Controllable

Traditional versus telematics



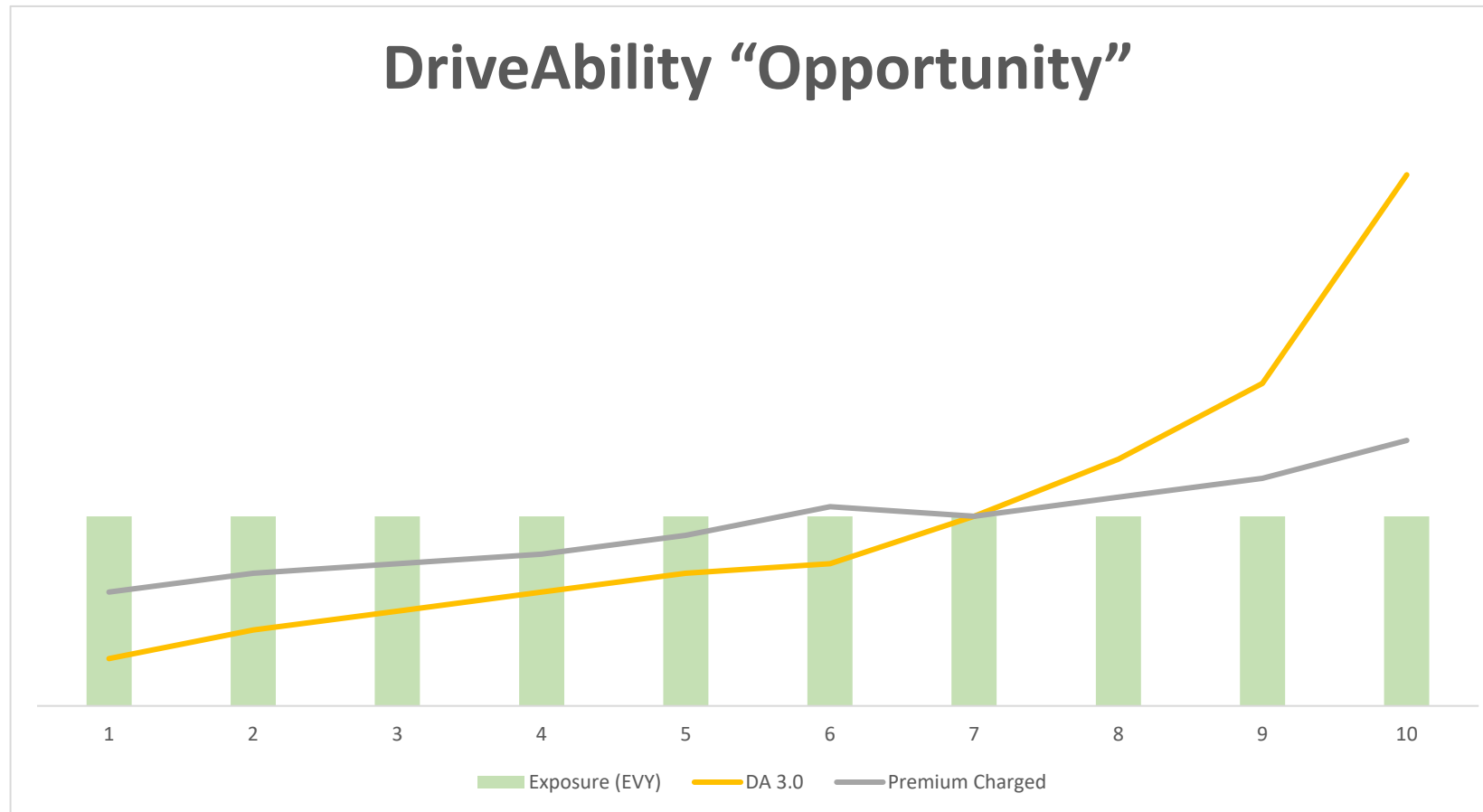
Easier to understand, causal and (at least partially) controllable!

How powerful is the data?



Source: Octo Telematics

But, does it add value?



Source: Octo Telematics

Decile	Predicted Premium -1
1	-70%
2	-55%
3	-43%
4	-32%
5	-21%
6	-17%
7	0%
8	13%
9	36%
10	103%
Abs[Avg]	39%

Claims

Quick Help and Resolution

Claims Information





CAMBRIDGE
MOBILE TELEMATICS

Hi, izzat.jarudi | English | America/New_York | HELP | LOGOUT

All Companies ▾

All Fleets ▾

All Teams ▾

Print / PDF

Crash Storyline

Crash ID: 148747 Trip Id: [20003019](#) Driver: [jthomas](#) Vehicle: [Jetta](#)
Crash time: 5/20/2020, 19:43:39 Crash location: 898-880 Fellsway W, Medford, MA 02155, USA
Confirmed: Yes

Crash Description

The driver was traveling North along Fellsway West at 94 km/h at 19:43:46 on 2020/05/20. At 19:43:39 a collision occurred on the left side of the vehicle while the vehicle was traveling at 94 km/h. The driver was speeding prior to the impact. The collision event ended at 19:44:04 when the vehicle reached a speed of 82 km/h. The driver continued driving after the crash event toward their destination.

Severity

78
Severe

Hit Location

60%
40%

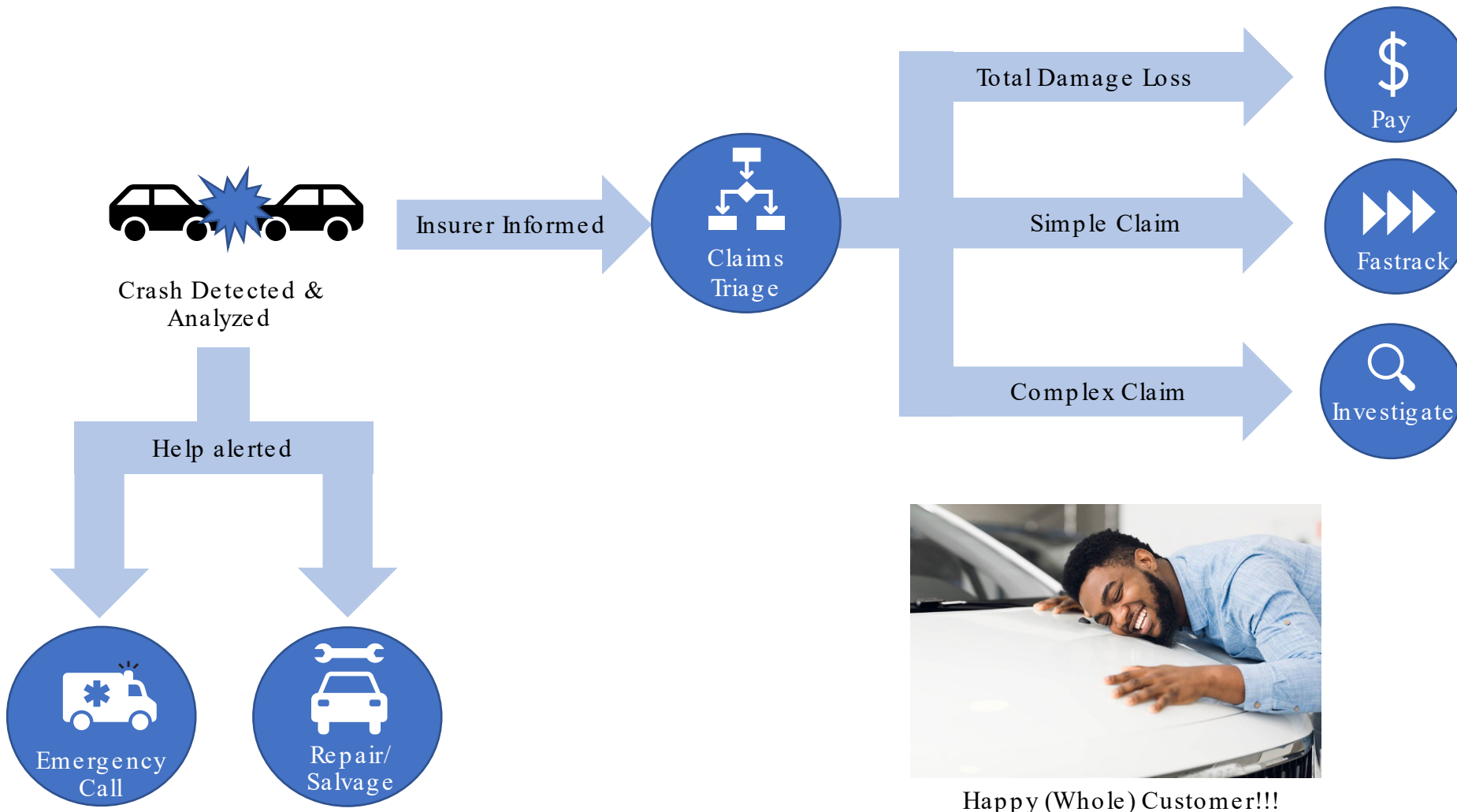
Weather Data: Medford, MA

Observation Time: 07:43 PM
Precipitation: None
Wind: 2 km/h WNW
Wind Gust: 6 km/h
Visibility: 16 km
Daytime: Yes
Sun Facing Driver: No

30 C
Partly Cloudy
[More...](#)

Source: Cambridge Mobile Telematics

Enhanced Claims Journey

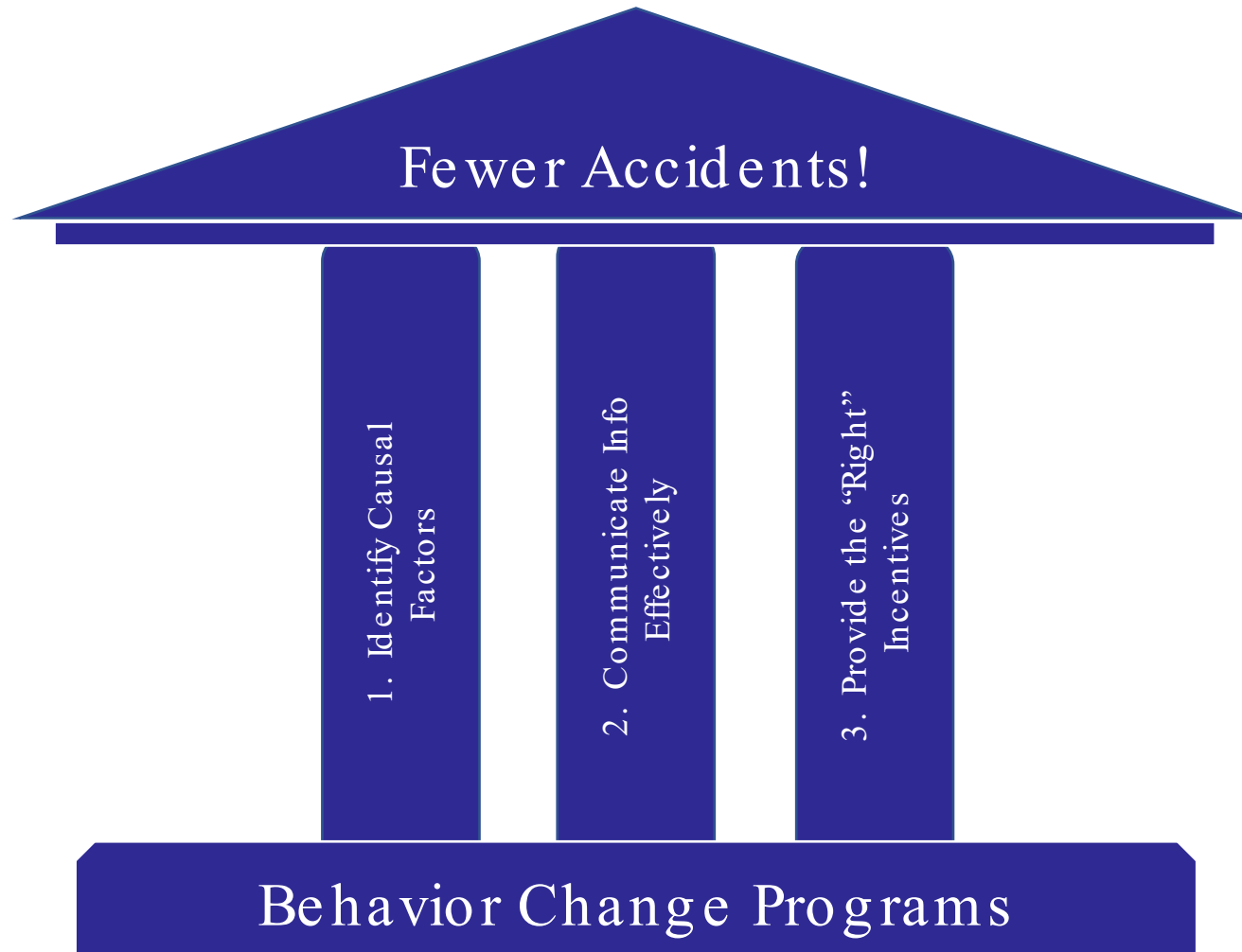


Happy (Whole) Customer!!!

Safer Driving

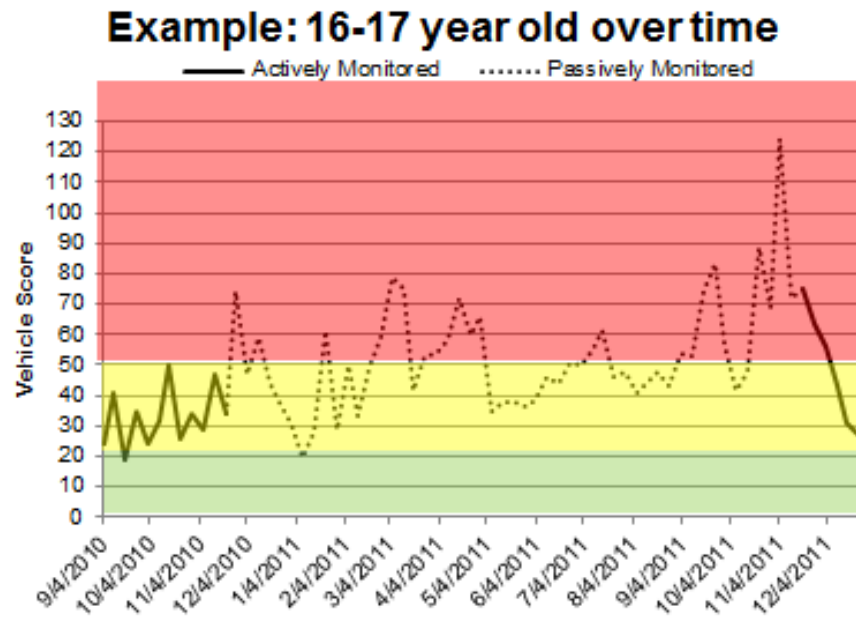
Imagine if...

3 Pillars of Behavior Change

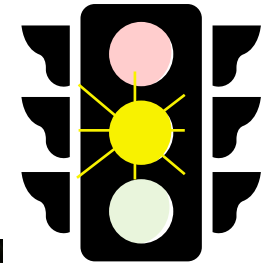


Real “anecdotal” stories

My Son

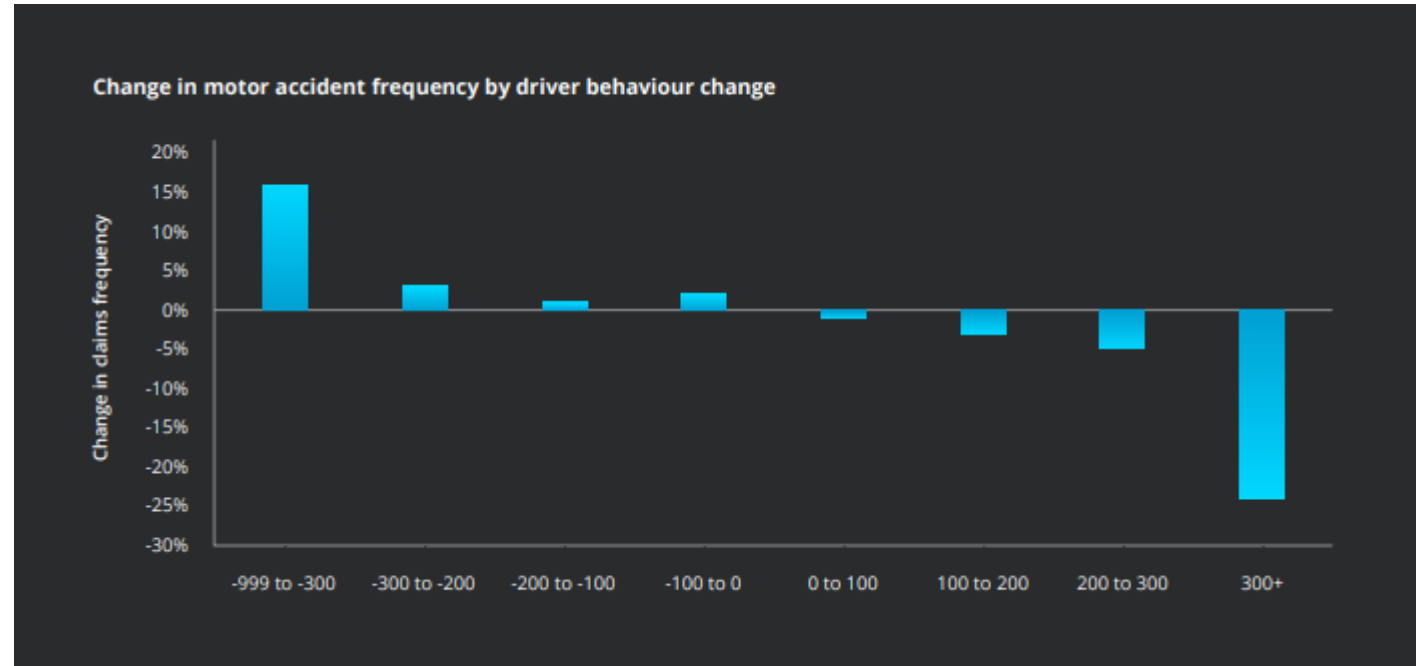


My Father



Vitality Drive Case Study

- Discovery launched in 2011
- CMT Tag technology
- Concepts
 - Hyperbolic discounting
 - Goal setting
 - Continuous engagement
 - Loss aversion



<https://www.discovery.co.za/assets/template-resources/car-home-insurance/vitality-drive-white-paper.pdf>

But, what do you need to know?

A “Win-Win” Proposition



	 Consumer	 Insurer
 Product	More options to fit specific needs	Increased growth and retention
 Pricing	Understandable, fair and controllable	Accurate pricing → Profitability
 Claims	Better, faster claims resolution	Reduction in loss and LAE
 Safety	Keep family safer	Reduction in loss and LAE

5 Things to Ponder



Item	Description
Technology Selection	Choose the right solution to meet your needs <u>and</u> understand the differences
Analytics	New infrastructure, tools and resources required
Consumer Behavior	Hope for the best, plan for the worst
Maximizing Value	Multiple use cases = more value
Evolution of Telematics	Be nimble, because always changing (e.g., portability, legislation, new data sources)

Thank you



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