



What is the role of insurance products in encouraging safe road uses?

11th March 2025



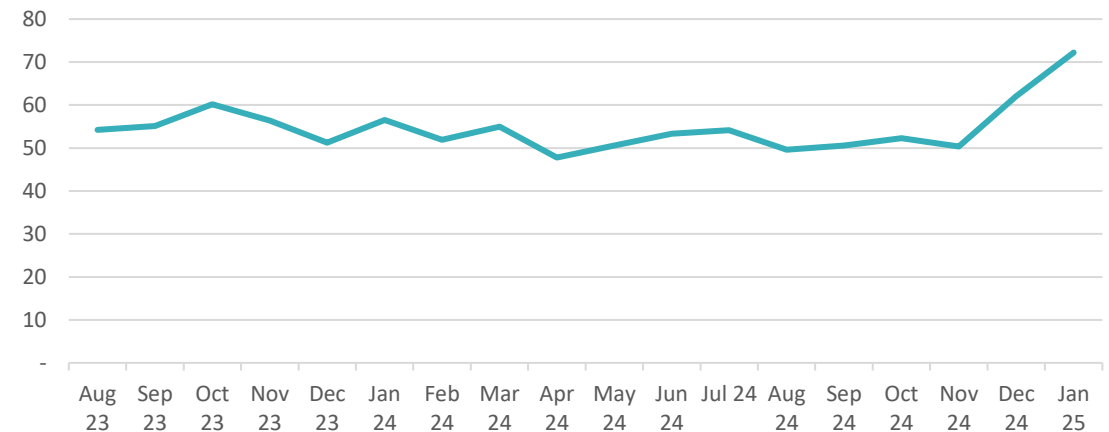
Insurance Market

The UK market has the right data and the right technology to change driving behaviour

Aviva launched the first UK based telematics product 'Pay As You Drive' in 2006

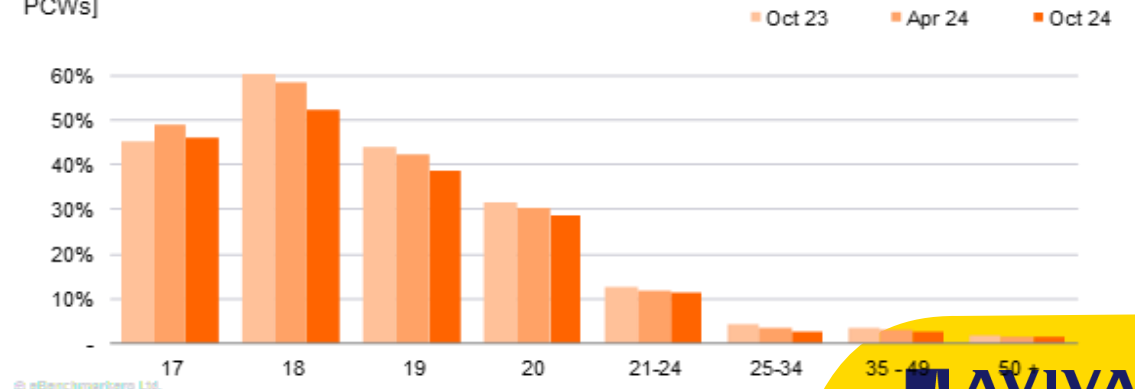
- The UK telematics market has 600k policyholders
- Approx £1.2bn in GWP
- Over 3bn miles of recorded driving data
- Products include app driven technology, black box and OBD devices
- Still focused on young / inexperienced drivers
- Incentivising good driving works
- Older drivers still not convinced by telematics

All known (TM) Sales*



reliance on telematics sales by age

% sales by age group that were for a telematics product [PCW sales, provided by PCWs]



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*eBenchmarkers Data



Can you make a generation of safer drivers?

Our mission is to create a generation of safer drivers.

Aimed at first-time insured policyholders who want control over their insurance. The proposition is unique because we engage with throughout the policy. We don't just give high or low scores:

- We send personalised feedback on trips
- We pinpoint specific improvement areas
- We offer coaching tools
- We reward customers weekly
- We educate on safe driving behaviors

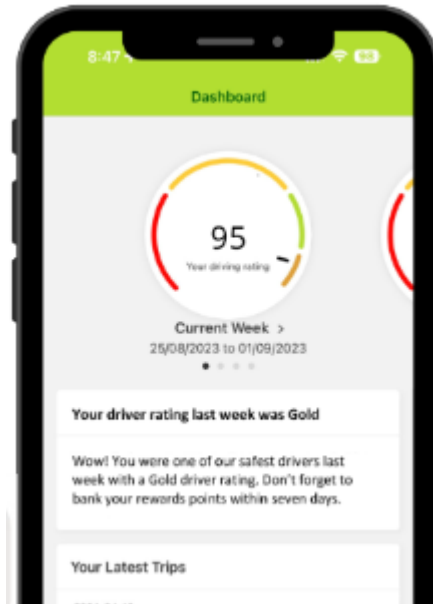
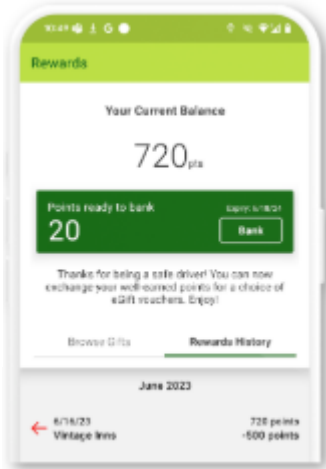


Weekly Coaching

Green encourages detail on areas of focus needed to get into gold where more rewards can be achieved.

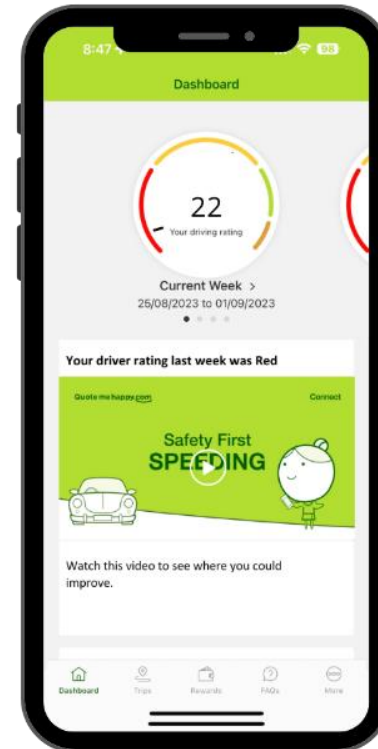
Gold congratulates and rewards drivers for safe driving and reminds about banking and spending points.

Great driving - your driver rating last week was green! You've earned rewards points so don't forget to check in to the app and bank these within 7 days.



Red or **low amber** scores trigger coaching content on specific target areas.

High amber encourages specific areas of focus needed to get into green/gold scores for the following week.



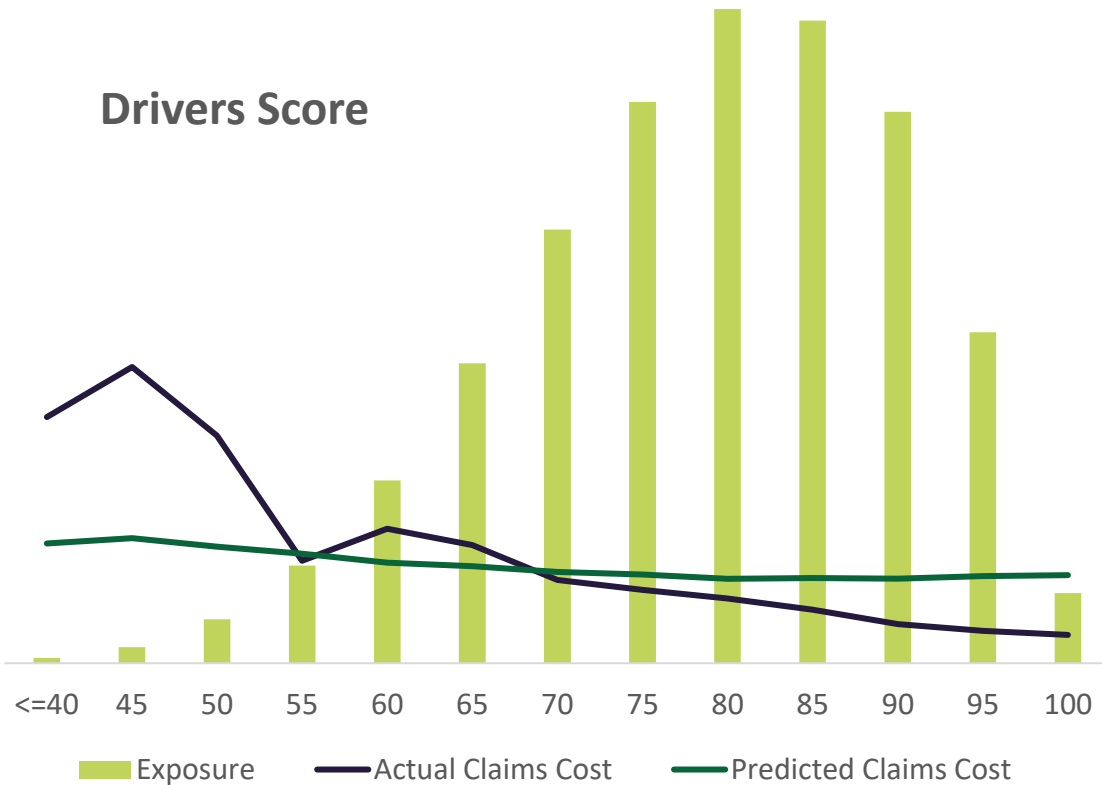
You had a Red driver rating last week, which means you need to make some changes to your driving. A Red driver rating this week will result in a cancellation.



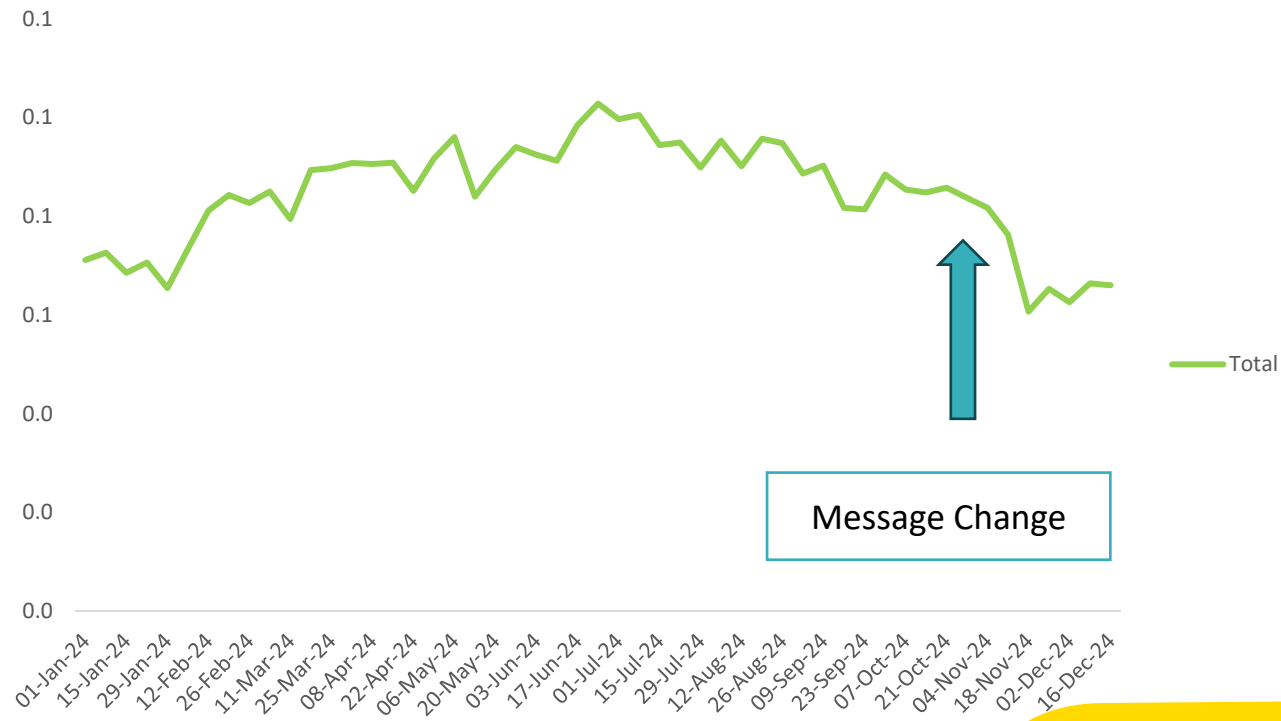
Needle Mover

- Average scores increase by **20%** in the first month
- **86%** of customers have earned financial rewards in the last 12 months
- Average renewal discount is **20%** with the best drivers receiving **30%** off their annual premium
- Moving customers out of the Red zone to Gold reduces their chances of a bodily injury claim by **80%**

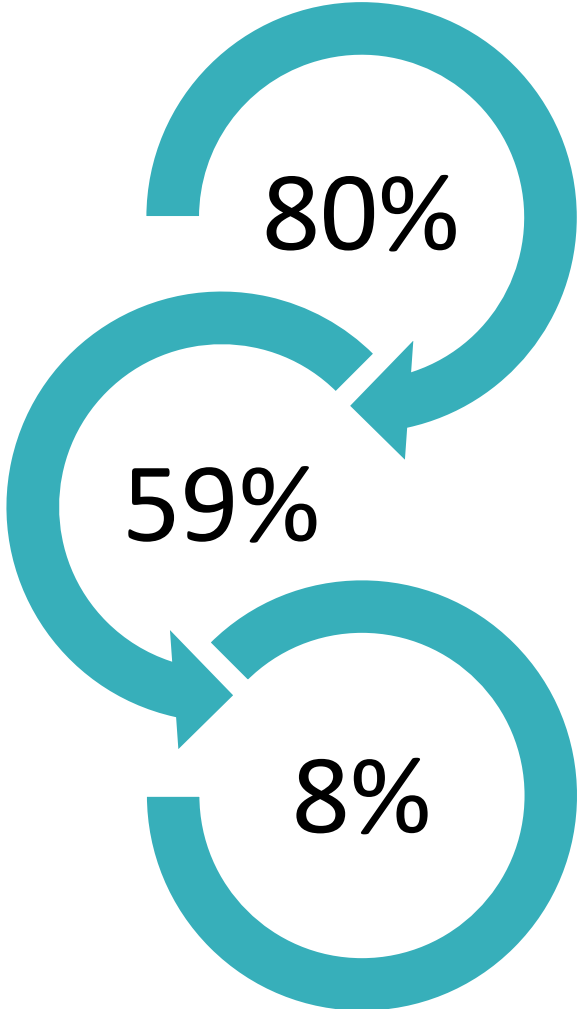
Drivers Score



Red Zone Trip %

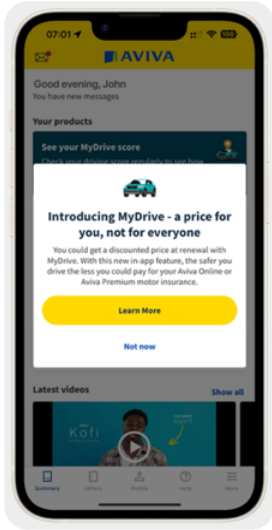


Is the mass market ready for telematics?



80% of consumer state that price is an important factor when purchasing insurance
59% have said they would consider a telematics device to save money
8% of over 30s go on to purchase telematics

Post Sale Telematics



Focus on customer experience

- App introduced to customers post sale
- Additional features and benefits
- Policy Admin
- Crash Detection
- Renewal discounts



TNPS

Renewal Retention

Loss ratio

Conclusion

Insurance products are having a direct impact on road safety for younger drivers.
Creating products which improve the customer experience for the mass market will have a greater impact on road safety

Young Drivers

We are seeing strong retention rates for our best drivers, retaining our Gold drivers at over 75% which is way above the market average for this customer profile.

Green and Gold drivers are 80% less likely to have a bodily injury claim

66% of drivers who have a red week never have another one.

86% of our drivers are rewarded for their driving behaviour

Mass Market

Less coaching and more enhancing the product

Focus on features and benefits post sale

Customers need to experience telematics to choose it

Will lead to higher TNPS score, retention rates and reduced claims experience