

UBI facts

for your insurance
brain



$$\sum_{t=2}^n (y_t - \bar{y}_1) \cdot (y_{t-1} - \bar{y}_2)$$
$$\frac{\sum_{t=2}^n (y_t - \bar{y}_1)^2 \cdot \sum_{t=2}^n (y_{t-1} - \bar{y}_2)^2}{\sum_{t=2}^n y_{t-1}}$$
$$y_2 = \frac{\sum_{t=2}^n y_{t-1}}{n}$$





UBI works.

Usage-based insurance works. Why? Carriers want to find and keep the safest drivers. Driving data reveals driving behaviors. Carriers can better assess risk, price accurately, and reward the best drivers.


As the UBI market grows, it's helpful to understand where the market's going, how UBI programs perform, and customers' preferences.

To help, we've compiled a list of 50 facts that will give you insights into the future of UBI.

70%

**of carriers are expected to use
telematics-powered UBI by
2020.**





100 million drivers globally are expected to have UBI policies by 2020.

Source:
Deloitte



> 35

**of insurers have
deployed
telematics.**



>40

**of P&C insurers
have deployed
telematics.**

**There
were**

14,000,000

**global UBI policies in
2016.**




**88% of
are interested in
UBI**

Policy

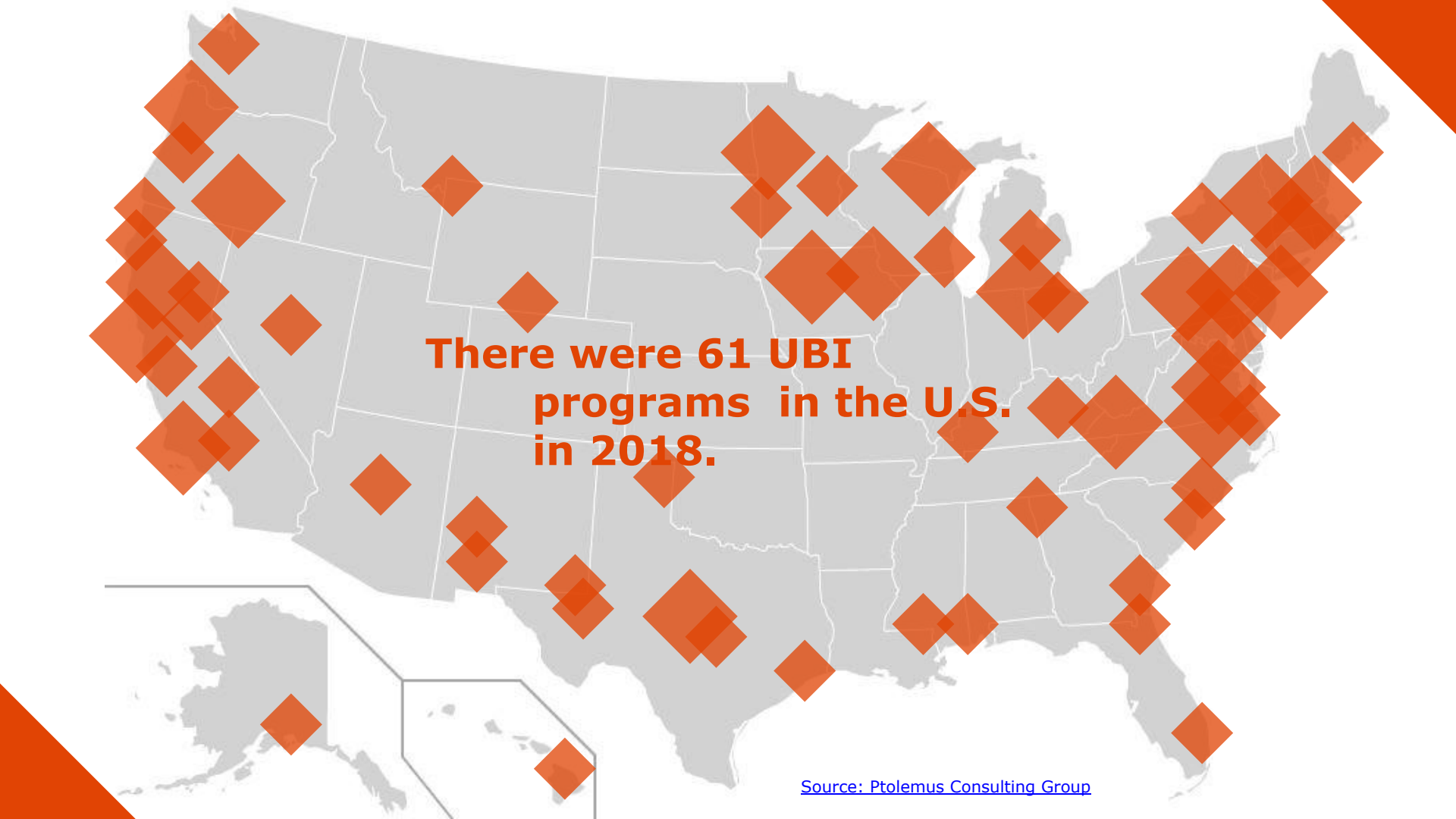


The UBI market's CONSUMER BASE is projected

to grow from 15 million to **142 million** by 2023.



[Source:](#)
[TrueMotion](#)

A map of the United States, including insets for Alaska and Hawaii, is shown in a light gray color. Overlaid on this map are 61 orange diamond-shaped markers of varying sizes. These markers are distributed across all 50 states, with a higher concentration in the West and Northeast. The text "There were 61 UBI programs in the U.S. in 2018." is centered on the map in a bold, orange font. The background of the slide features orange diagonal stripes in the top-right and bottom-left corners.

**There were 61 UBI
programs in the U.S.
in 2018.**

[Source: Ptolemus Consulting Group](#)

**Progressive,
Allstate, and State
Farm represent
35%
of the
global UBI
market.**



PROGRESSIVE



Drivers
spend

25%

of their time behind the
wheel speeding on the
average weekday.

Source:
[TrueMotion](#)



46% of tech-savvy customers are willing to get **personalized, proactive** insurance offerings.





66% of people are **willing to share online data** with friends and family.

A white sedan is shown from a side-rear perspective, heavily damaged in a crash. The front end is crumpled, and the car is being towed by a dark-colored tow truck. The scene is at night, with emergency lights (red and blue) visible in the background, creating a hazy, high-contrast environment. A semi-transparent dark triangle is overlaid on the right side of the image, serving as a background for the text.

Cell phone
is involved in
use 26% of
crashes.

[Source: National Safety Council](#)



It takes up to

27

to focus on the road again after using your
phone

seconds



Source:
[FiveThirtyEight](#)

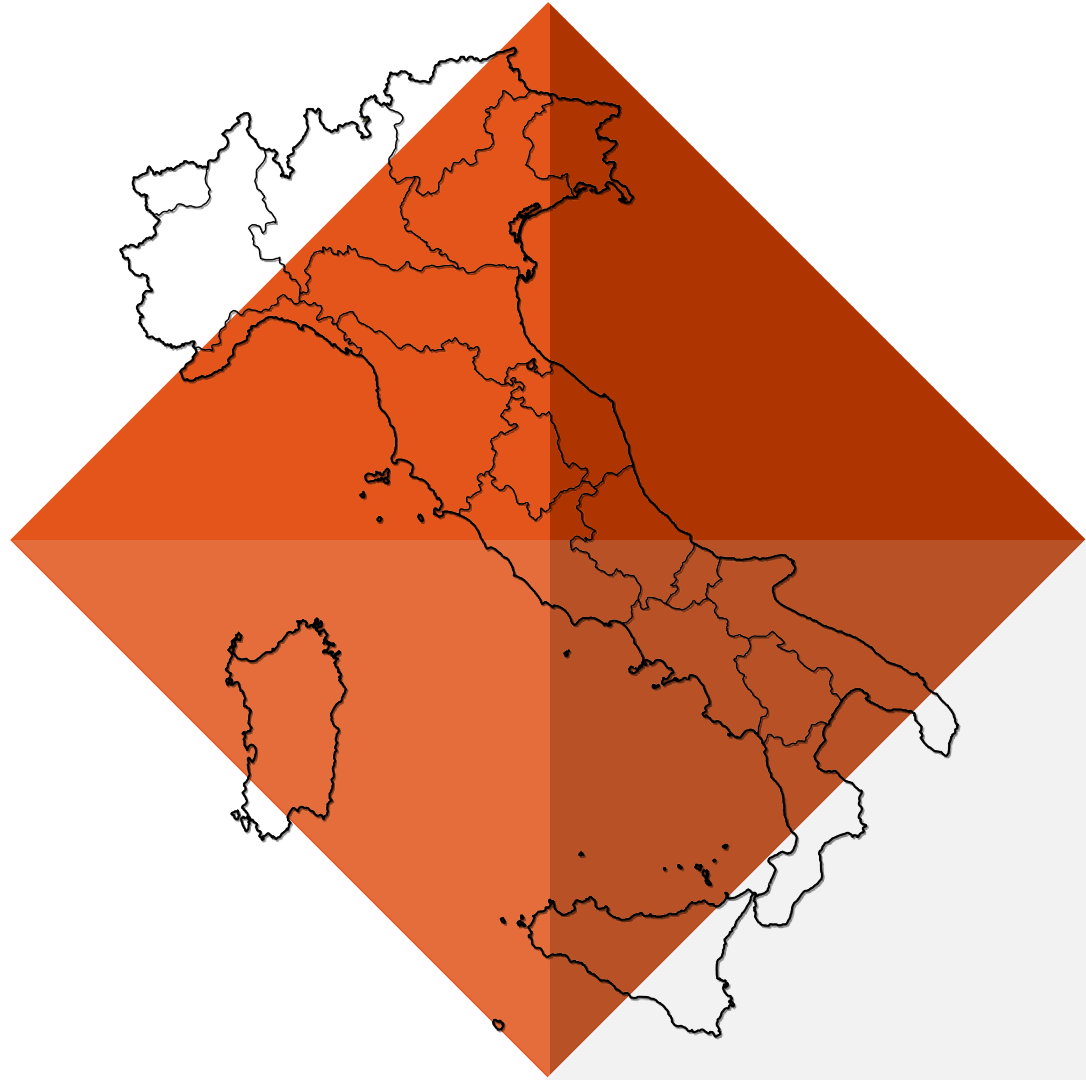


10%

of the U.S. population doesn't own a car, but still drives occasionally.

Source:
[TrueMotion](#)

**There were
6 million
UBI
policies in
Italy in
2018.**



[Source: Ptolemus Consulting Group](#)



33

Active phone use while
driving increases 33%
during the holidays.

Source:
TrueMotion

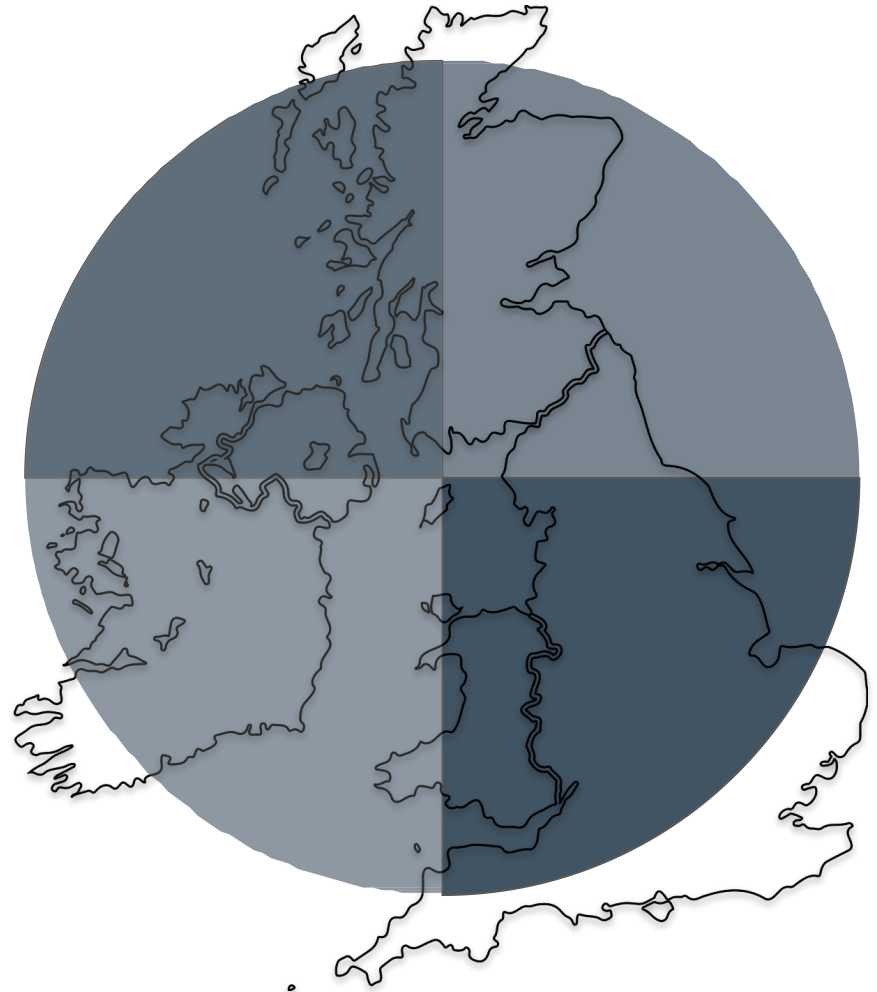
PROGRESSIVE[®]

A customer receives an enrollment discount after **6 months** of participating in Progressive's Snapshot program.

Source:
TrueMotion



**There were
1 million
UBI
policies in
UK in 2018.**



[Source: Ptolemus Consulting Group](#)



U.S. auto carriers could make an extra
\$2,000,000,000
if they retained more
customers.

[Source: McKinsey & Company](#)

In 2018, there were 372 active UBI programs



**in 58
countries.**

[Source: Ptolemus Consulting Group](#)



62
%



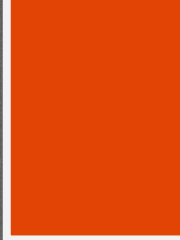
of 18 to 34 year
olds



would
provide
data for
premiums



[Source: Digital Insurance](#)



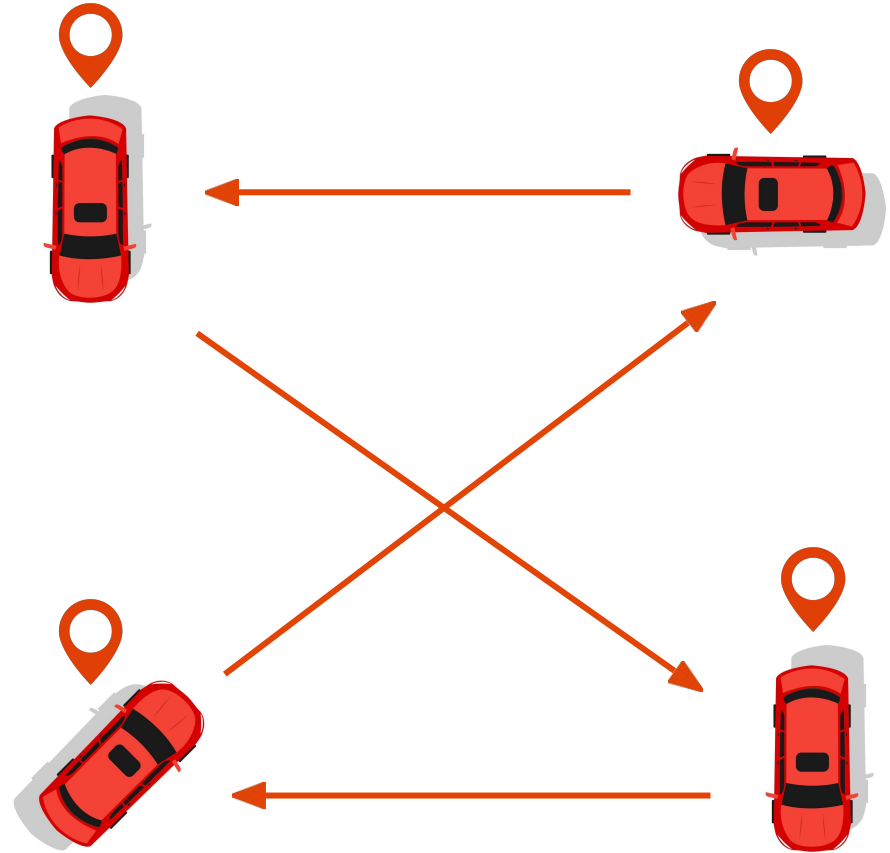


**Safe-driving alerts
are the **#5 preferred
service** by auto
insurance customers
worldwide.**



[Source: Bain &
Company](#)

The average Latin American takes 3.5 car trips every day.

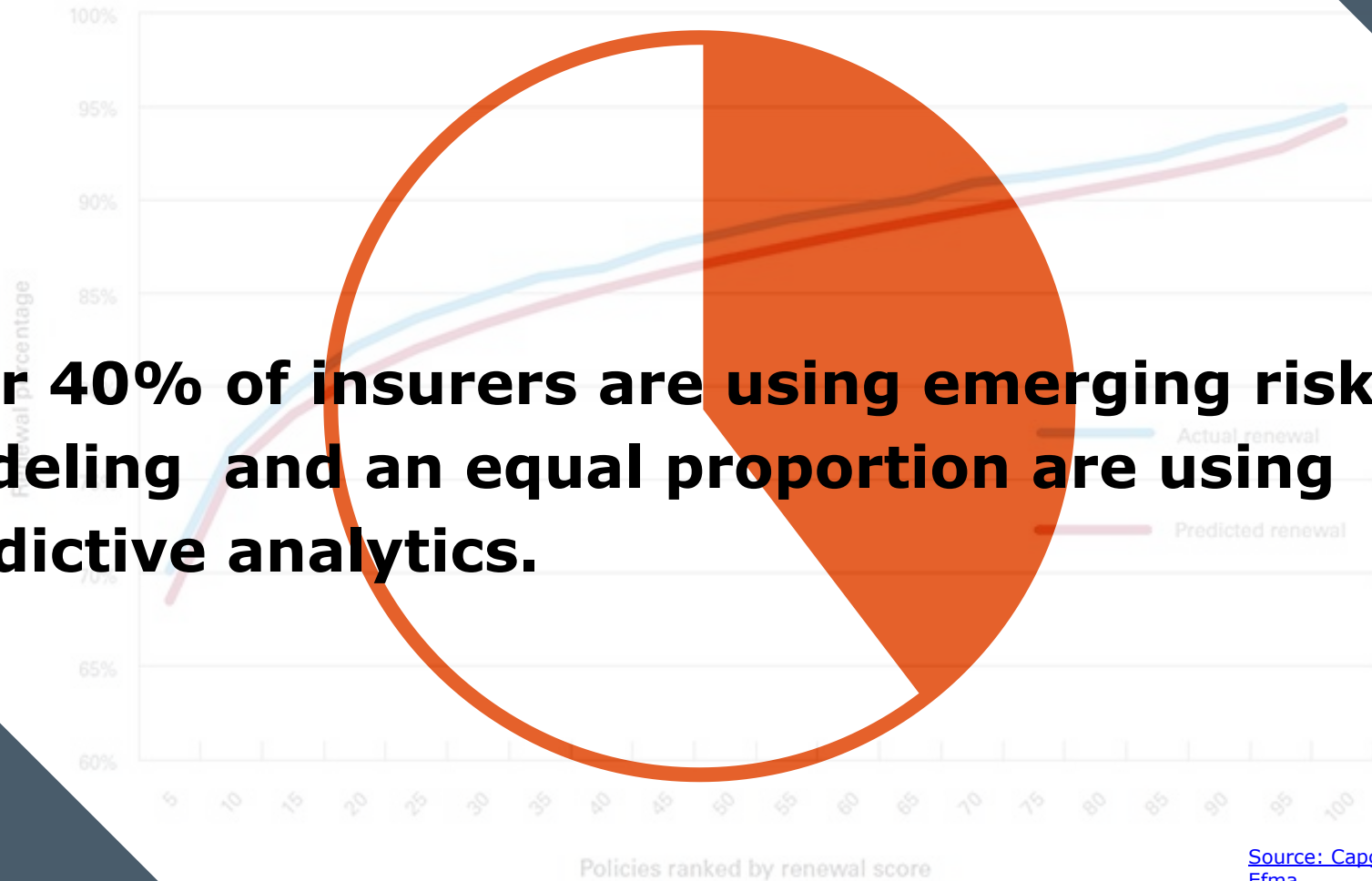


A black and white photograph of a woman with blonde hair driving a car. She is looking down at a smartphone held in her left hand, while her right hand is on the steering wheel. The image is used as a background for a text overlay.


A **1%** increase in
distraction

Increases an insurer's loss ratio by
2%

Figure 1: Renewal score



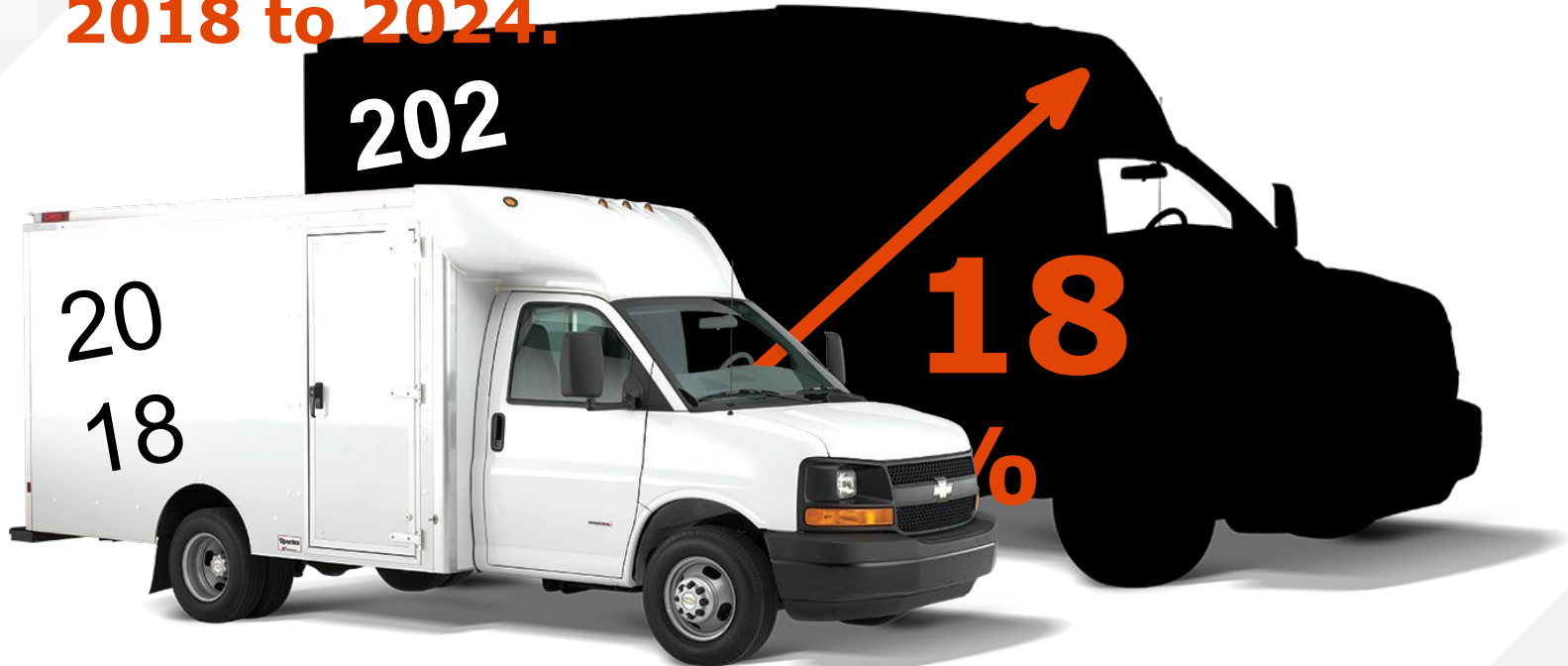
Over 40% of insurers are using emerging risk modeling and an equal proportion are using predictive analytics.



**Only 22% of customers think
insurer's customer
are personalized for
them.**

Source:
Accenture

Commercial vehicles will grow the UBI market at a rate of more than 18% from 2018 to 2024.



48

of consumers
experienced treatment
for being a good
customer.

Source:
Accenture

