UBI smartphone apps:
What's hot and what's not

Verisk Insurance Solutions

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March 28, 2017

Agenda

- How mobile apps enable usage-based insurance (UBI) programs
- How mobile telematics data differs from on-board diagnostics (OBD2) data
- How mobile apps complement connected cars to accelerate UBI adoption
- How smartphone UBI programs are evolving

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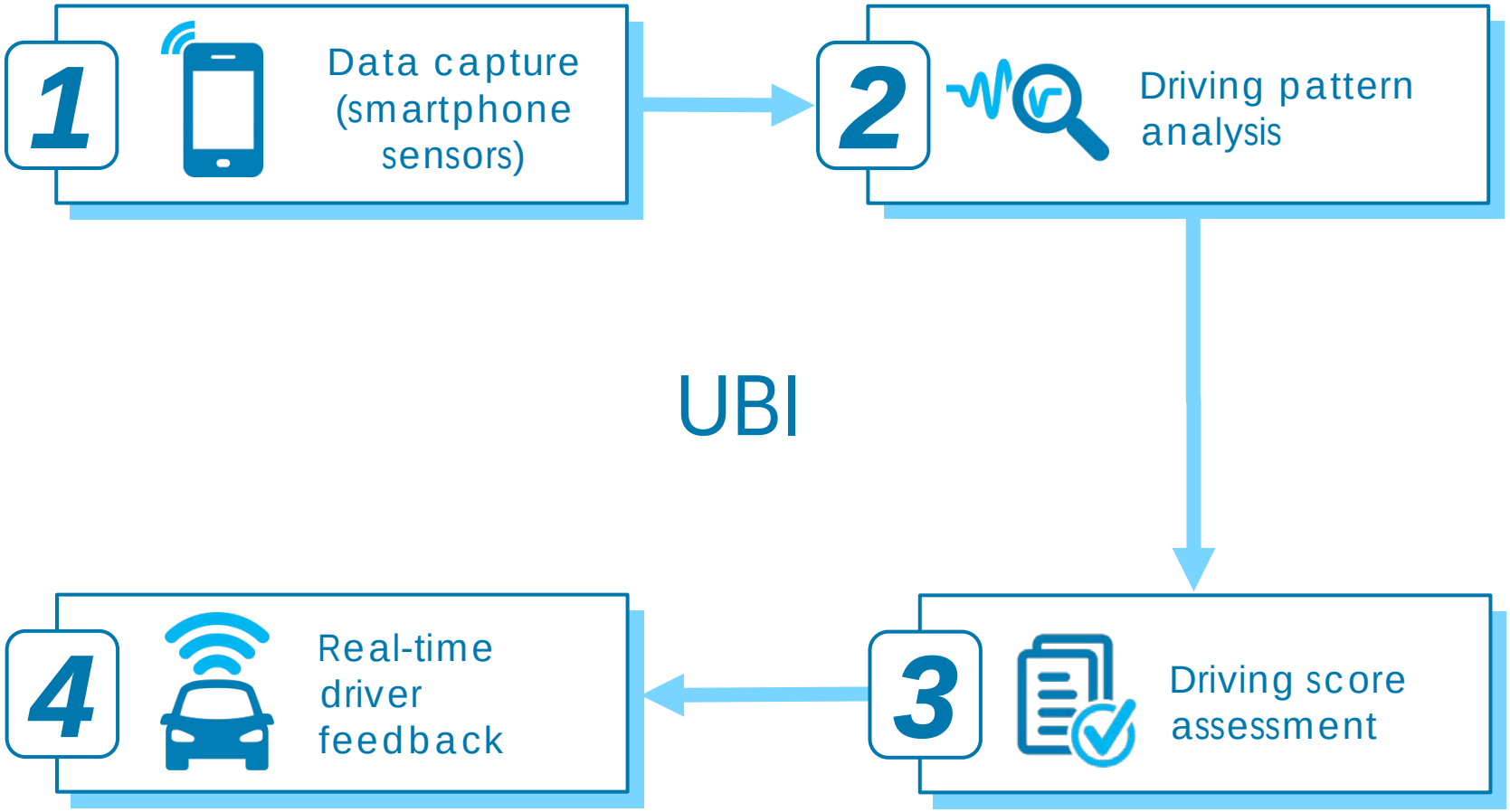
How mobile apps enable UBI programs



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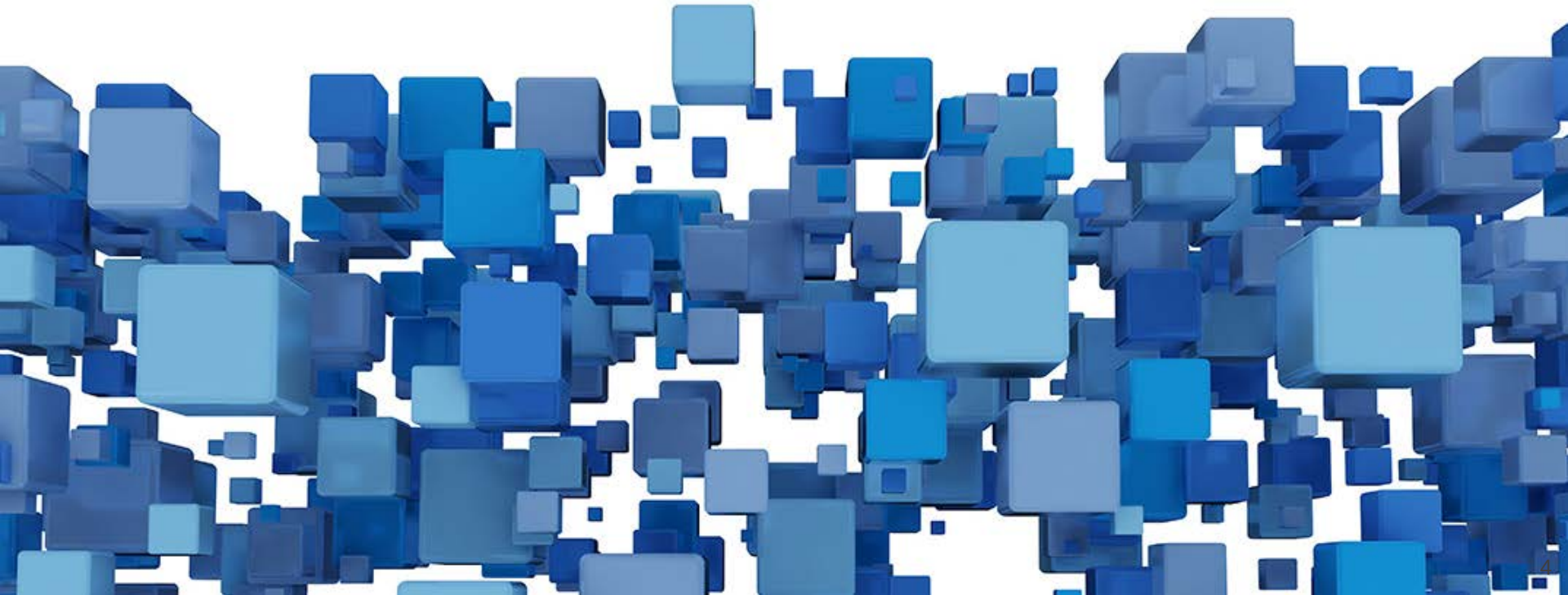
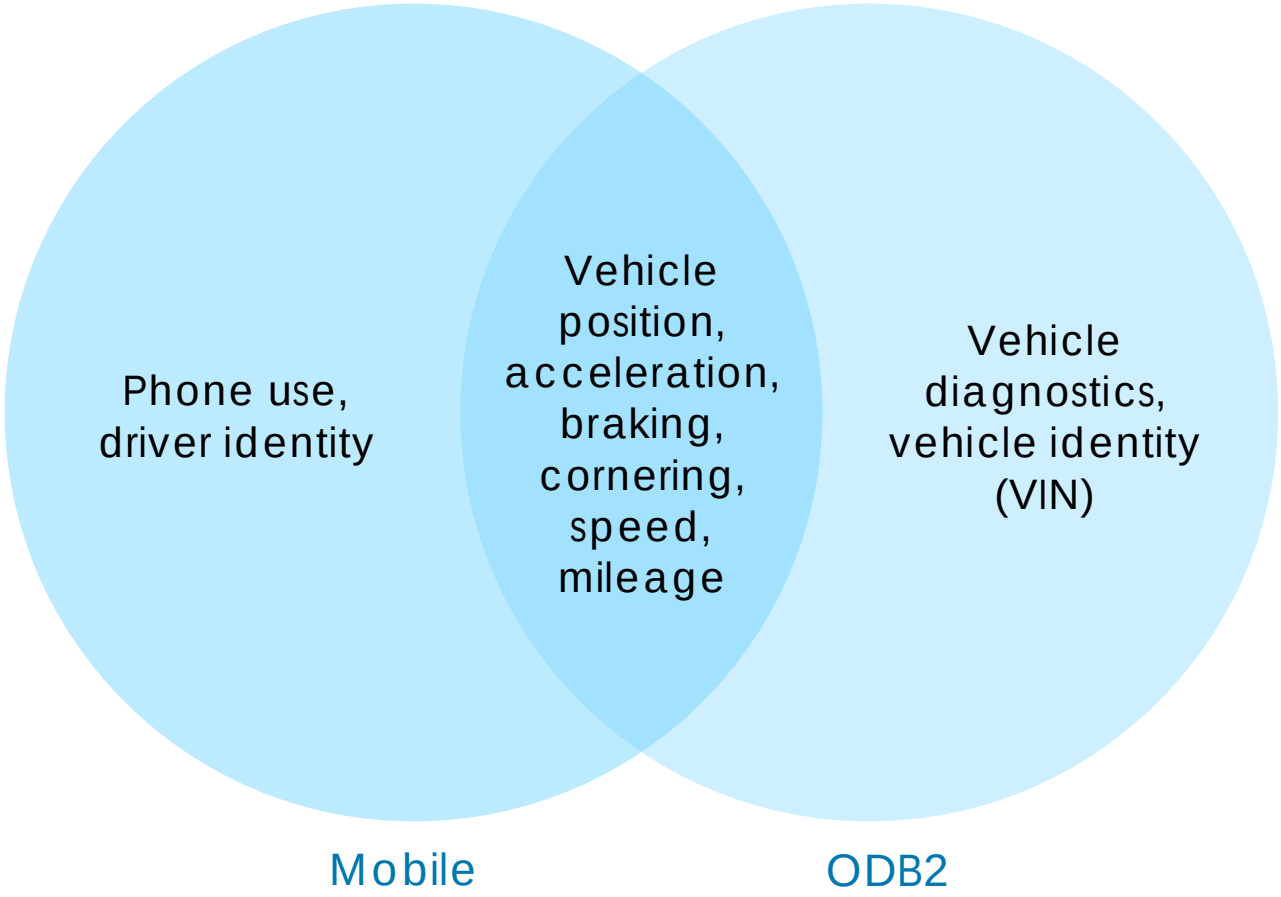
Technical features to support data collection

- Auto-start (automatic trip detection)
- Driver ID algorithm (identify who is actually driving)
- Wi-Fi only data upload (no drain on driver's data plan)
- Manual trip tagging



How mobile telematics data differs from OBD2 data



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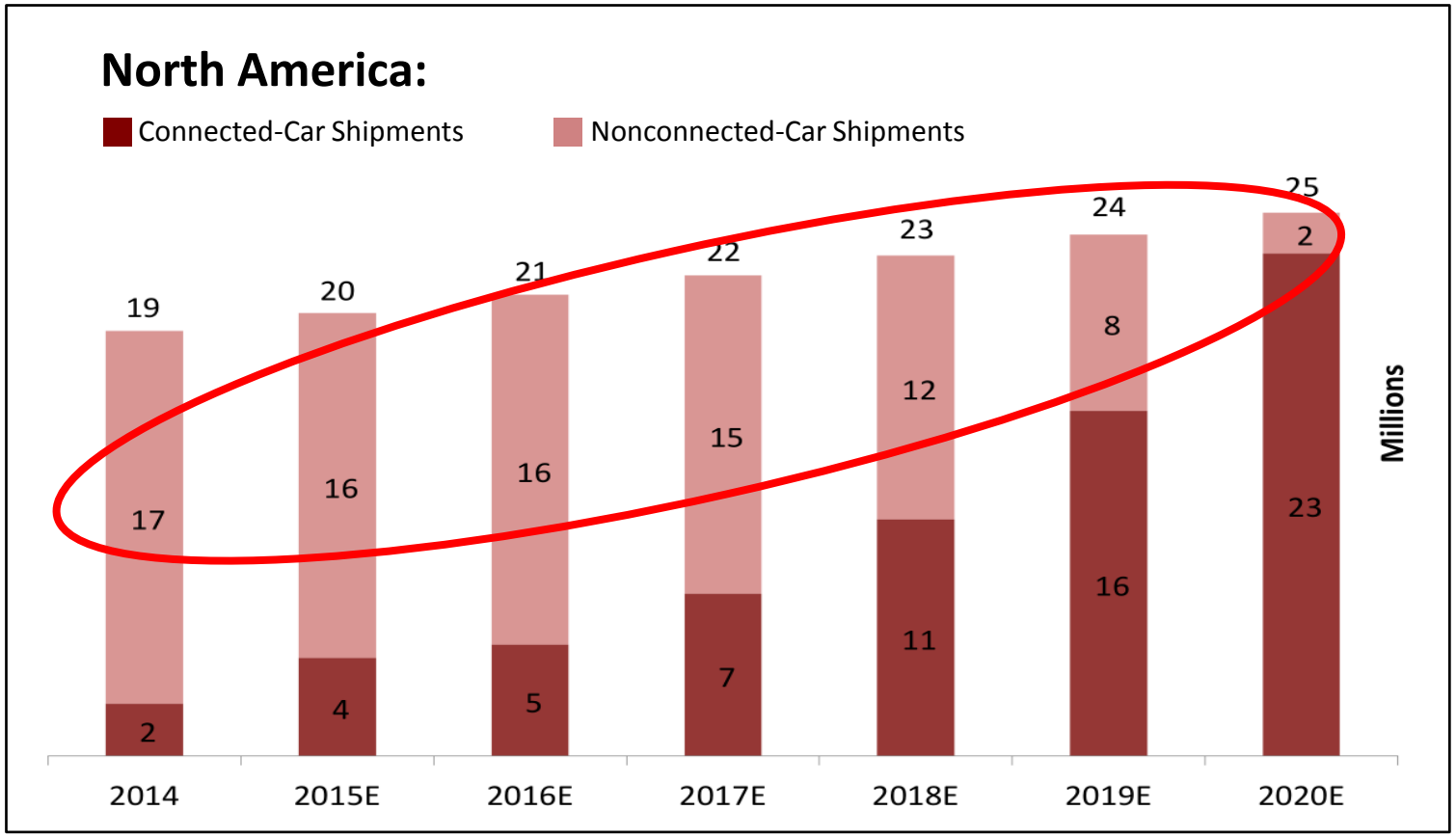
How mobile apps complement connected cars to accelerate UBI adoption

Mobile apps are a solution to fill the gap



Source: 4/2015 BI Intelligence Report

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Most new UBI programs in the U.S. are mobile-based

1999

Progressive
- Autograph

2004–2006
- **GMAC** Low-mileage discount
- **Progressive** Tripsense

2007–2009
- **National General** OnStar PAYG
- **Progressive** MyRate
- **Nationwide** SmartRide
- **Safeco** Teensurance
- **State Farm** Drive Safe and Save
- **Travelers** Intellidrive

2010–2011
- **CSAA** uDrive
- **Safeco** Rewind
- **Unigard** RateFlex
- **Allstate** Drivewise
- **Progressive** Snapshot
- **Hartford** TrueLane
- **MetroMile** MetroMile

2012–2014
- **Esurance** DriveSense
- **Liberty Mutual** RightTrack
- **MetLife** My Journey
- **American Family** MySafetyValet
- **Mapfre** DriveAdvisor
- **Bankers Ins.** DriveSure

2015
- **Plymouth Rock Group** D-rive
- **Pennsylvania National** PennID
- **Iowa Farm Bureau** Driveology
- **Motorists Mutual Group** MiTrip
- **GuideOne** UBI discount

2016
- **Club Insurance Group** ROOT
- **Donegal Insurance Group** DriveSync
- **AAA** AAADrive

2017
- **American Family** KnowYourDrive

Mobile-based UBI programs

Existing UBI programs of top insurers migrated to mobile in 2015 and 2016

- State Farm
- Allstate
- Progressive
- Nationwide
- Liberty Mutual
- AAA

How smartphone UBI programs are evolving

- Battery conservation
  - Lower sampling rates
  - Bluetooth beacons to reduce battery drain and record a higher proportion of trips
- Algorithms to identify trips taken outside the insured vehicle
- Automated crash detection (ACD)
- Scoring based on distracted driving (e.g., phone use, grooming)
- Gamification (rewards, competing with friends)

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