

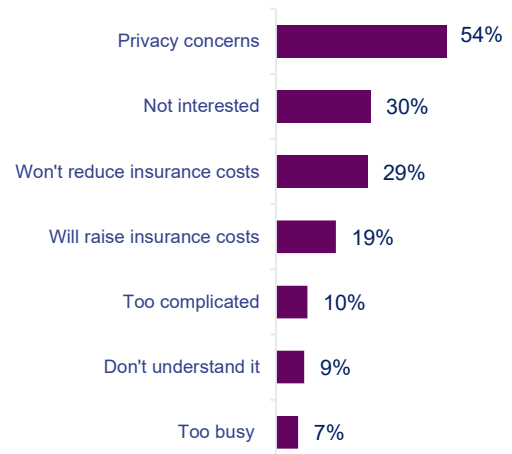
Auto Insurance Telematics: Consumer Attitudes and Opinions

Telematics in auto insurance is the use of in-vehicle telecommunication devices to collect data on mileage and driving behavior that are used to underwrite and price insurance policies. While the dramatic shifts in driving patterns associated with the pandemic shutdowns increased attention on these programs, challenges to their wider acceptance remain.

This study examines public attitudes on issues around telematics and its use in personal auto insurance. Through an online survey with more than 2,000 respondents, the Insurance Research Council found that:

- Awareness of and participation in telematics programs have increased over the past few years, but a significant number of drivers report being unaware of such programs.
- Privacy remains the top concern among those who choose not to participate in a telematics program.
- Consumers increasingly report that the telematics programs they participate in use smartphone apps rather than plug-in devices or on-board systems.
- Younger drivers are less likely than older drivers to cite privacy concerns and are more likely to respond favorably to possible insurance cost savings.
- Nearly all participants in telematics programs say they have received feedback from their insurance company about their driving behavior. Most say the feedback led them to make changes in the way they drive, such as braking less abruptly and being more careful when making turns.
- By encouraging safer driving behavior, telematics programs can help save lives and allow for more affordable insurance.

Reasons for not participating in an insurer's telematics program



Base= Respondents who did not agree to participate in insurer's program and are unlikely to agree in future. Multiple responses accepted.

How has the way you drive changed since participating in a telematics program?

