

# INSURANCE SHOPPING DYNAMICS

How do your acquisition programs stack up?  
Are you able to Acquire with Retention in Mind?



When it comes to buying insurance, today's consumers no longer exhibit the brand loyalty of even a decade ago. Continued investment in insurer ad spend combined with the ability to easily quote through today's insurance websites, mobile apps and comparative rating sites has empowered consumers to shop and switch their insurance more quickly and easily than ever before.

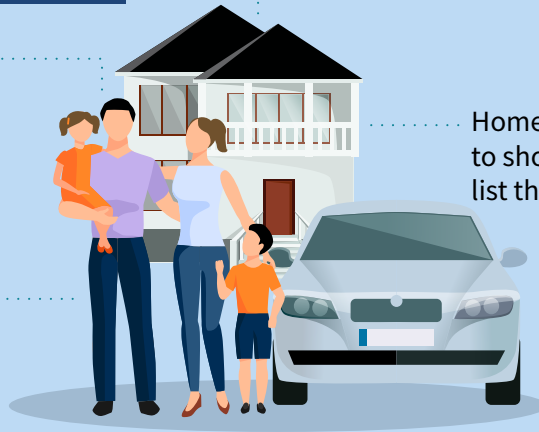
**And why not?** Insurers have continued to raise rates, although to different degrees at different times—leading to a steady growth in the volume of shoppers since 2009.<sup>1</sup> By investing a modest amount of time online or on the phone, consumers can easily compare rates and may often uncover savings potential.

## What you need to know about consumer shopping behavior:

Insurance **shopping volumes have grown** each year since 2009.<sup>1</sup>

Within the last five years, **75%** of households have shopped for auto insurance.<sup>1</sup>

Within the last 12 months, almost **40% of all households** have shopped for auto insurance.<sup>1</sup>



**1 in 4 individuals** that sell their home also shop their auto insurance within 45 days.<sup>1</sup>

Homeowners are **3X more likely** to shop for auto insurance when they list their house for sale.<sup>1</sup>

## Contributing factors to rising auto insurance rates:

Lower unemployment and gas prices **increase miles driven**, leading to more accidents.<sup>2</sup>

An **increase in distracted driving** has led to more accidents.<sup>3</sup>

**Insurance repair costs are up** due to the continued growth in new auto technologies.<sup>4</sup>

**Injury related claim costs** continue to grow significantly.<sup>4</sup>



## THE GOOD NEWS

Consumers are shopping insurance with greater frequency. Even traditionally stable, high-value consumers are shopping at higher rates. This gives you the opportunity to make your offerings shine to a larger, more diverse and more active market.



## THE BAD NEWS

Not all shoppers are created equal, both in terms of potential loss and retention risk. So it is important to accurately segment and target customers to ensure that you are identifying and attracting the ones that are right for you.



## THE OPPORTUNITY

If you are focused on profitable growth, you can leverage today's consumer shopping dynamics to identify customers that best fit your risk profile and help you execute successful acquisition programs.

**Whether it is Acquiring with Retention in Mind or improving your customer loss profile, what you know can help you.**



<sup>1</sup> LexisNexis Risk Solutions proprietary data 2018

<sup>2</sup> <https://www.afdc.energy.gov/data/>

<sup>3</sup> [https://www.cdc.gov/motorvehiclesafety/distracted\\_driving/index.html](https://www.cdc.gov/motorvehiclesafety/distracted_driving/index.html)

<sup>4</sup> [https://www.iii.org/sites/default/files/docs/pdf/auto\\_rates\\_wp\\_092716-62.pdf](https://www.iii.org/sites/default/files/docs/pdf/auto_rates_wp_092716-62.pdf)