

Online Auto Insurance

Presented to IIABA ACT

Susan Engleson, Senior Director | September 27, 2013

comScore is a leading internet technology company that provides Analytics for a Digital World™



NASDAQ

SCOR



Clients

2,100+ Worldwide



Employees

1,000+



Headquarters

Reston, Virginia, USA



Global Coverage

Measurement from 172 Countries; 44 Markets Reported



Local Presence

32 Locations in 23 Countries



Big Data

Over 1.5 Trillion Digital Interactions Captured Monthly



comScore 2 Million Person Global Panel

Comprehensive View of Digital Consumer Behavior

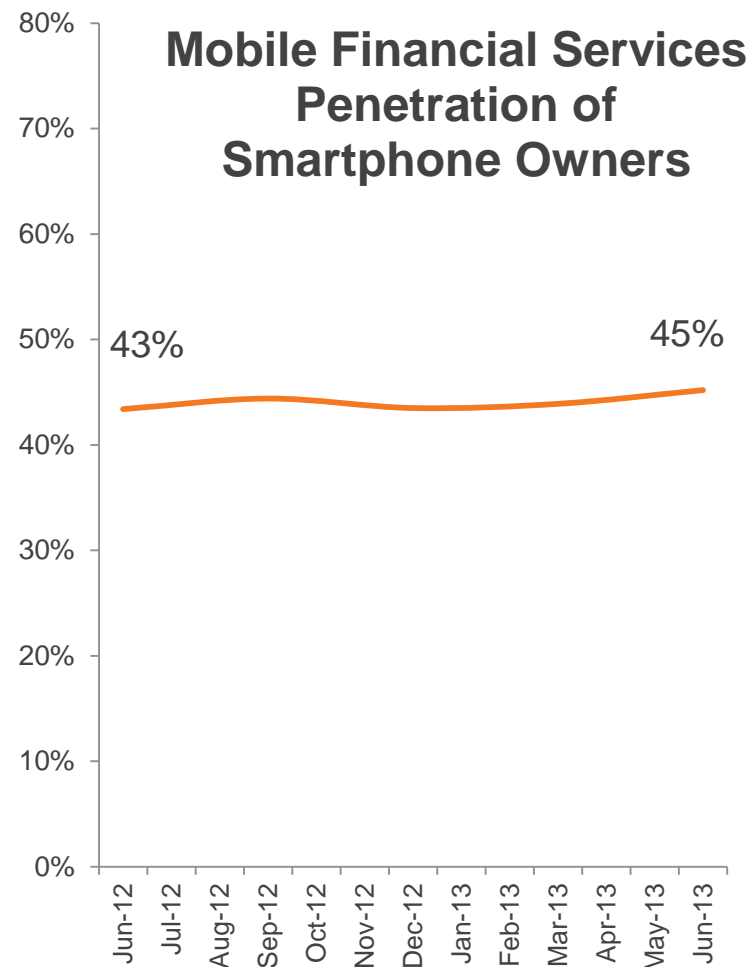
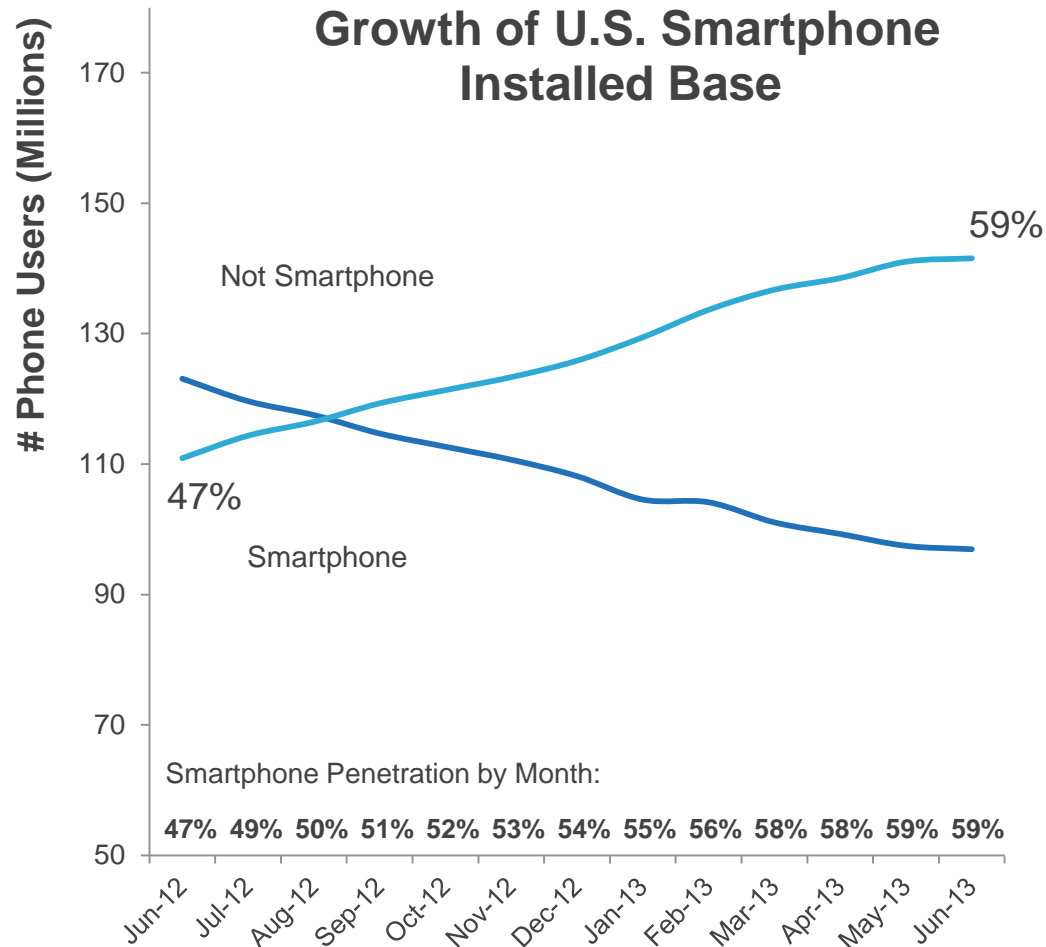


Broader Context

In the past 12 months, ownership of smartphones has risen from 47% to 59% among those with a mobile device in the U.S.

Growth of U.S. Smartphone Installed Base

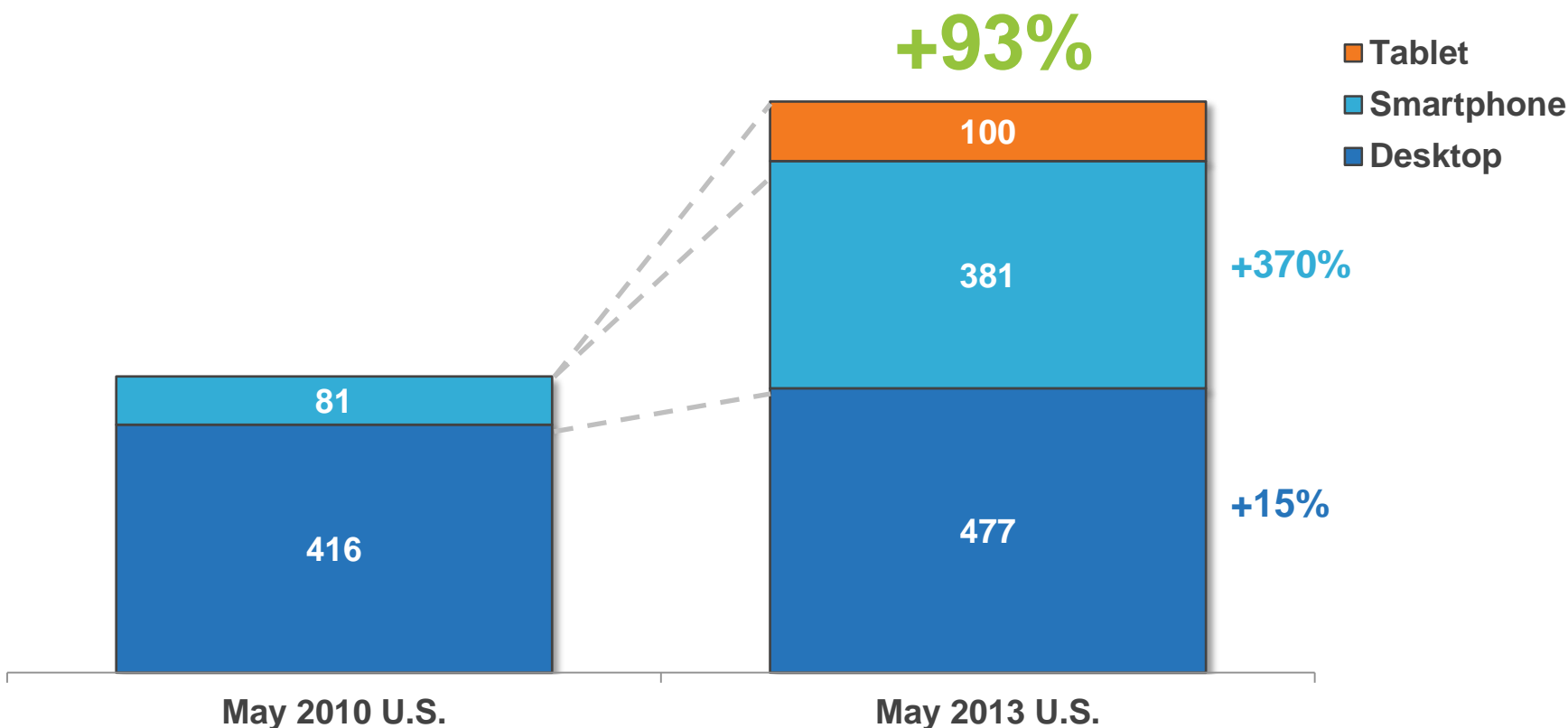
Smartphone Growth Over the Past Year



Smartphones and Tablets have driven a **doubling of time spent** with digital media over past 3 years

Total Digital Media Time Spent (Billions of Minutes) by Platform

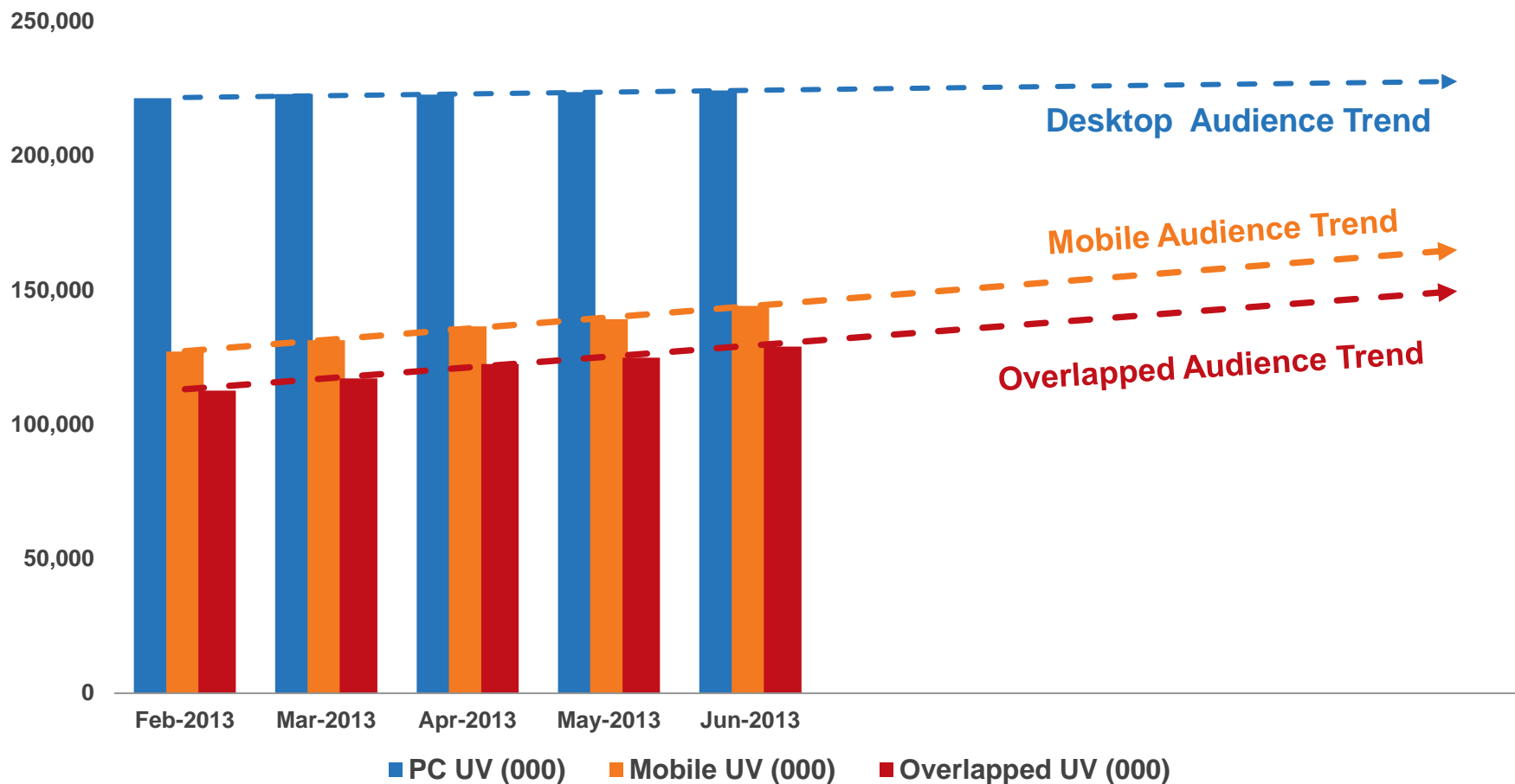
Source: comScore Media Metrix Multi-Platform, U.S., May 2013 vs. May 2010



Overall desktop audience is flattening, while mobile is steadily growing - more people are engaging on multiple platforms

Total Digital Populations (000) by Platform

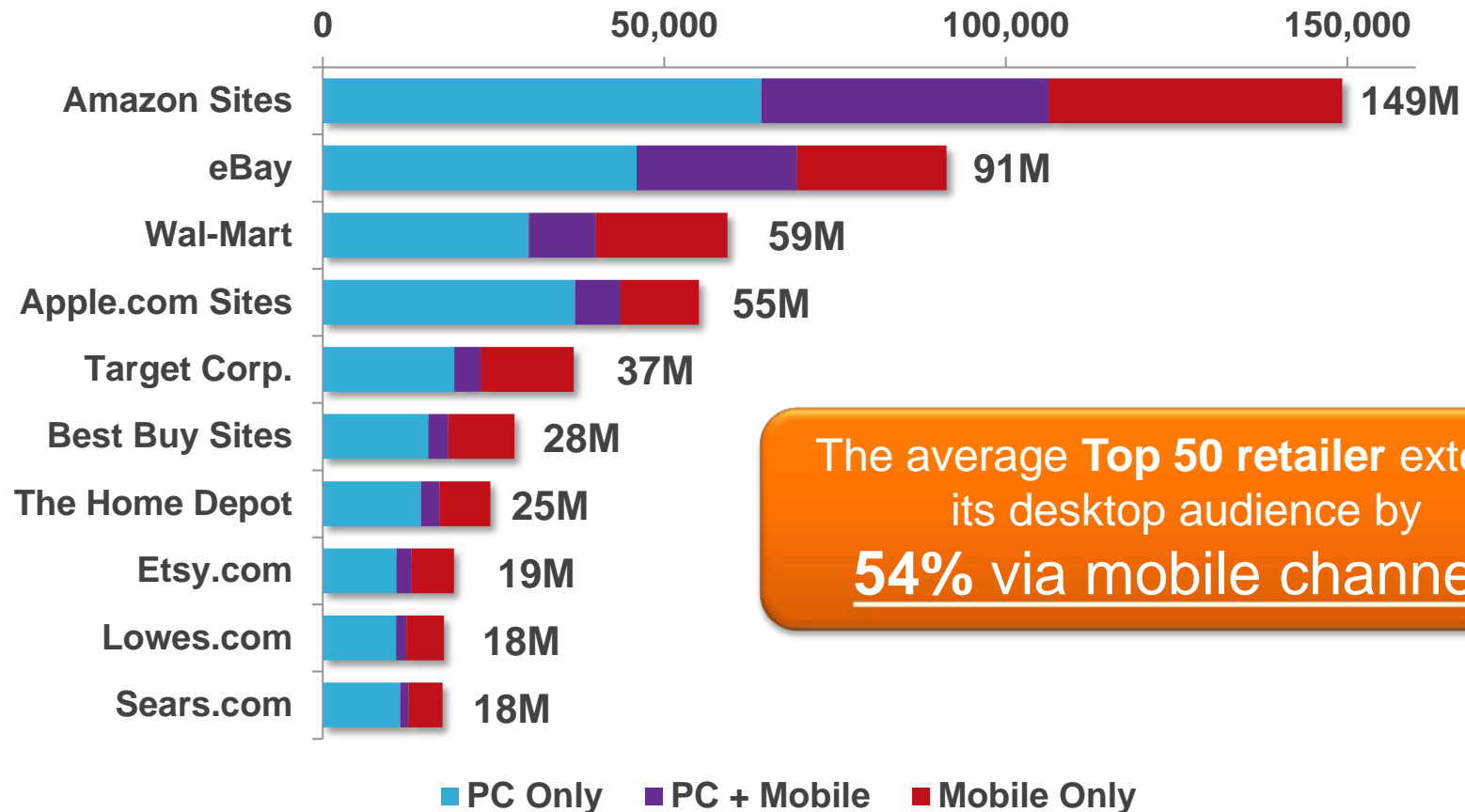
Source: comScore Media Metrix Multi-Platform, U.S., Feb-2013 – Jun 2013



One third of the average retailer's monthly web site visitors now arrive exclusively via mobile devices

Selected Leading Retailers: Total U.S. Digital Population Unique Visitors (000) by Platform

Source: comScore Media Metrix Multi-Platform, U.S., June 2013



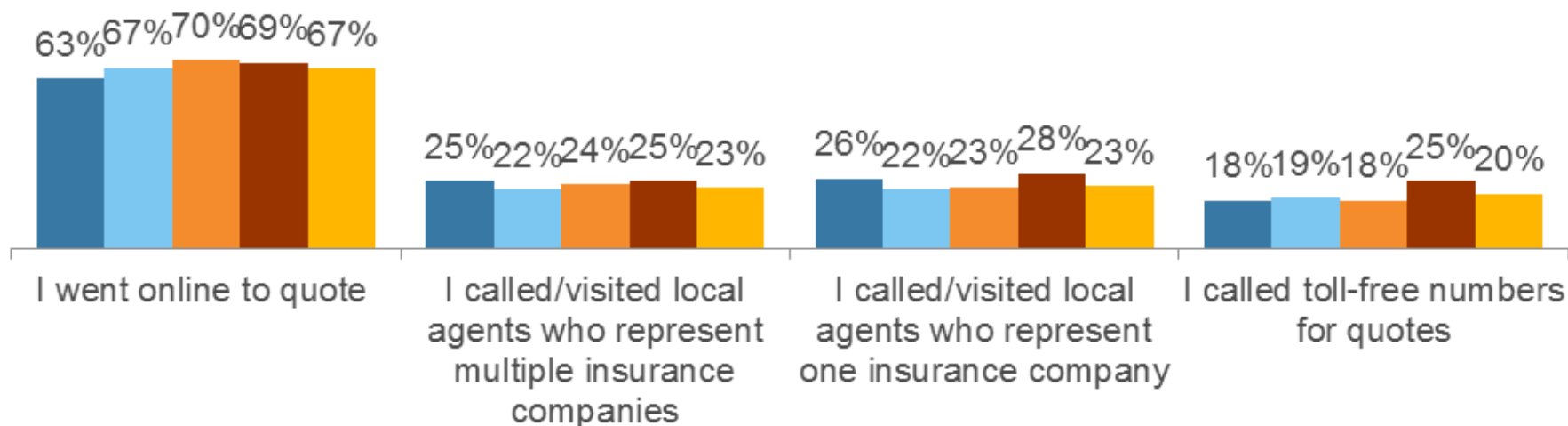
Shopping & Buying Insurance

Subtitle

Consumers are going online to quote...

In which of the following ways did you shop/obtain price quotes when you shopped most recently? Of shoppers who shopped in the past year

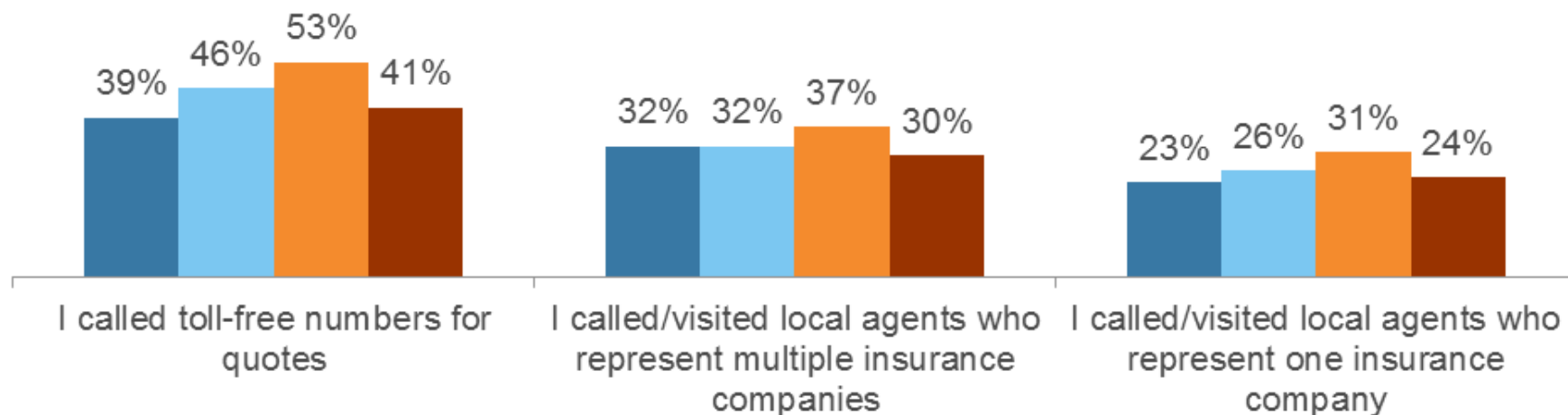
■ 2009 ■ 2010 ■ 2011 ■ 2012 ■ 2013



...Even those who quote on the phone and with agents

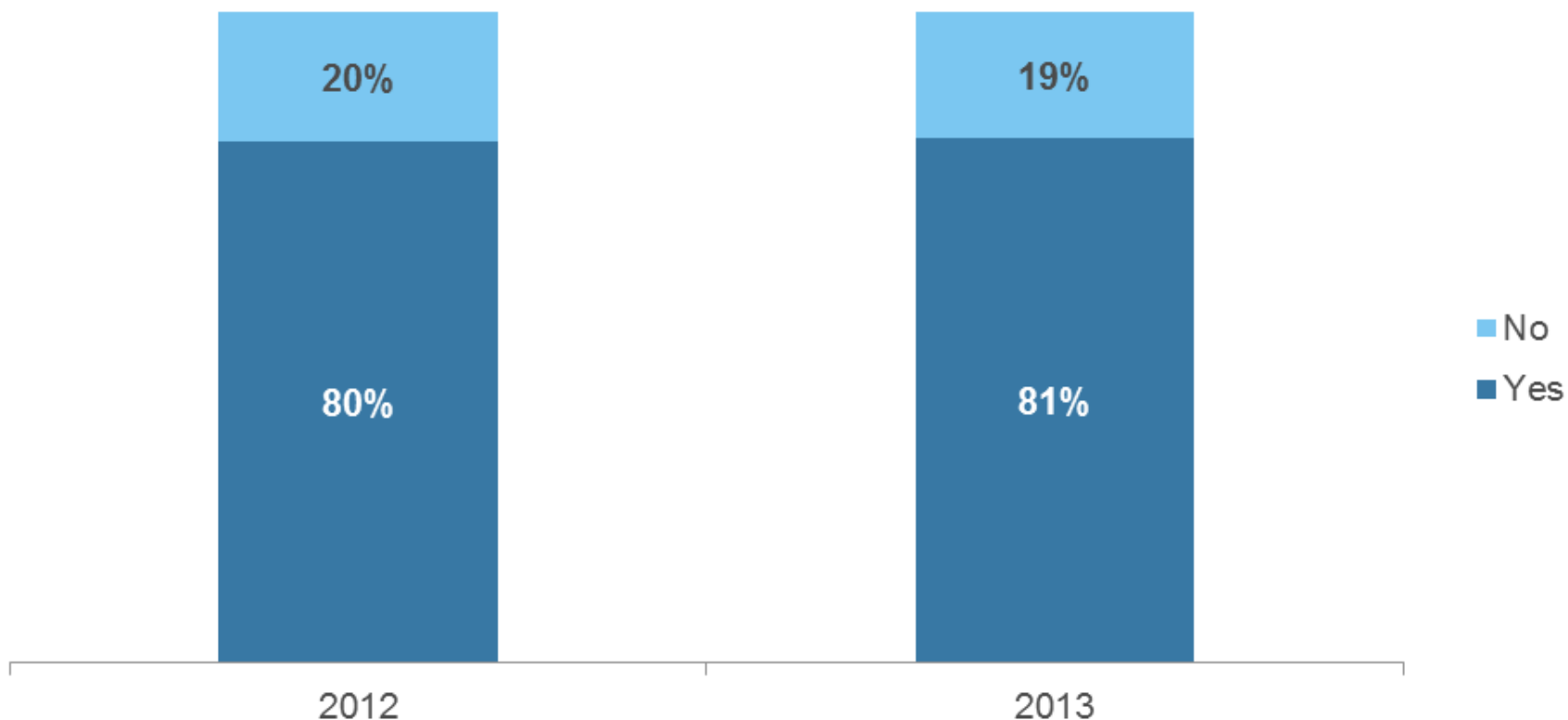
When you shopped for Insurance most recently, did you also shop online? (by most recent offline shopping medium)

■ 2010 ■ 2011 ■ 2012 ■ 2013



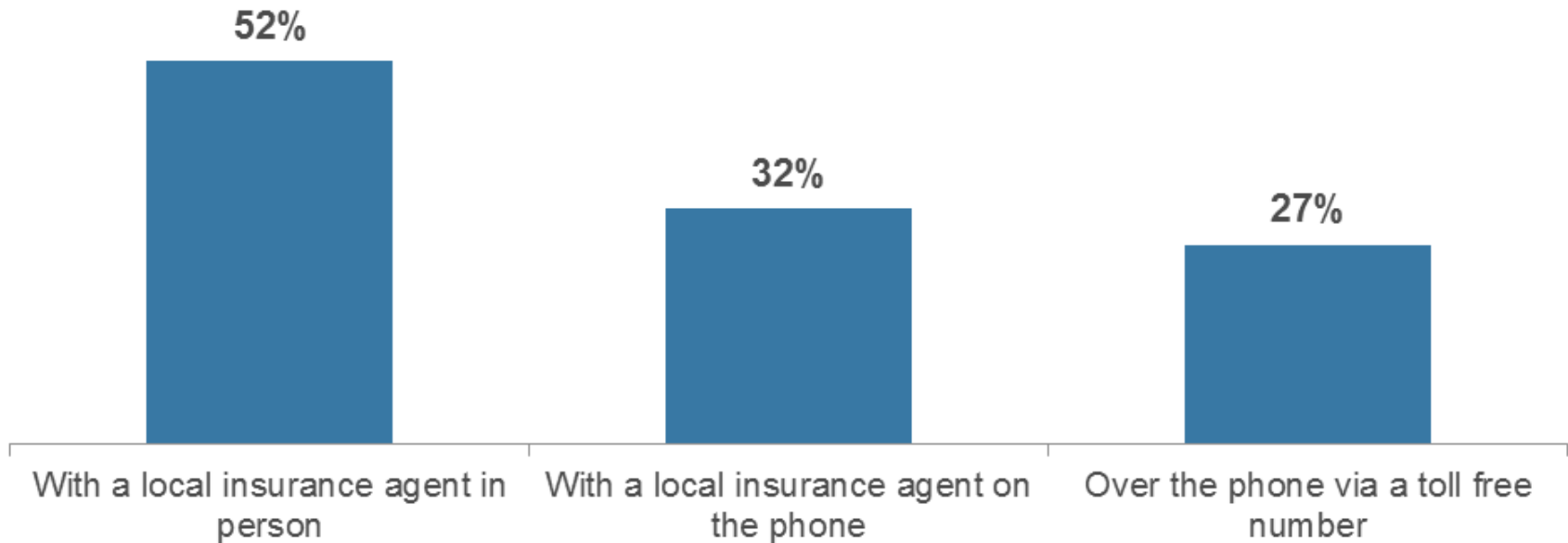
But many consumers quote online and buy offline...

Have you ever purchased auto insurance offline after receiving a quote online?



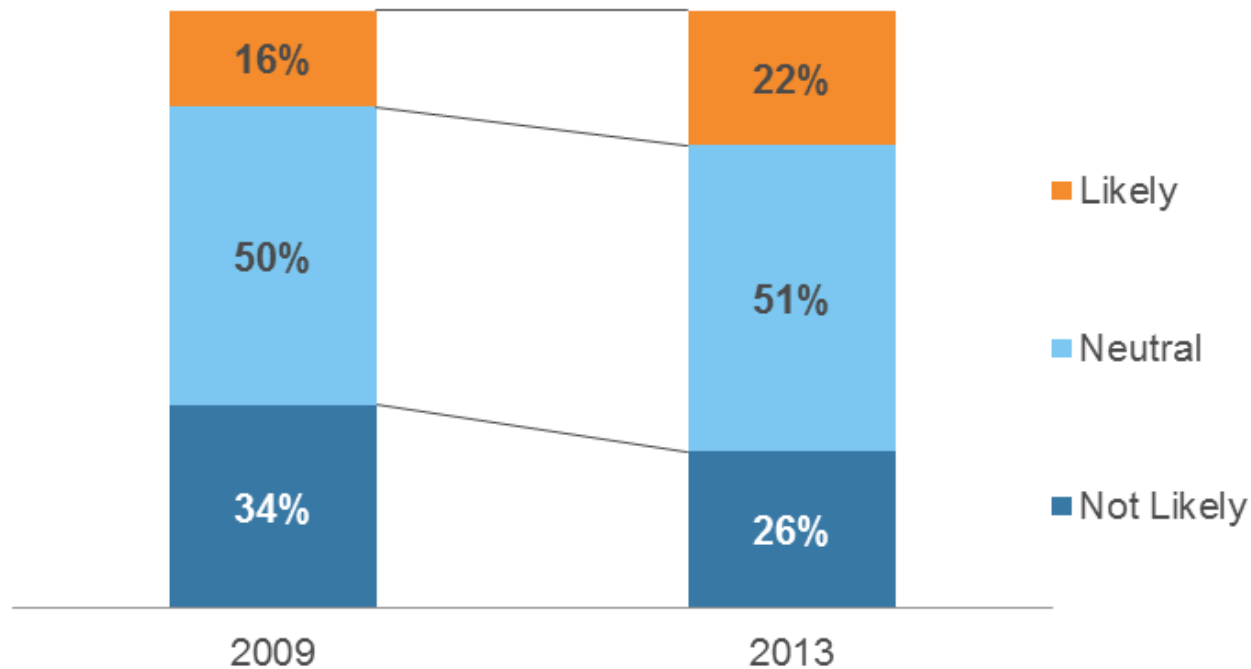
...Most often with a local agent in person.

How did you purchase auto insurance offline after receiving a quote online? Please select all that apply



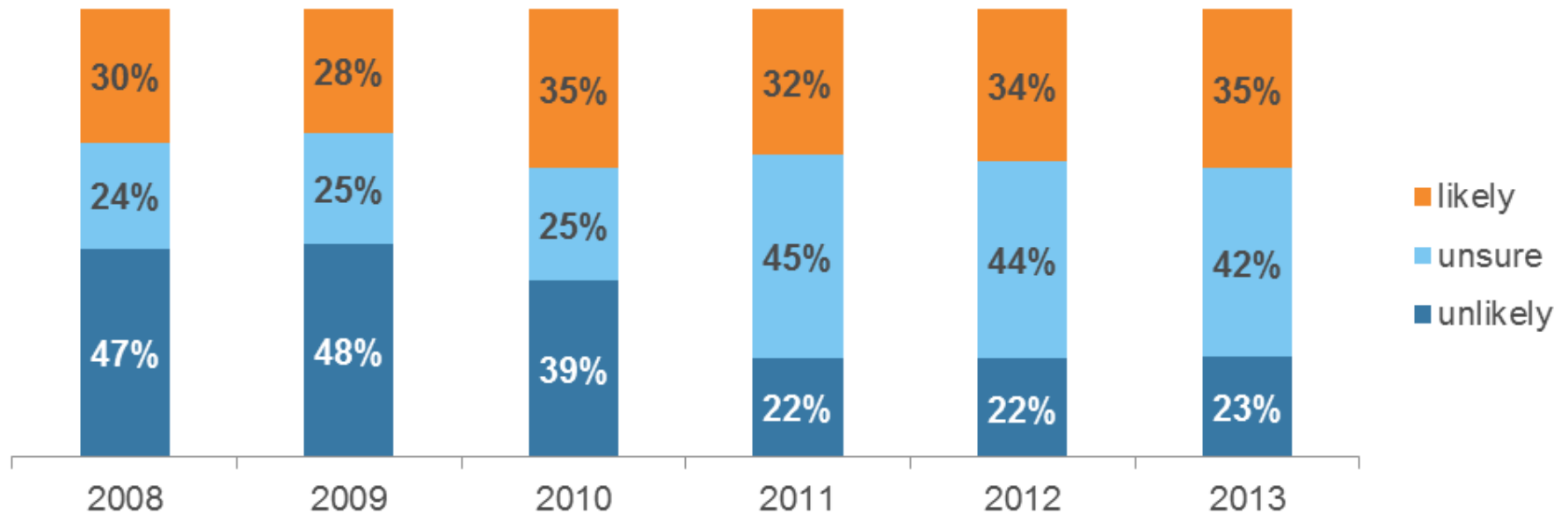
That said, the tides are shifting

How likely would you be to consider using a method other than a local insurance agent to purchase your auto insurance in the future? Of those that purchased with a local agent



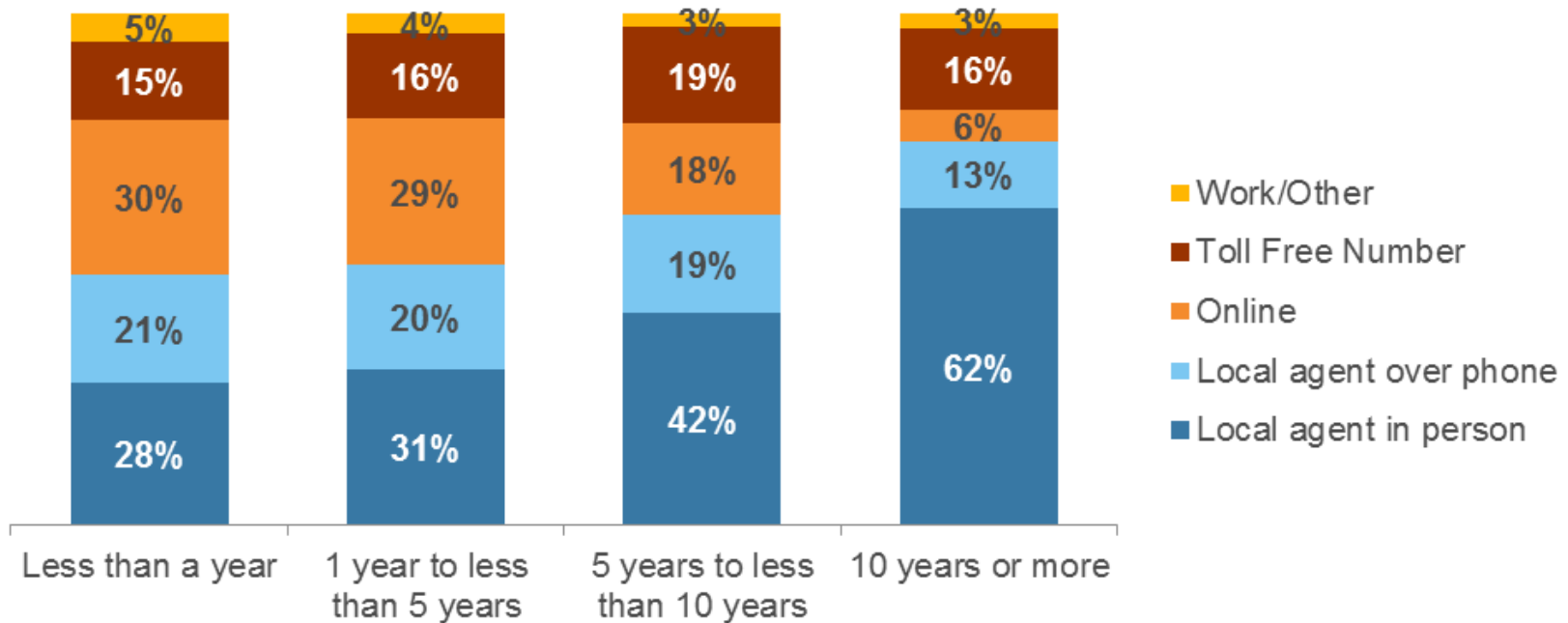
Consumers are warming to the idea of buying online

How likely would you be to purchase auto insurance online, in the future?



Direct (online + phone) is gaining on local agents

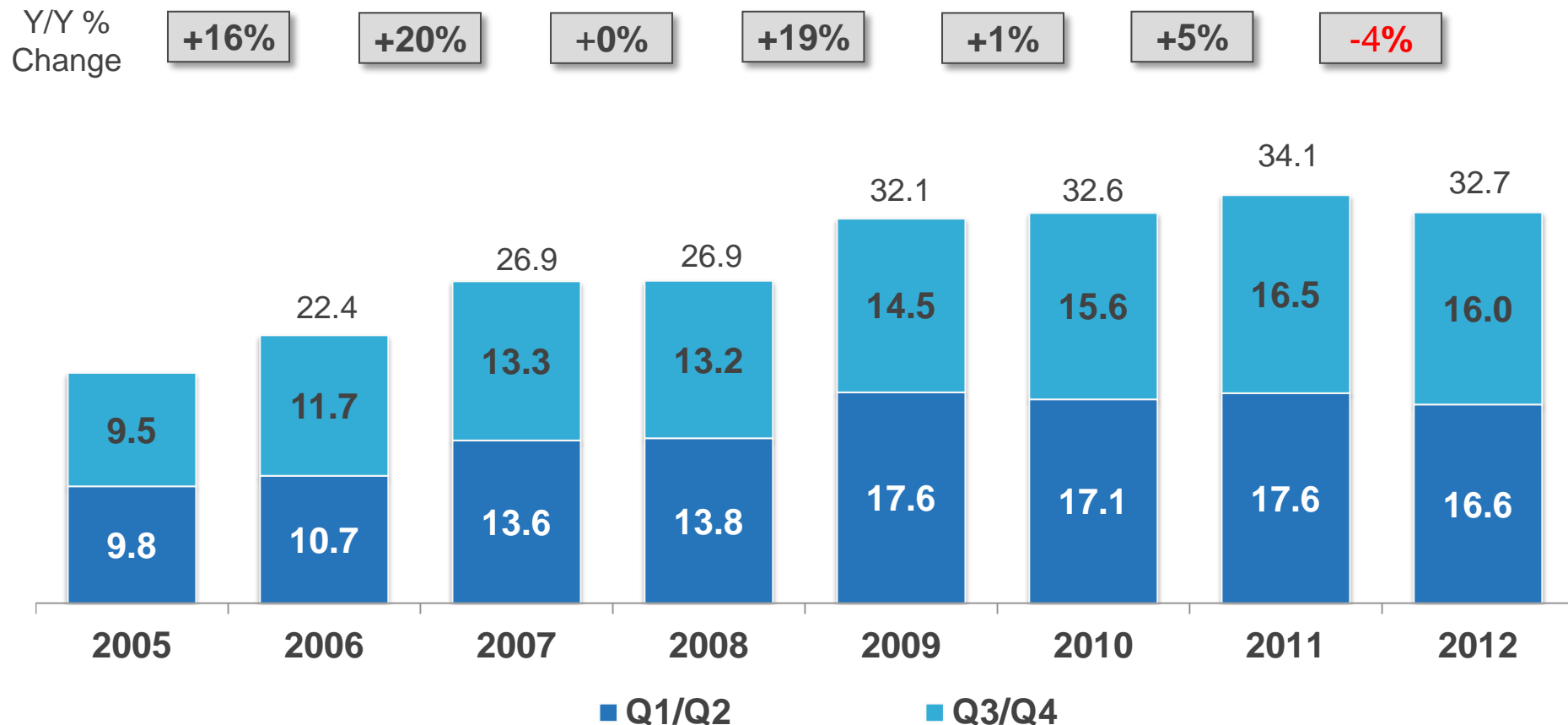
How did you originally purchase your current insurance policy?
(crossed by length of time with current insurer)



The Online Picture

Online Insurer Quotes Decreased 4% Y/Y In 2012, With Over 32 Million Annual Submits

Annual Quotes Submitted – Insurers Only (in Millions)



*Additional Insurance sites were included in the insurance visitor set:

Q1 07 – 21st.com, TheHartford.com

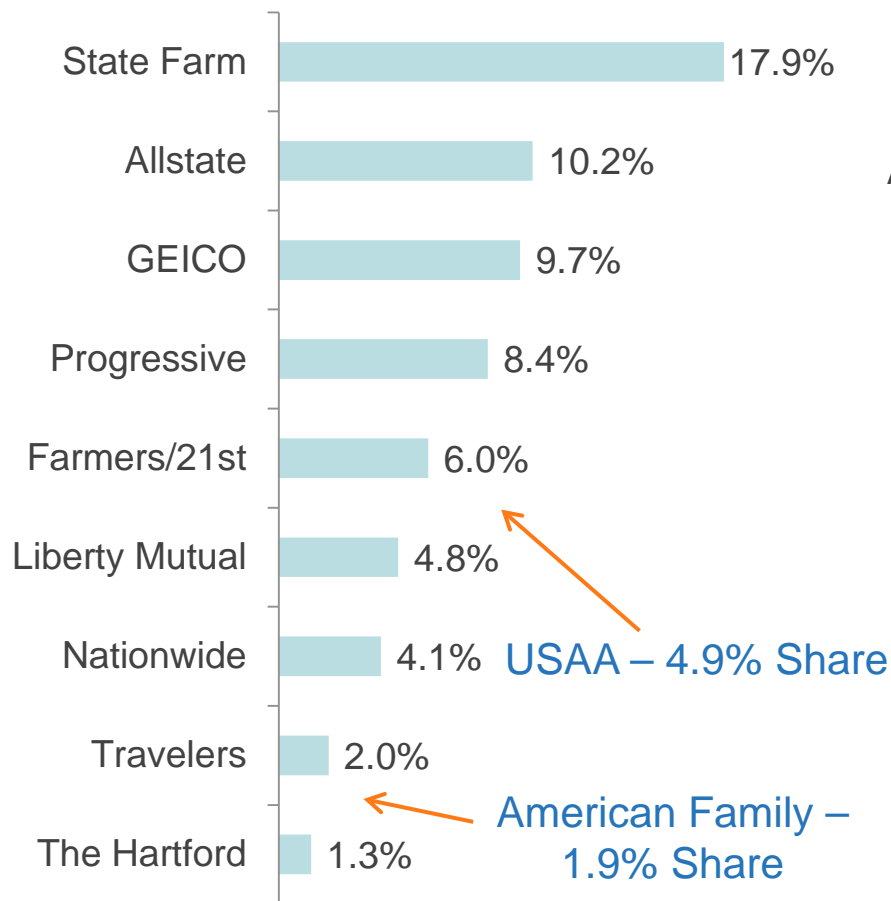
Q1 08 – LibertyMutual.com, TheGeneral.com

Q1 09 – travelers.com, safeauto.com

Q1 11 – usaa.com, directgeneral.com, farmers.com, unitrindirect.com, amica.com, calif.aaa.com

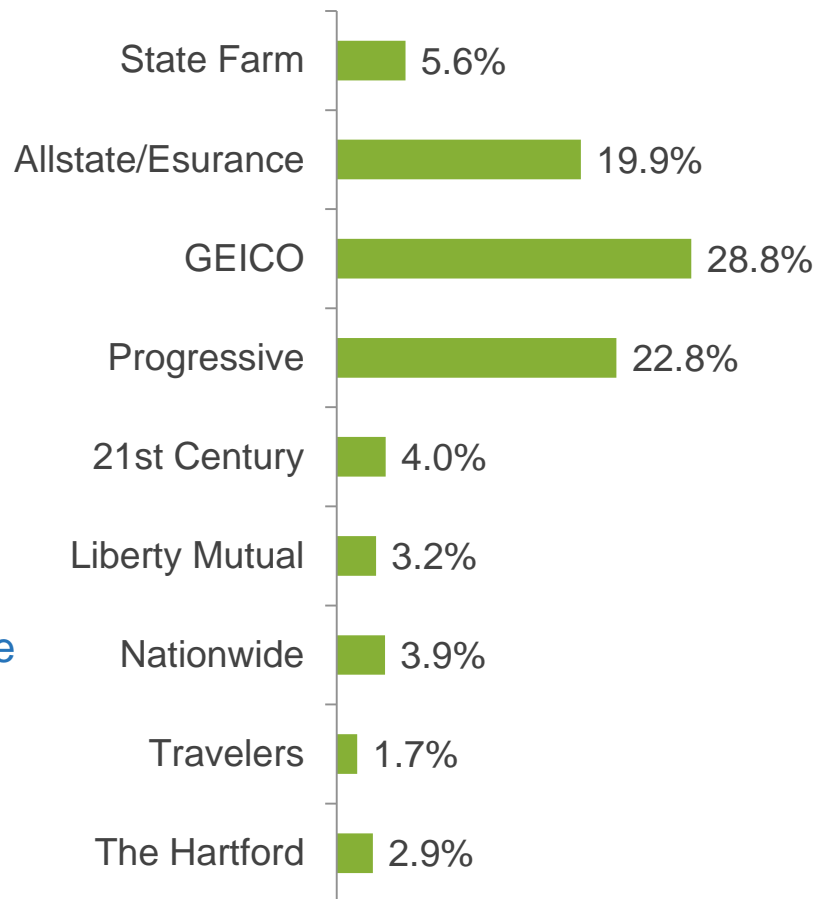
Top Insurers Overall and for Online Quotes

2012 % of US Auto Insurance Premiums



Source: AM Best

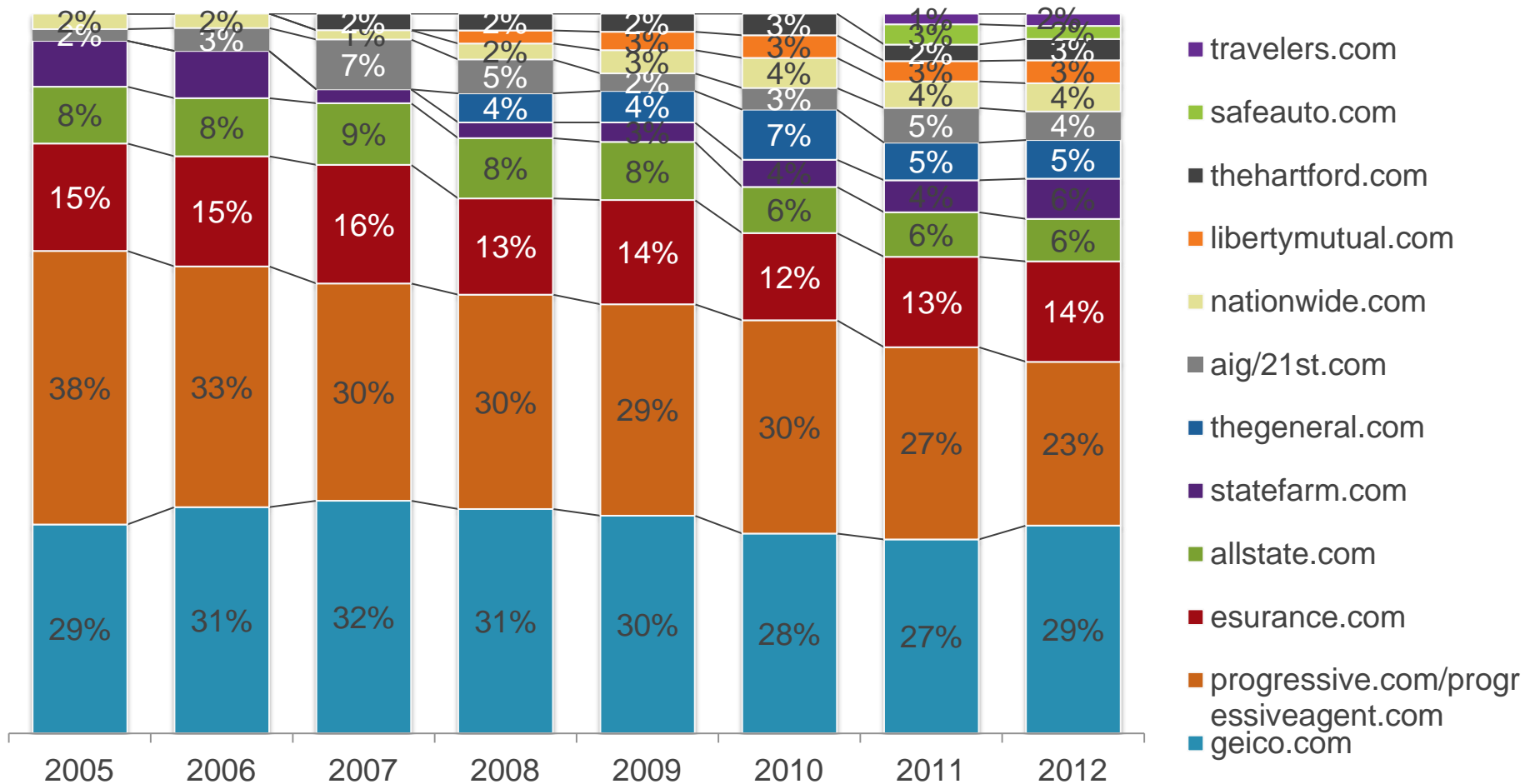
2012 % of Online Insurer Quotes Submitted



Source: comScore, Inc.

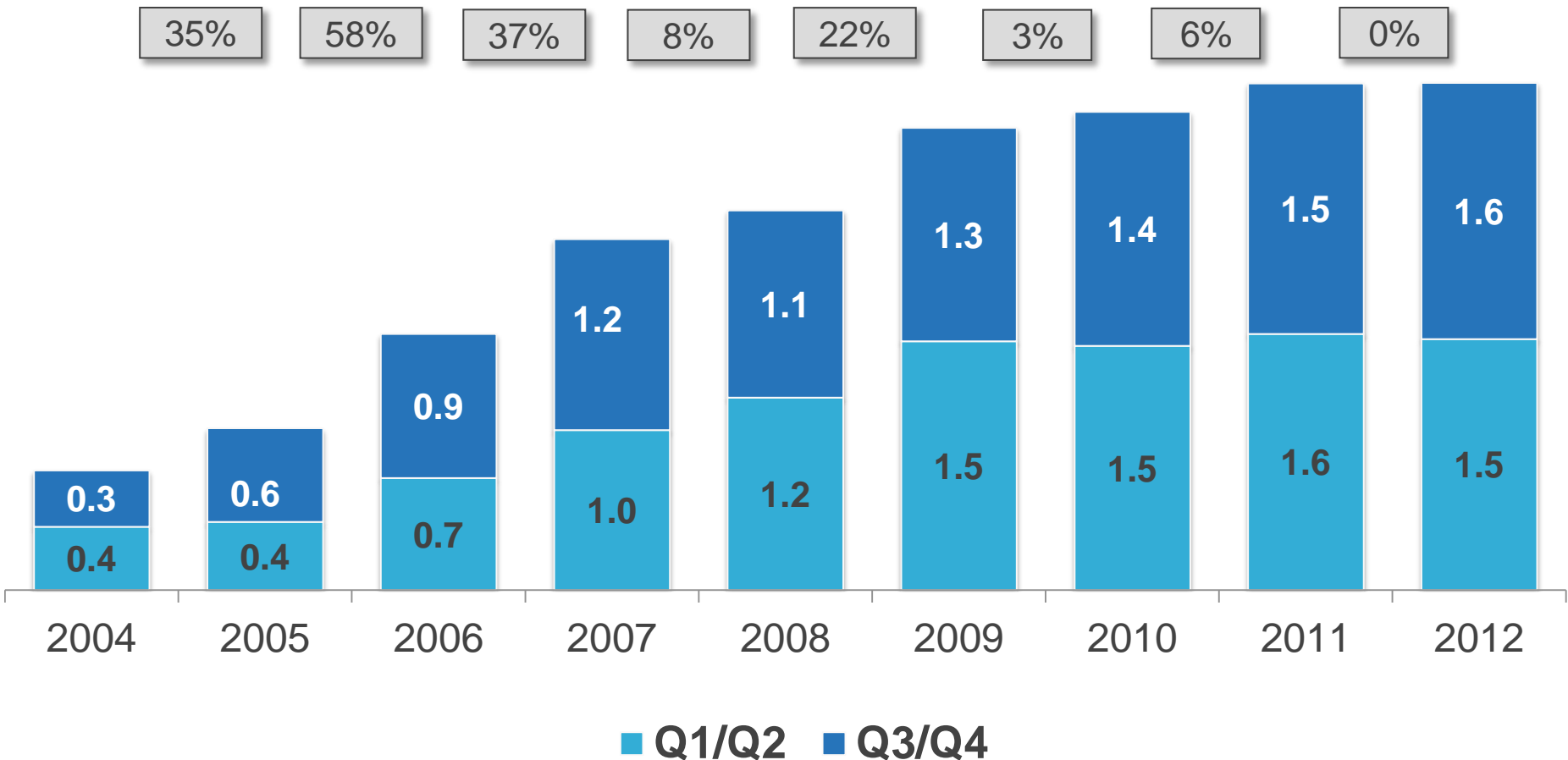
GEICO captured 29% share of Insurer Submitted Quotes in 2012

Yearly Online Auto Insurance Industry: Insurer Share of Submitted Quotes



Annual Policies Purchased were flat Y/Y in 2012. Market is dominated by GEICO and Progressive.

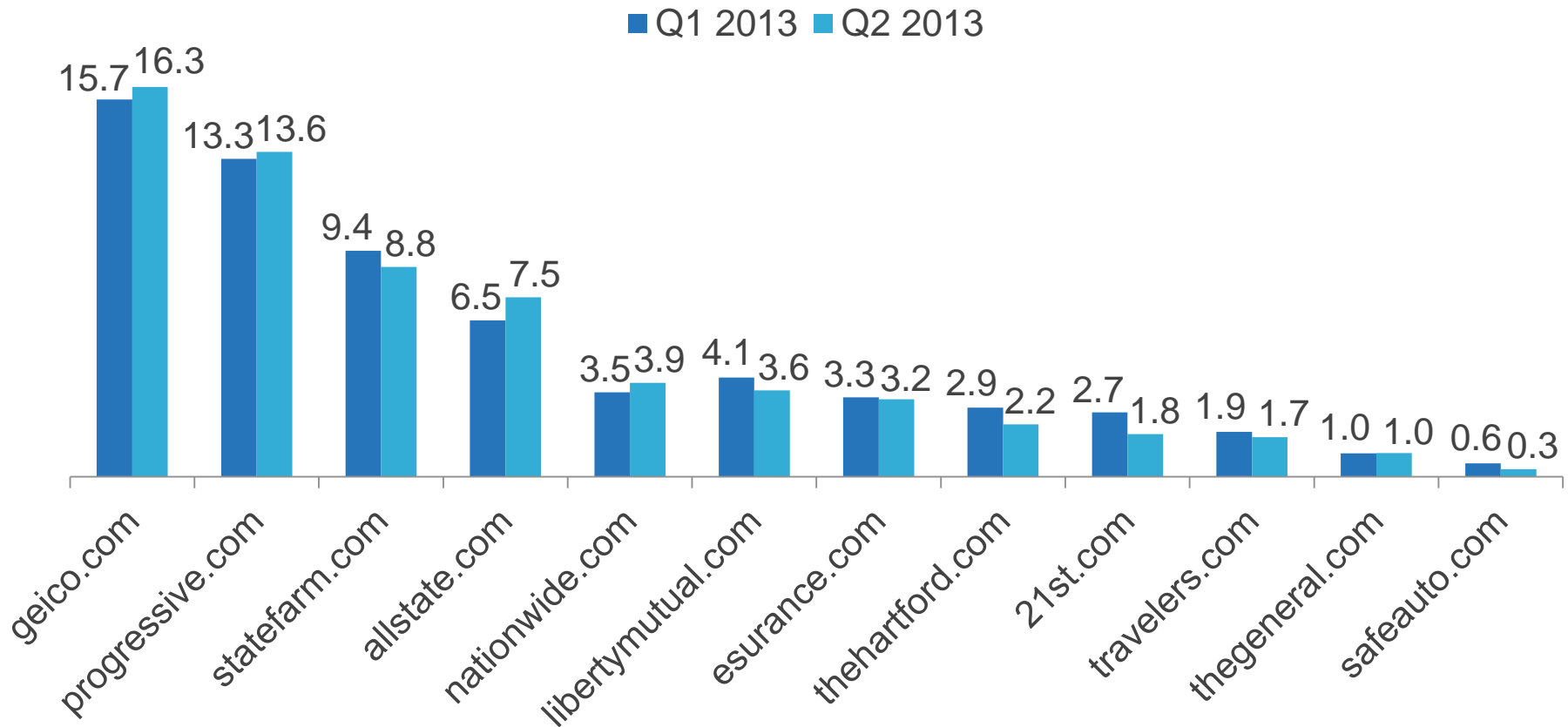
Annual Policies Purchased (Millions)



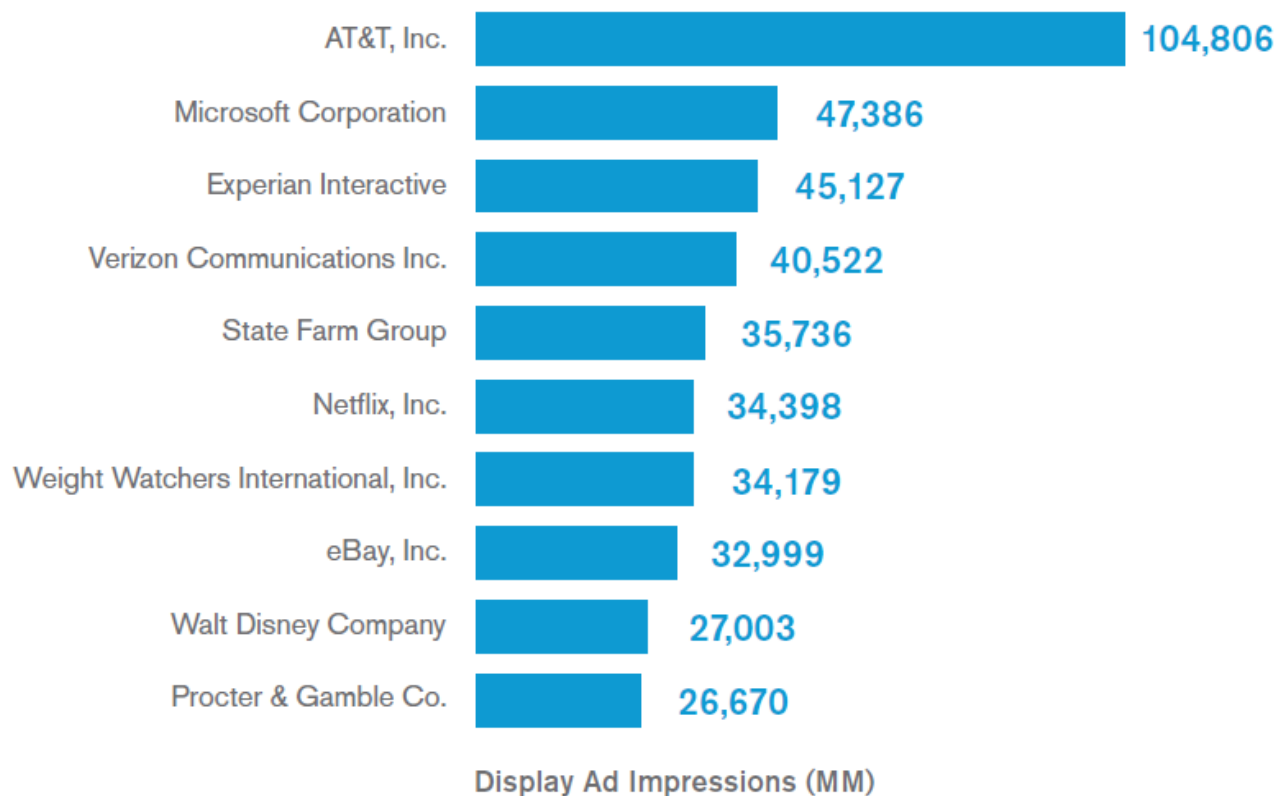
GEICO, State Farm, Progressive most visited sites

Online Auto Insurers: Unique Visitors

(in Millions)



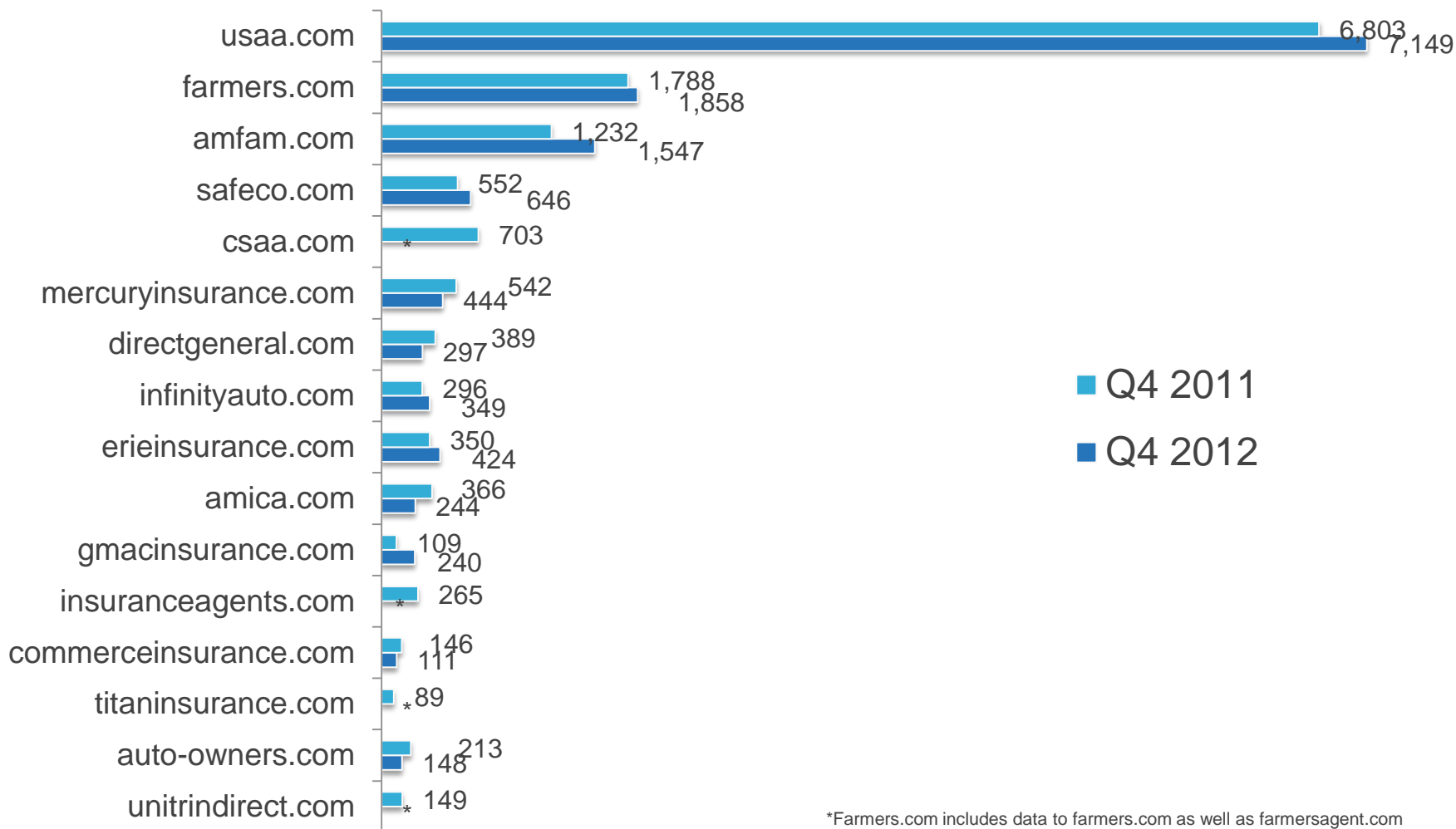
State Farm ranked among the top 10 U.S. Online Display Advertisers in 2012



Top Ten U.S. Online Display Advertisers by Impressions (MM)
Source: comScore Ad Metrix, U.S., Jan-2012 to Dec-2012

Amfam saw a 26% increase in traffic Y/Y with 1.5 million visitors in Q4 2012

Unique Visitors to Expanded Set Insurer Sites Y/Y (in Thousands)



*Farmers.com includes data to farmers.com as well as farmersagent.com

* = denotes small sample

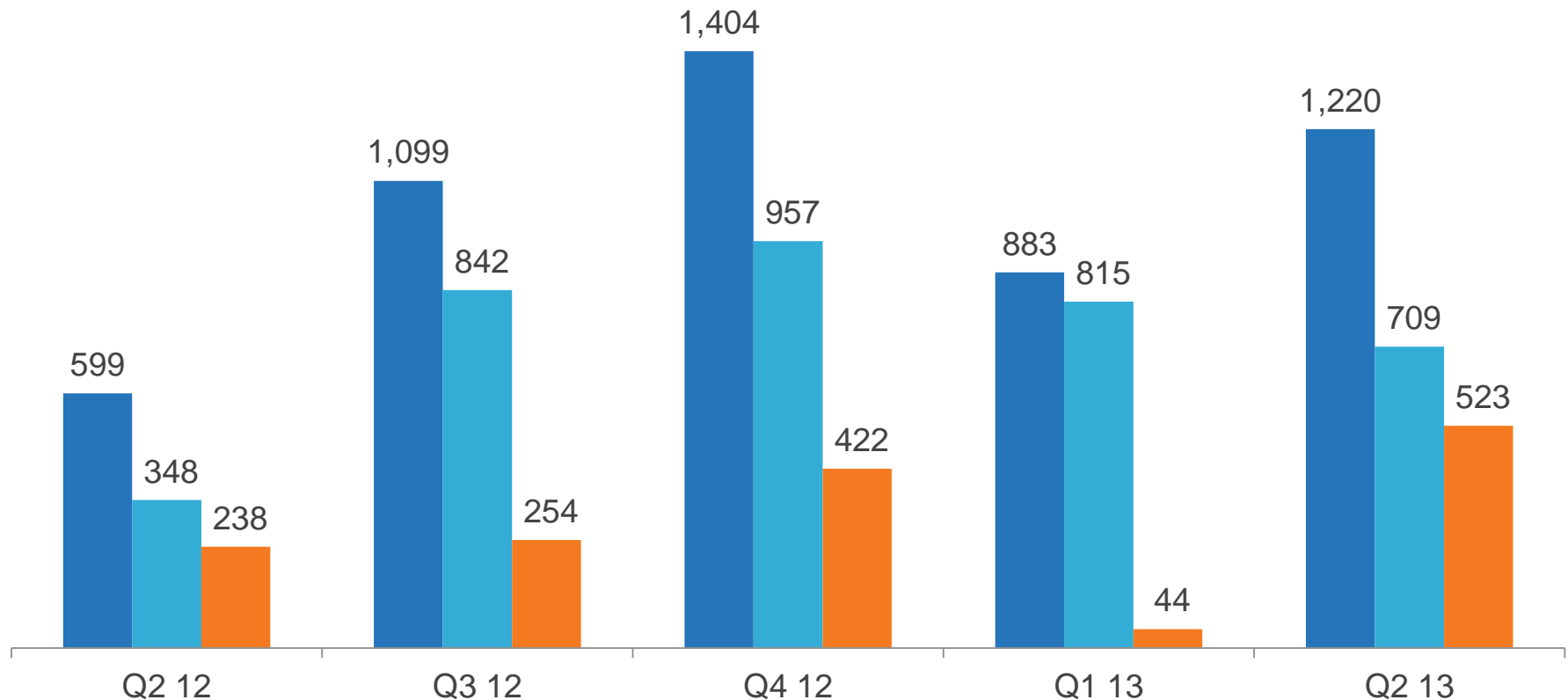
PC Data Only

While Liberty Mutual Insurance saw a decrease Q/Q in online display ad impressions in Q2 2013, Safeco saw a significant increase

Liberty Mutual/Safeco Online Display Ad Impressions

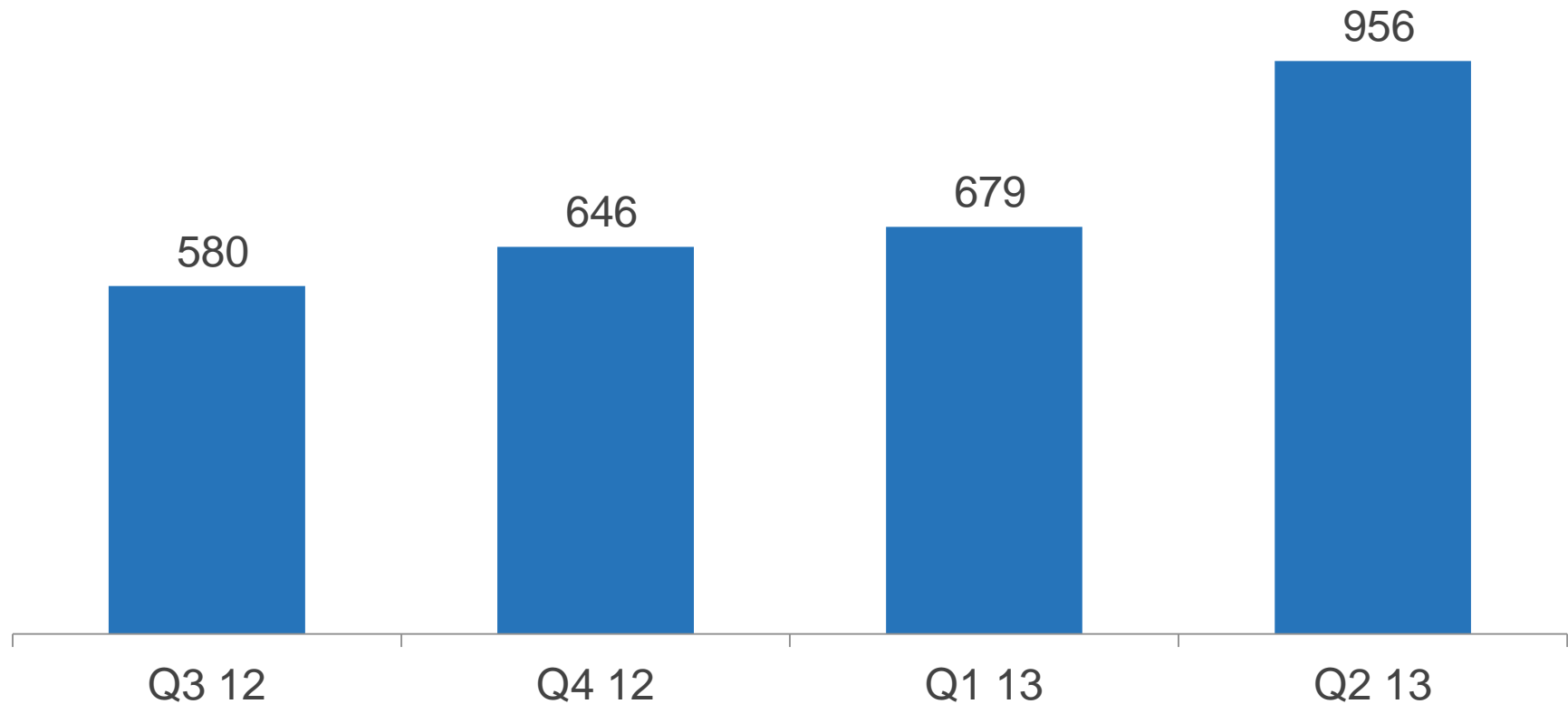
(in Millions)

■ Liberty Mutual Group ■ Liberty Mutual Insurance ■ Safeco



Safeco saw a significant Q/Q increase in unique visitors in Q2 2013 with over 950K

Safeco Unique Visitors (in Thousands)



Safeco's increase in traffic Q/Q is due in part to several new landing pages in Q2 that had significant traffic

SAVE WHEN YOU SWITCH.

Save up to \$363* when you switch your auto insurance to Safeco.

Quote Now

Enter Zip Code **Start**

Safeco Insurance™
A Liberty Mutual Company

[DO](#)

Privacy & Security | Terms & Conditions | Member Rights | Underwriting Companies | Producer Compensation Disclosure | Site Map

*72% of customers that reported savings when switching their auto insurance to Safeco from another carrier saved on average \$363 annually. Source: National Safeco Online Survey, 2011. Savings may vary by state. Eligibility is subject to meeting applicable underwriting guidelines. Talk to a local Safeco agent to learn more.
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Insurance is offered by Safeco Insurance Company of America and/or its affiliates, 1001 4th Ave, Seattle, WA 98154. This website provides a simplified description of coverages and features. All statements made are subject to the provisions, exclusions, conditions and limitations of the applicable insurance policy. Please refer to actual policy for complete details. If the information in these materials conflicts with the policy language that it describes, the policy language prevails. Coverages and features vary by state. Eligibility is subject to meeting applicable underwriting criteria.

There were 82K unique visitors to the Save When You Switch landing page and 55K to the Accident Forgiveness page in Q2 2013, both of which had very minimal traffic in Q1.

EARN A FREE PASS.

Accident Forgiveness.
Go three years without an accident and we'll forgive you if you have one.*

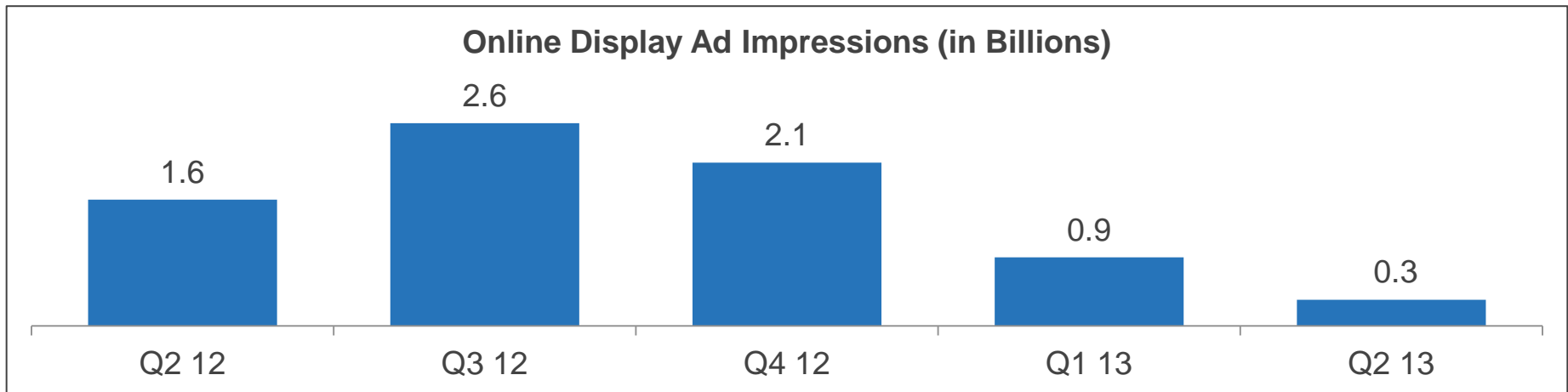
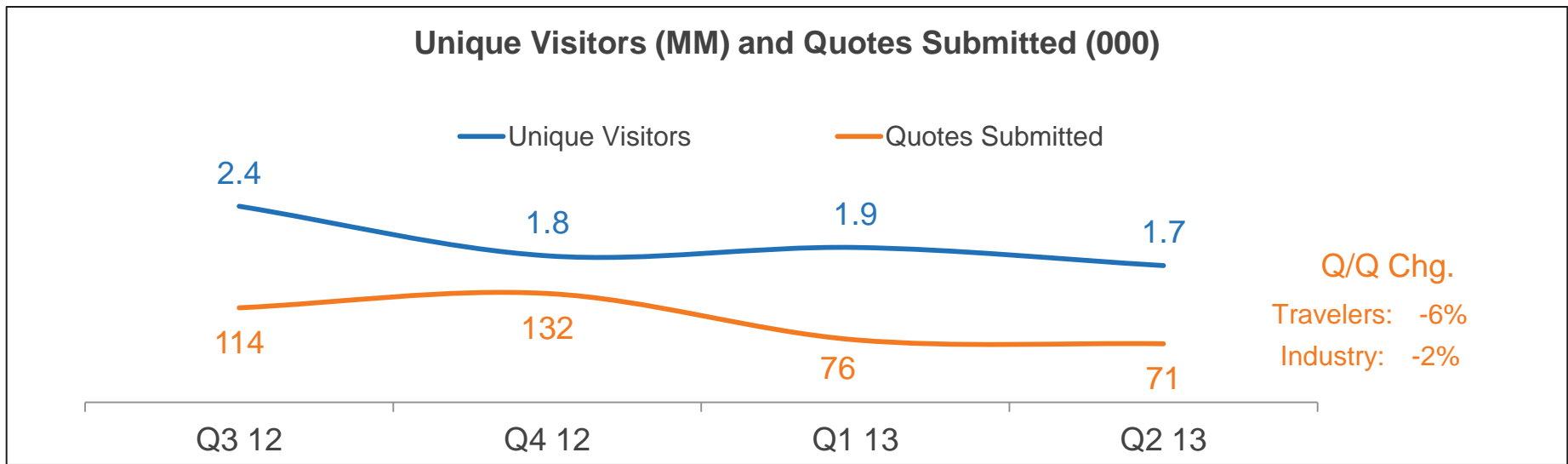
Quote Now

Enter Zip Code **Start**

Safeco Insurance™
A Liberty Mutual Company

DO MORE®

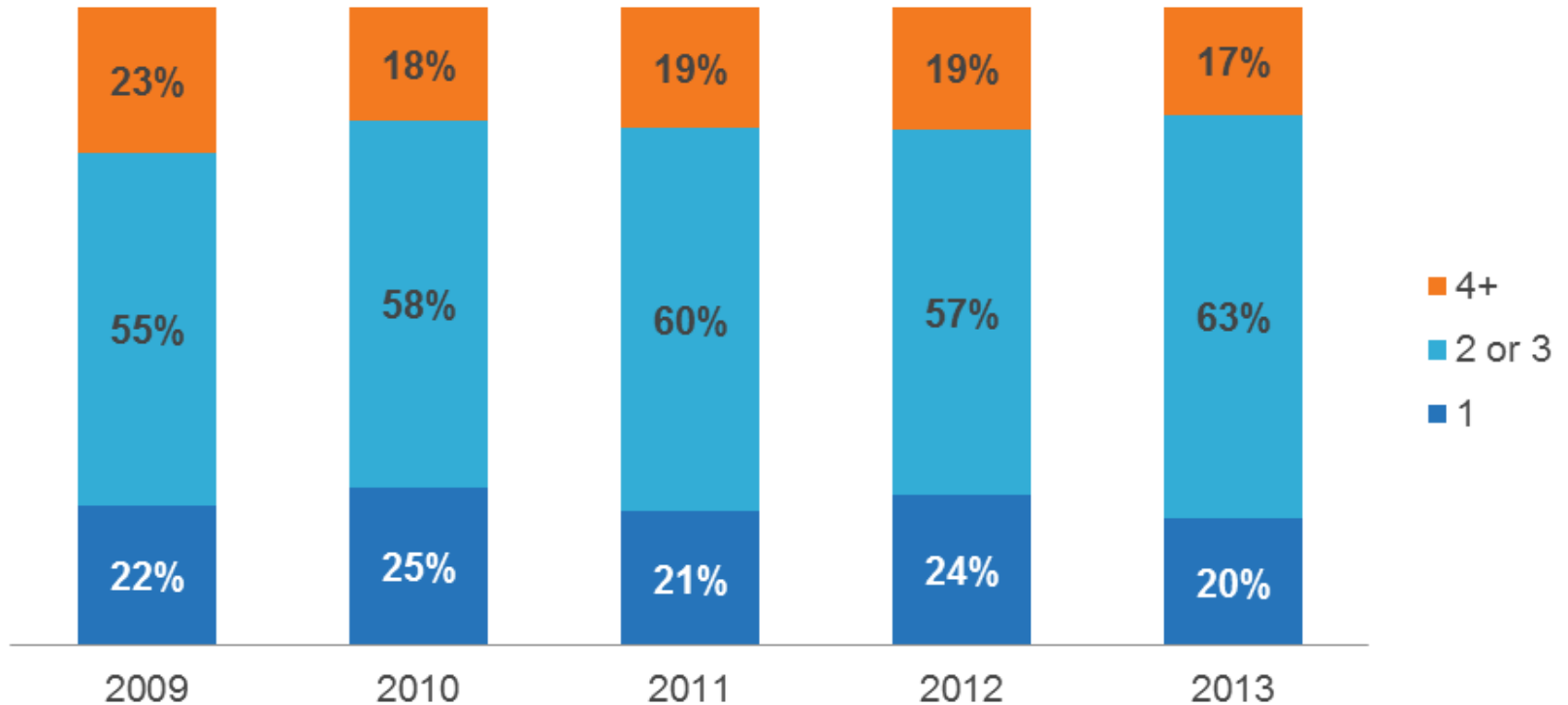
Travelers was relatively flat in quotes submitted Q/Q, but has pulled back in search, display, and affiliates



How do independent agents win?

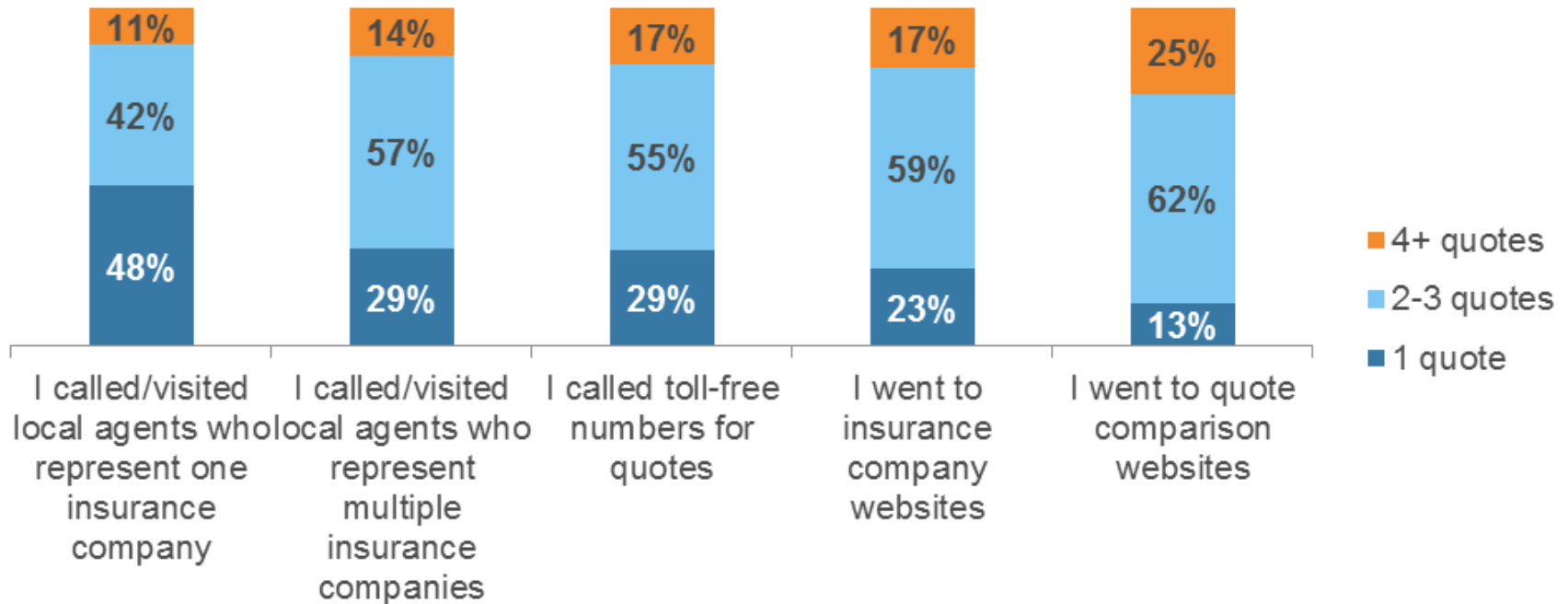
Shoppers want to get multiple quotes...

How many quotes did you get when you shopped for insurance most recently? (of respondents who shopped for insurance in the past year)

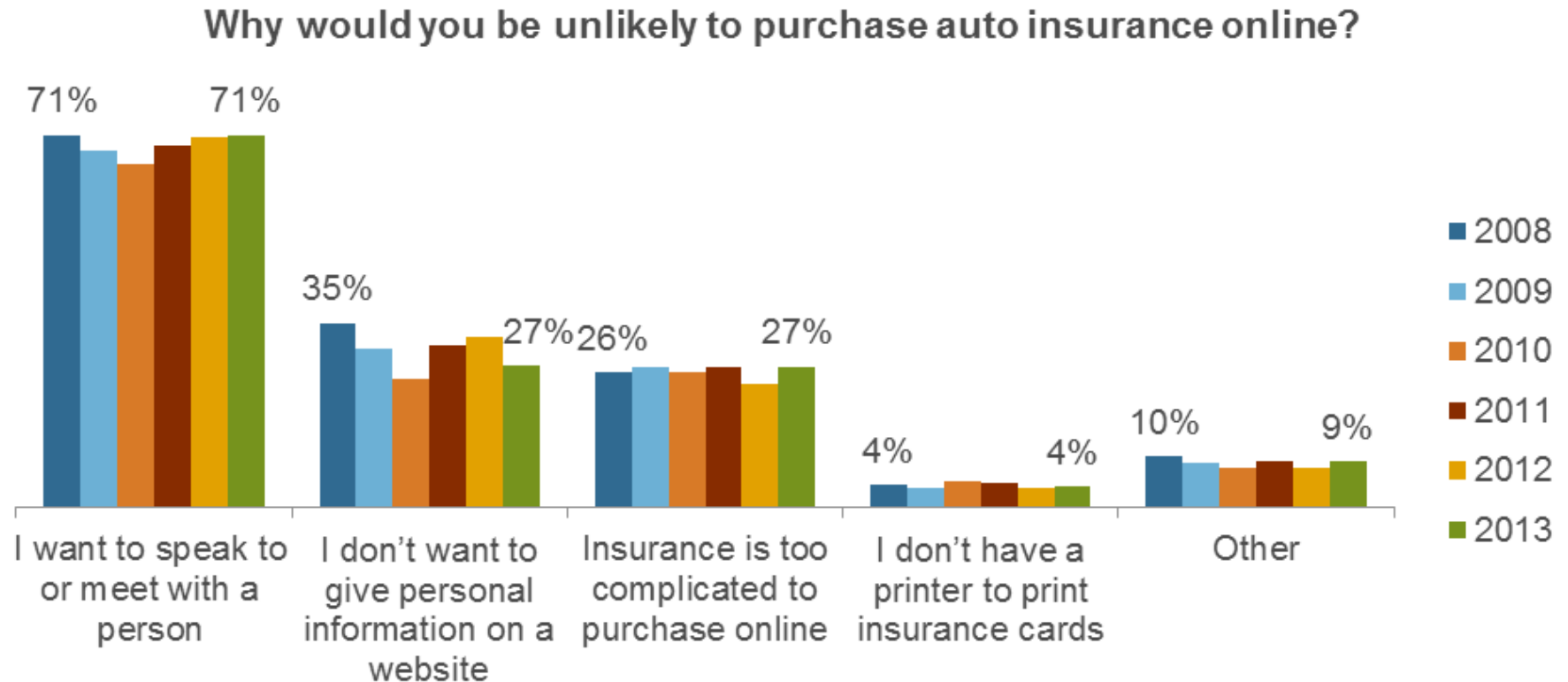


Independent Agents Provide That

How many quotes did you get when you shopped for insurance most recently? (crossed by shopping medium)



People (23% unlikely to purchase online in the future) want to talk to someone



Agents do still need to be price competitive!

For what reasons did you choose to go through a local insurance agent to purchase your insurance? (crossed by length of time with current insurer)



UBI, Bundling, Servicing

UBI positioning within the quote process

Insurer	Device	Positioning within Quote Process
Progressive	SnapShot	At the Final Details step before the Quote Submit page Also a separate Snapshot Test enrollment process
State Farm	Drive Safe & Save	Step: Vehicles Section: Add Vehicles
Allstate	Drive Wise	Step: Discounts Section: Additional Discounts
Esurance	DriveSense	Step: Primary Driver Information – Continued Section: Discounts
Esurance (PAYD)	Drive Less Save More	Step: Discounts & Savings Section: Discounts & Savings
Nationwide	SmartRide	Step: Discounts Section: Discounts
The Hartford	TrueLane	Step: Vehicle Info Section: 3 rd section on the Vehicle tab
Travelers	IntelliDrive	On the quote submit page (select quotes only)

Insurers who offer online bundling

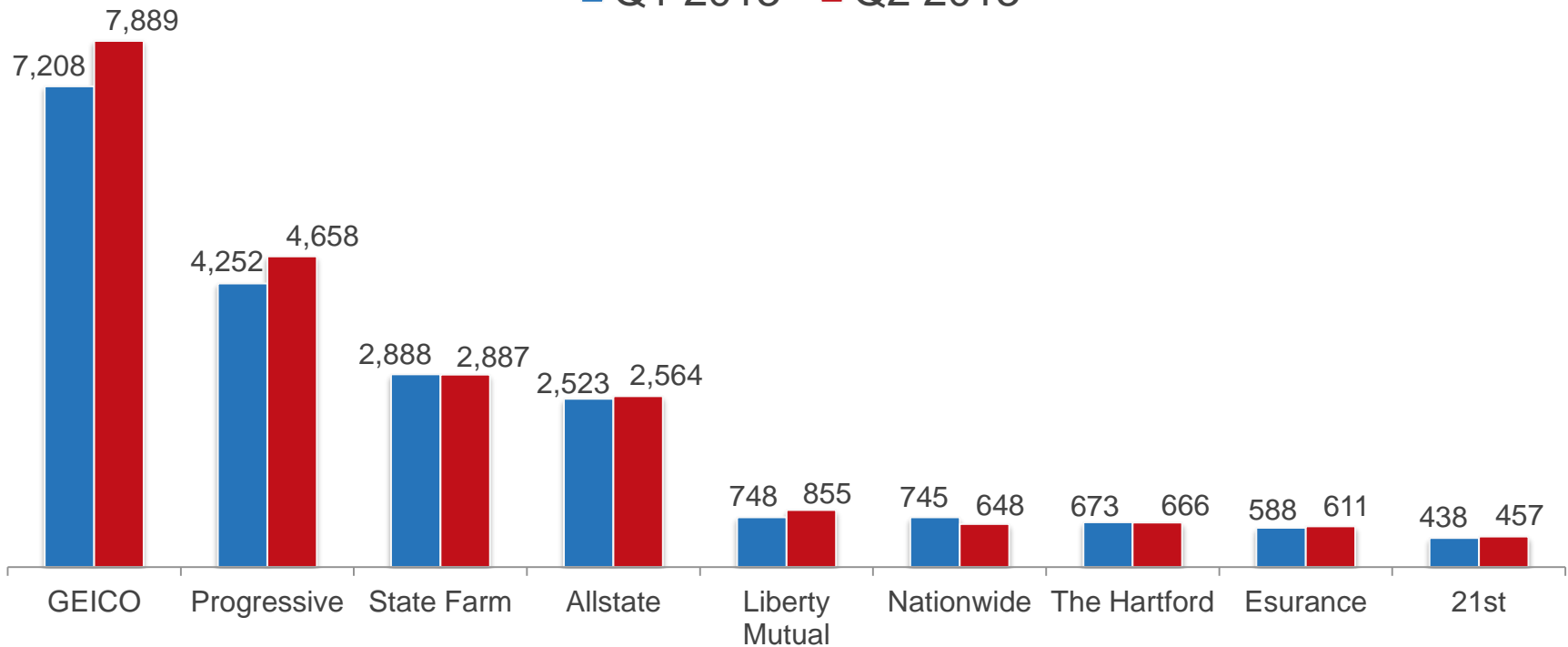
Insurer	Bundle Opportunities	Bundle From Auto	Bundle From Home/Renters	Outcome
Allstate	Auto + Renters	Yes – Discounts page; page of renters questions after Discounts within the auto process	Yes (Renters) – from quote initiation screen (taken directly to auto process first)	Buy both policies
Esurance	Auto + Renters (RentersPlus endorsement on Auto Policy)	Yes – quote summary page (certain states only); additional renters questions asked during policy purchase	Yes (Renters) – Landing page before quote initiation screen (taken directly to auto process first)	Buy both policies
Progressive*	Home/Renters + Auto	Yes – pop-up before quote initiation page; complete auto quote and then home/renters quote	No – Bundle discount reminder displayed in the side panel throughout the quote process, but not option to add auto	Buy both policies
The Hartford	Auto + Home	Yes – quote summary page (certain states only); shoppers continue to get a homeowners quote and receive a bundled price for both policies	No – standalone homeowners quoting not available online	Call agent to bundle
Liberty Mutual	Auto + Home/Renters	Yes – quote summary page (certain states only); shoppers can add renters insurance by answering 2 additional questions	Yes – quote summary page (certain states only); shoppers can get an auto quote to add on to homeowners	Call agent to bundle
Farmers	Auto + Home/Renters	Yes – Shoppers who elect to add home or renters insurance to their auto quote automatically receive a discount on auto	Yes – quote summary page; shoppers continue from the homeowners process to get an auto quote	Call agent to bundle

GEICO leads in online self-service

Overall Policy Management Content

Unique Visitors (In Thousands)

■ Q1 2013 ■ Q2 2013



Q/Q % Change

9%

10%

0%

2%

14%

-13%

-1%

4%

4%

Contact & Additional Information

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703.234.2625

**2013 Online Auto Insurance Report being released
next month!**

comScore Thought Leadership

- Digital Future in Focus
- Mobile Future in Focus
- State of Digital – Q4 2012
- State of Retail – Q2 2013