

12.8% Quarterly Quote Rate

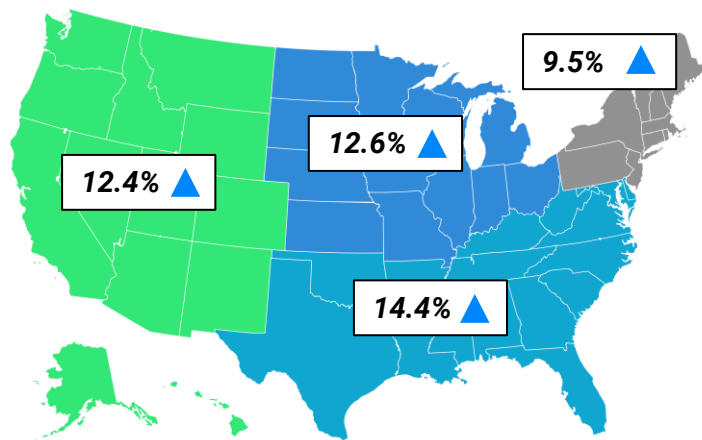
Qtr Chg



3.9% Quarterly Switch Rate



Quarterly Quote Rate – By Region Q1 24



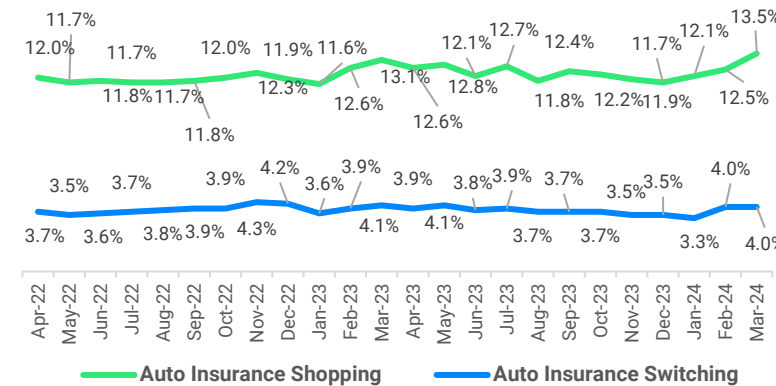
Auto insurance shopping makes a comeback...and then some

Our 2023 Q4 report spoke to the continual decrease in shopping through Q4 after a drop in Q3 relative to first-half results. It looked like consumers responded to continual premium increases by shopping in the first-half of the year and relented to higher premiums in the second-half of the year when better deals were harder to find. Insurers have continued to take rate in the background of this change in consumer behavior, and we are now seeing a new change in trend – consumers are again shopping for auto insurance, at a record rate.

Following three continuous months of decreases in the shop rate, consumers increased their shopping for auto insurance in January, moving from 11.7% to 12.1% and increased again to 12.5% in February. Rate information from SNL shows that February had the largest single month rate increase, on average across auto insurers, of any month during this hard market cycle. Naturally, while only February and March renewals saw the effects of this rate activity, there was a coincidental jump in shopping in March at 13.5%. March 2024 is the highest shop rate in the LIST data series, which dates back to September 2020. The largest jump in shopping, at a regional level, was in the South, where shopping increased from 13.2% to 14.4%, which is the highest regional, quarterly shop rate in the LIST data series.

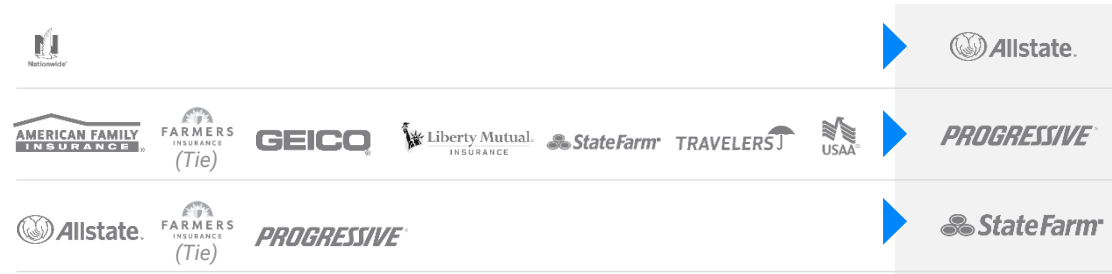
On page 3, we look at the most frequently cited primary reasons for shopping auto insurance and see how the hard market has pushed consumers out of passively “price checking” and into a more active mode of shopping, looking for a better offer to switch to.

Auto Shopping and Switching Rates by Month



J.D. Power Carrier Switching Trends by Largest Rival (Among the top 10 Carriers) – Q1 24

The carrier that each brand is losing the most business to

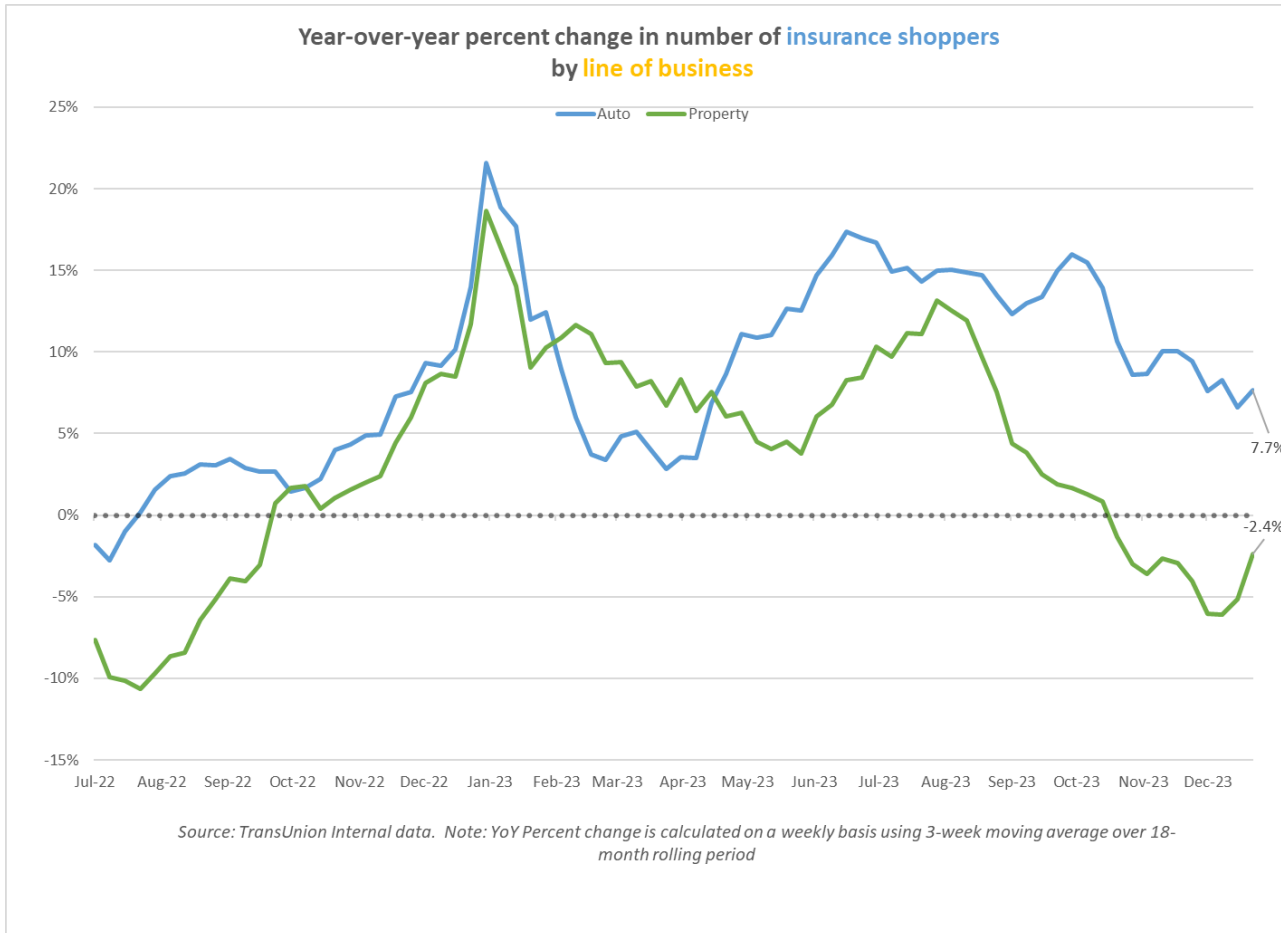


J.D. Power Loyalty Tracker – Q1 24

% current customers shopping

| Higher Loyalty | Lower Loyalty |
|----------------|----------------------|
| 1. NJM | 1. Kemper |
| 2. USAA | 2. Progressive |
| 3. Erie | 3. National General |
| 4. Mercury | 4. Auto-Owners (Tie) |
| 5. The Hanover | 4. GEICO (Tie) |

Despite Seasonal Dip in Q4 2023, Insurance Shopping Likely to Remain Strong in 2024



Both property and auto insurance shopping change dropped at the end of 2023, mostly due to predictable seasonality. As the industry moves through 2024, market dynamics are likely to evolve, and a case can be made that shopping will remain strong well into 2024.

Combining record level price adjustments with moderating loss costs, and a path towards rate adequacy becomes clearer. Some insurers have reported near-target profitability performance and are signaling intent on resuming marketing efforts.

The number of auto insurance shoppers continued to increase in Q4 2023. A deeper look into shopper data reveals two distinct changes in profile and behavior. The first, auto insurance shoppers with a high credit-based insurance score (lower risk) drove shopping with a 14% increase in 2023. Second, shopping intensity – the average number of insurers a consumer shopped with per shopping event – declined for most of the year.

While the financial picture for insurers is improving, profitability remains in a precarious position, so marketing spend will need to be efficient and highly targeted to yield effective results.

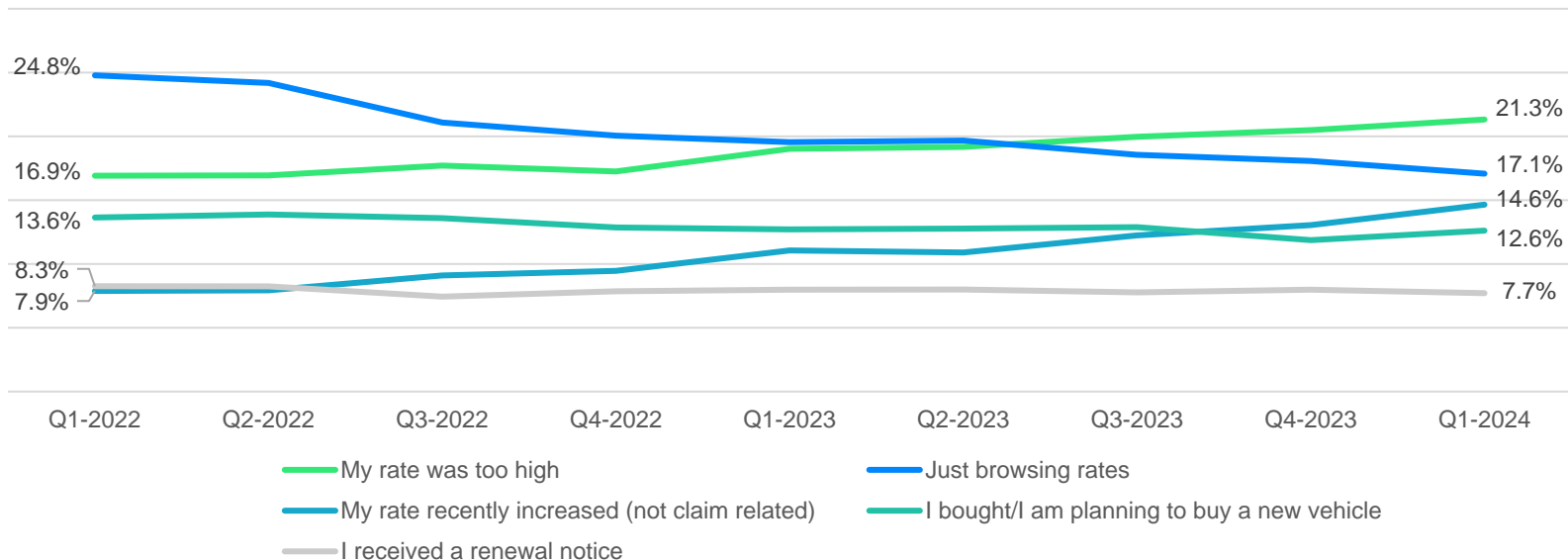


IN FOCUS QUARTERLY:

Top 5 Reasons for Shopping Auto Insurance

As the current hard market cycle began, the leading reason for shopping auto insurance cited by consumers was they were “just browsing rates”. This indicates a “passive” shopping experience and is consistent with results prior to the onset of the hard market. Over the next 8 quarters, the share of consumers citing this as their primary reason for shopping dropped from 24.8% to 17.1%. At the same time, the percentage of shoppers saying “my rate was too high” increased from 16.9% to 21.3% and those saying “my rate recently increased (not claim related)” increased from 7.9% to 14.6%, almost doubling. These reasons for shopping are indicative of a more “active” shopper, seeking to switch insurers, rather than passively price checking. The recent or planned purchase of a new vehicle remains a strong trigger to shop for insurance and almost 8% of consumers say they shop due to receiving a renewal notice. As rate activity continues through 2024, the industry should expect to see continual growth in the share of consumers citing price reasons as their primary trigger to shop and should therefore expect to see more of these price-sensitive shoppers quoting them as a result. The 2024 J.D. Power Insurance Shopping StudySM, publishing on April 23, will dive deeper into the dynamics of today’s shopping.

Primary Reason for Shopping Auto Insurance



Note: Brand and peer data available for LIST subscribers

WHAT'S BEHIND THE DATA AND HOW ARE SUBSCRIBERS LEVERAGING IT?

THE LIST ADVANTAGE



Get the advantage in the acquisition battle with an independent, daily, competitive view of who is shopping, where they are shopping, and which brands they are considering.

LIST AT-A-GLANCE

Robust data you can have confidence in

TIMELY



500-1,000

Consumers Reached Every Day

BIG AND GROWING



870K+

Consumers Captured So Far

GEOGRAPHICALLY RELEVANT



State and Zip Level Data allows targeting specific markets

STAY CONNECTED

Sign up for our mailing list to get the latest reports and insights as soon as they publish.

[SIGN ME UP >](#)

LIST IN THE FIELD

LIST subscribers are putting the data to work across their business. Here are the challenges they can check off their list:



DIRECTOR OF CLAIMS

I need to know if my team's CAT response efforts resulted in better retention numbers versus the overall market.



HEAD OF UNDERWRITING

I need to know if a competitor's rate change impacted shopping in a specific state.



MARKETING VP

A competitor just launched a large-scale acquisition campaign. I need to see how my current customers are responding to the campaign to determine if action is necessary.



CEO

We need to be more data-driven and customer centric



SVP OF OPERATIONS

I need to know if our new IVR system for inbound sales calls is impacting customer loyalty.



HEAD OF AN ADVERTISING AGENCY

I need to see changes in shopping activity daily so that strategic campaign messaging can be evaluated.



HEAD OF CONSUMER RESEARCH

I need to understand what type of consumers are shopping by demographic features such as age and credit tier (excellent, good, poor).

COMING SOON...

LIST 3.0 LAUNCHES THIS SUMMER

We continue to enhance LIST to provide subscribers with the critical data needed to win the acquisition battle and are excited to roll out the latest version this summer. **So, what's new this June?**



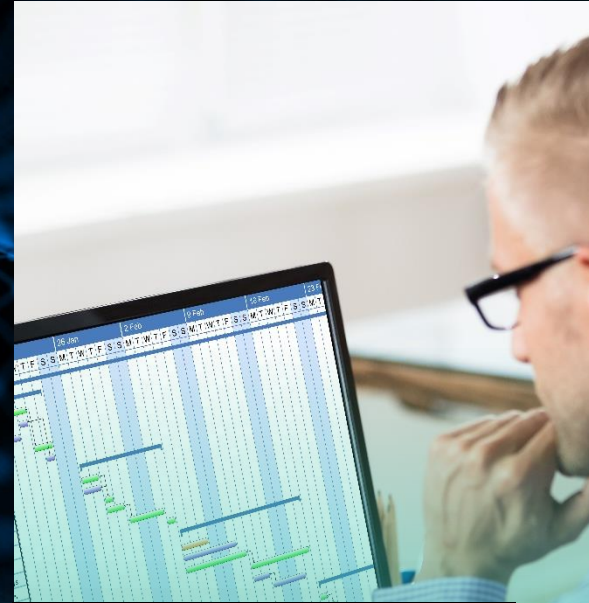
Survey Enhancements

We're expanding questions to allow for more customized daily, monthly, quarterly, and annual shopping/switch rates and to provide a more robust view among bundlers.



Agile Survey Tool

We're migrating to a more agile survey tool which will allow for interchangeable modules to provide timely data on topical issues and client customization.



More Data

We're increasing sample sizes to enhance state, product, and customer segment specific data analysis.



More Vehicle Details

We're adding questions to gather primary vehicle make, model and year and data sets to understand auto premium dollar amount down to household level precision.

J.D. POWER

INSURANCE INTELLIGENCE

In collaboration with  **TransUnion**



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About J.D. Power Insurance Intelligence

J.D. Power is the nation's leading insurance customer intelligence and CX advisory company. We work with every top 20 U.S. P&C carrier to equip industry leaders with indispensable insights, solutions, and tools to achieve their mission-critical priorities and build the successful organizations of tomorrow. Our unrivaled combination of expert-led, independently-sourced and data-driven research steers clients toward the right decisions on the issues that matter most.

About TransUnion Insurance

TransUnion is a global information and insights company that makes trust possible in the modern economy. We do this by providing a comprehensive picture of each person so they can be reliably and safely represented in the marketplace. As a result, businesses and consumers can transact with confidence and achieve great things. We call this Information for Good®.

About J.D. Power's Loyalty Indicator & Shopping Trends (LIST)

The J.D. Power Insurance LIST provides a unique daily, competitive view of auto, homeowners, and renters insurance shopping and loyalty behaviors for the top carriers in the national and state-level markets. The consumer behavior data captured reveals who shoppers are, where they are shopping, and which brands they are considering, as well as the household composition, and what other ancillary products they have.