Is Your UBI Program Succeeding?

Customer Response to Usage-Based Insurance

Commitment Beyond Numbers

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Discussion

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Introduction

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In theory…

- What's not to like?

Sign up for UBI Program

Discount? → No → Exit UBI Program

Yes

Stay in UBI Program

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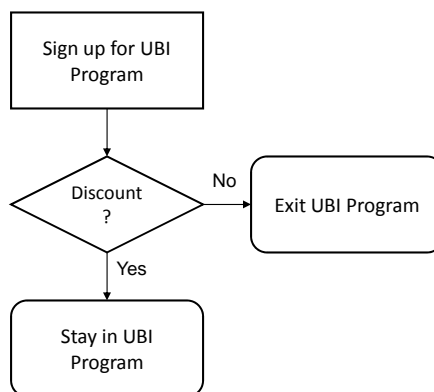
"But Wait…" - Glenn Renwick, CEO of Progressive

"Intellectually…"
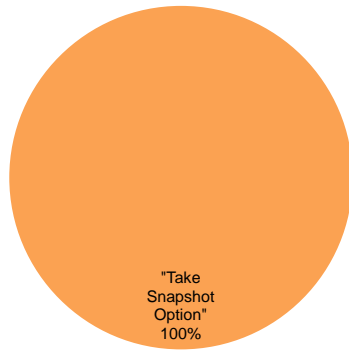
"Surveys of Prospective Snapshot Users"

"Take Snapshot Option" 100%

"No way in hell" 40%

"Yeah, why not?" 30%

"Maybe, I need to know more" 30%
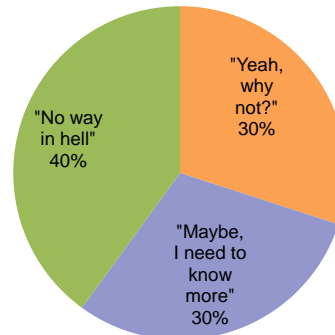
"Getting consumers to engage in a product that they were never asked to engage in [historically] is a bigger burden intellectually than we would have assumed."

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Data

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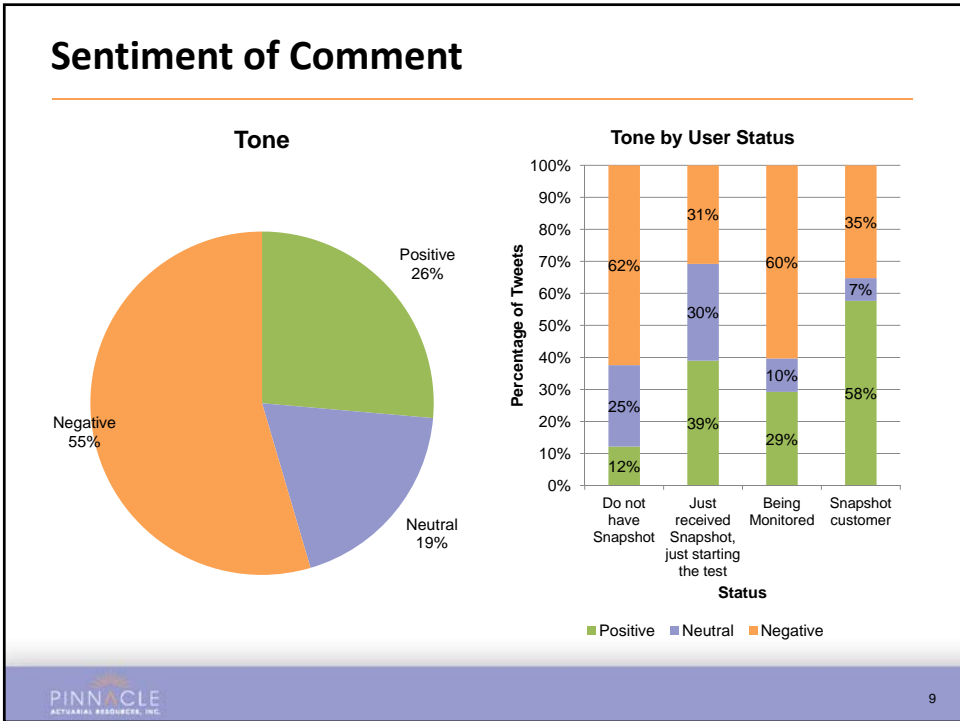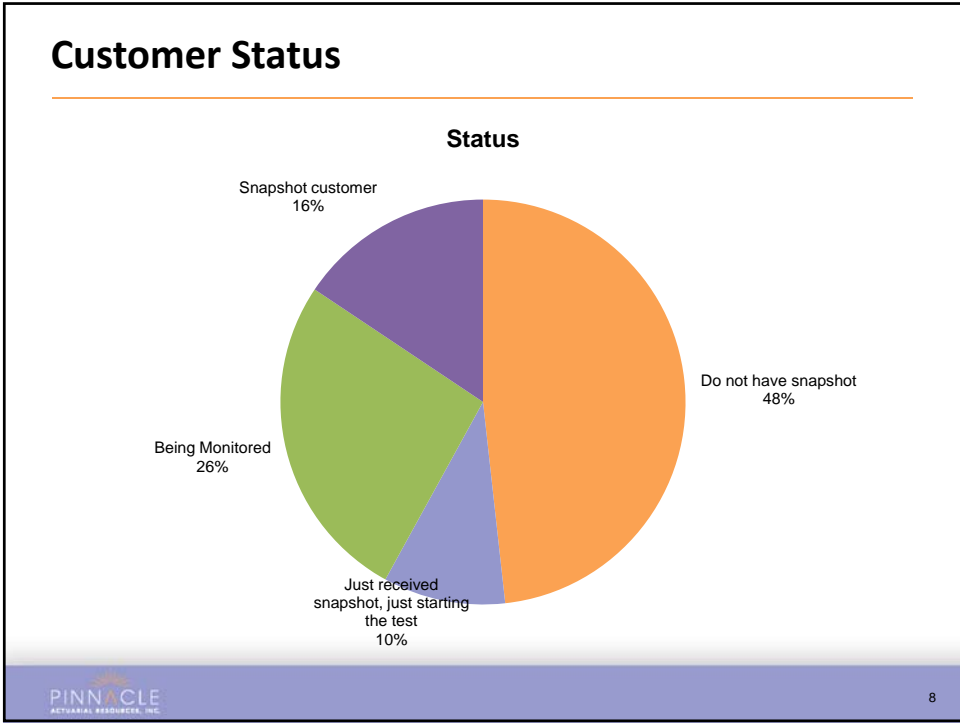
Social Media Data

- Twitter data - over 3 million insurance tweets total (January, 2012 to present)
- Keyword searches for terms "Progressive" and "Snapshot" (3,400 tweets from September 2012 to June 2013)
- Data
  - Content of the tweet
  - Specific tweet recipient
  - Sender of the tweet
  - Language of tweet
  - Where the tweet originated
  - Link to a picture of user
  - Latitude and longitude of the user
  - Date and time of tweet

- Advantages of social media data
  - Unfiltered
  - Broad view of non-customer reactions
  - Facilitates more timely analysis of trends

> "This new world will undermine the polling industry"
> Fabio Rojas. *How Twitter can help predict an election*

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Analysis Results

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Customer Status

Status

Snapshot customer
16%

Do not have snapshot
48%

Being Monitored
26%

Just received snapshot, just starting the test
10%

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Sentiment of Comment

Tone

Positive
26%

Negative
55%

Neutral
19%

Tone by User Status

Percentage of Tweets

	Do not have Snapshot	Just received Snapshot, just starting the test	Being Monitored	Snapshot customer
Negative	62%	31%	60%	35%
Neutral	25%	30%	10%	7%
Positive	12%	39%	29%	58%

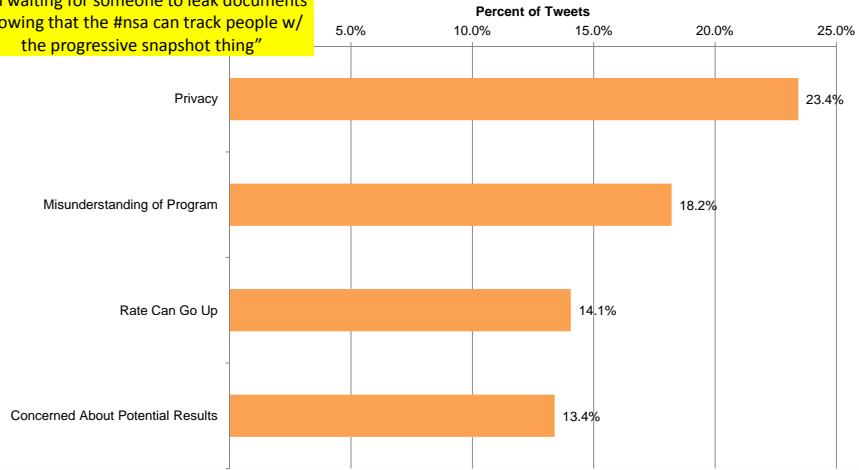Status

Positive Neutral Negative
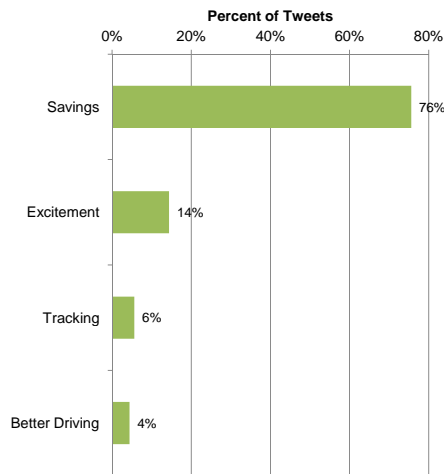
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Non-Customer Negative Responses

Non-Customer Negative Responses

"im waiting for someone to leak documents showing that the #nsa can track people w/ the progressive snapshot thing"

Percent of Tweets

Privacy	23.4%
Misunderstanding of Program	18.2%
Rate Can Go Up	14.1%
Concerned About Potential Results	13.4%

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Customer Positive Responses

Customer Positive Responses

Percent of Tweets

Savings	76%
Excitement	14%
Tracking	6%
Better Driving	4%

- Price change vs. additional services
- Customer validation
- Some consumers like data

🐦 Tweet
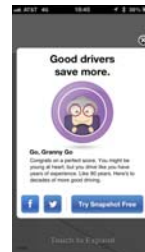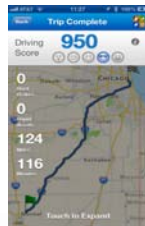
"I'm liking Progressive's SnapShot device - not 'cause it'll lower my rates but 'cause it tells me when I've done something I shouldn't have."

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Customer Complaints

| Complaint	Starting Test	Testing	Customer	Total
Driving Habits	34%	23%	16%	23%
Beeping	3%	21%	10%	16%
Snapshot Evaluation	1%	20%	12%	15%
Annoying	21%	13%	10%	14%
Premium Change	3%	10%	16%	10%
Installation	28%	1%	0%	4%

Tweet

"Listen, Progressive Snapshot. You & I will NEVER agree on what a 'hard brake' is & no amount of beeping is gonna change that. #justsayin"

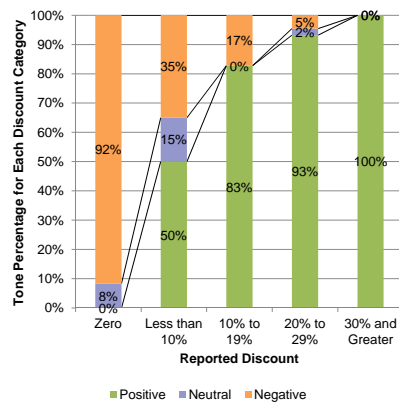- Considerations
  - Behavior modification
  - Customer opinion
  - Feedback timing
  - Context
  - Negative reinforcement

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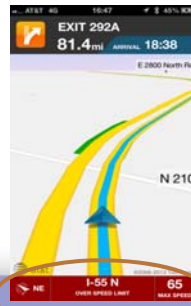
Reported Snapshot Discount

Reported Snapshot Discount
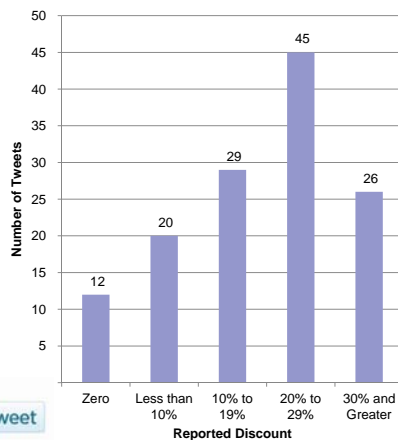
Reported Snapshot Discount by Tone

Tweet

"Just got an email that I'm getting a 7% discount on my auto insurance after having that Snapshot thing. That's pretty @Progressive. ;)."

"I've had the Progressive snapshot plugged in to my car to record my driving and get a discount. Out of 30% I only got 2%. I suck."

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Conclusion

- Success of a UBI program will depend on listening closely and responding to the voice of the customer
- Social media provides a platform to tap into the conversations of the public and learn the public reception of your program and the concept in general
- Keeping a pulse on the public response and answering and mitigating their concerns will help create a more positive customer experience and improve the potential for UBI long-term

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Customer Response to Usage Based Insurance

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