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## **Telematics Devices Prompt Changes in Driving Behavior**

MALVERN, Pa.—More than half (56 percent) of the drivers participating in an Insurance Research Council (IRC) public opinion survey have made changes in how they drive since installing a telematics device provided by their insurance company in their primary vehicle.\* Thirty-six percent of respondents said they have made small changes in how they drive and 18 percent said they have made significant changes. Thirty-eight percent said they have made no changes in their driving practices since having a device installed. Drivers aged 65 and above were significantly less likely than other drivers to report making changes in how they drive.

A substantial majority (82 percent) of survey respondents with telematics devices provided by their auto insurance company reported receiving information from their insurance company about their driving behavior after having a device installed. Eighty-one percent of those receiving information said they reviewed the information and 88 percent of those reviewing the information said they found the information to be helpful.

“These findings suggest that having telematics devices installed in vehicles can play a beneficial role in promoting safe driving and reducing the frequency of auto accidents and their associated costs,” said Elizabeth Sprinkel, senior vice president of the IRC. “While we can’t say with certainty that the changes drivers make are always for the better, or whether beneficial changes that are made become permanent, we can confidently say that the introduction and use of telematics technology is a move in the right direction,” said Sprinkel.

Other issues explored in the survey include:

- Driver awareness of auto insurance telematics
- Willingness to participate in a telematics program and reasons for not having a device installed
- Concerns about how the information collected by a telematics device is used
- Factors that encourage participation in telematics programs

The report, *Auto Insurance Telematics: Consumer Attitudes and Opinions*, is based on an online survey of 1,135 respondents by GfK Public Affairs & Corporate Communications on behalf of the IRC, using a

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\* Insurance telematics is a key component of usage-based insurance (UBI). With UBI, data describing how, when, and where an insured vehicle is driven are automatically collected and sent wirelessly to the insurance company providing coverage. The data are then used to underwrite and price insurance coverage and, in some instances, to investigate insurance claims. The system for collecting and transmitting data is generally referred to as “telematics” while the use of information collected via telematics to underwrite and price insurance coverage is what constitutes UBI.

sample drawn from GfK's Knowledge Panel. The survey was conducted during June 2015. Survey data were weighted to the U.S. population of adults aged 18 and above. For more detailed information on the study's methodology and findings, contact David Corum at [IRC@TheInstitutes.org](mailto:IRC@TheInstitutes.org). For more information about how to purchase the report, visit the IRC website, [www.insurance-research.org](http://www.insurance-research.org).

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