

London, 21st October 2013

Progressive's Snapshot increases uptake by 40% to 1.4 million customers, single-handedly bringing the US UBI market ahead of Europe

PTOLEMUS has now published the main findings of its 2013 Study on Insurance Telematics. The study reveals that while the US is now the biggest growth market, [Usage-Based Insurance \(UBI\)](#) is a global phenomenon predicted to reach 100 million vehicles by 2020.

Since the release of the first edition of the Study in June 2012, the market share of UBI policies has doubled. PTOLEMUS evaluates that five million vehicles today are covered by Pay-As-You-Drive (PAYD) or Pay-How-You-Drive (PHYD) policies. This is only 0.6% of the global motor insurance market, yet represents €3.5 billion in premiums.

The new PTOLEMUS study's abstract also comes with a series of interviews with three leaders in the market: Progressive Insurance, Octo Telematics and Cobra Telematics. They demonstrate the variety of approaches and models in the UBI market.

In the interview, Progressive insists that UBI will remain based on premium discounts, with a very wide open target market. Octo and Cobra, however, focus more on long term services such as safety and theft prevention. Octo, believing in the connected car phenomenon, predicts that 70 million vehicles in Europe will be connected by 2025. All three agree that the smartphone will assume more importance in the market, even if they have different perspectives on the its precise role.

For most countries, UBI will become a formidable tool to break against established insurers and acquire new profitable customers. By 2020, PTOLEMUS estimates the marketshare of UBI policies at 13.7% in Europe and 17.4% in the US but the real story comes from the growth in Asia where the penetration is expected to reach 4.4%.

OBD Dongles are expected to remain the dominant devices in the US and emerge rapidly in Europe from 2014. Overall the mix of devices in use is expected to widen Revenues for the technology providers are estimated at €1,4 billion and for the Service providers at €4,5 billion globally by 2020.

The main study results, full interviews and overall update on the global UBI market can be downloaded for free today from www.ptolemus.com/ubi-study

About PTOLEMUS

PTOLEMUS Consulting Group is the first strategy consulting firm entirely focused on telematics and location-based services. Run by partners in Brussels, London, Paris, Milan, Hamburg and Boston, PTOLEMUS assists leading insurers, car makers and service providers in defining and executing their telematics strategy.

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PTOLEMUS is the author of the Usage-Based Insurance Global Study. The 800-page reference document is published this week, and a 100-page abstract can be downloaded for free.

For media relations and more information about the study, please contact Thomas Hallauer on thomas@ptolemus.com