QUARTERLY SHOPPING LIST REPORT

U.S. P&C INSURANCE

Q2 2024

J.D. POWER
INSURANCE INTELLIGENCE
In collaboration with TransUnion

	Qtr Chg
13.3% Quarterly Quote Rate	▲
3.9% Quarterly Switch Rate	▬

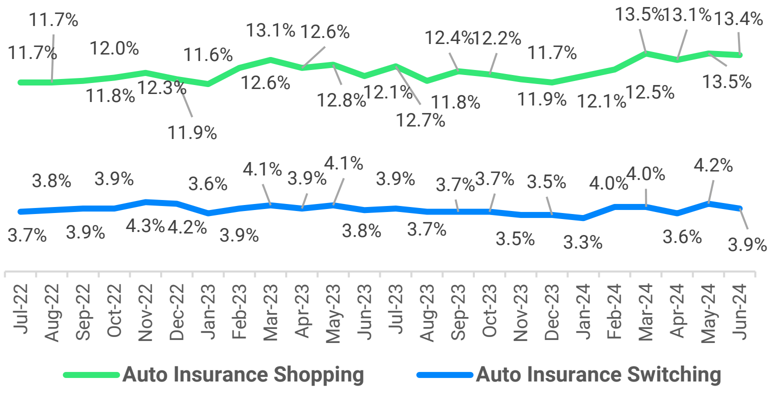
A new record share of drivers are shopping for auto insurance as switching nears record highs

After pulling back on shopping for auto insurance in the second half of 2023, drivers came back to the market aggressively in the Q1 2024. As insurers are continuing to take rate, in an effort to reach rate adequacy, drivers have continued to look around for a lower premium. In fact, Q2 data shows the highest shopping/quote rate in the history of LIST – 13.3%. Last quarter's shop rate of 12.8%, which was a record high, is smashed this quarter while the rate at which drivers are switching auto insurers remains stable with Q1.

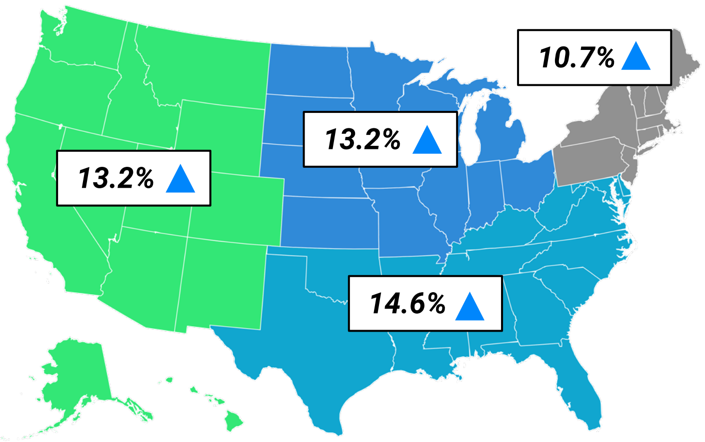
Monthly data shows May matched the all-time high monthly shopping rate set in March of 2024. While the quarterly switch rate is flat with last quarter, 4.2% of drivers switched auto insurers in May, setting an all-time monthly high. Rate filings showed a multi-decade high in February and filings through the rest of 2024 show lower increases than what were filed earlier in the year. Shopping for auto insurance could moderate as rate increases calm. Many insurers appear to have achieved or are approaching rate adequacy, which should lead to less rate activity and perhaps less shopping in the future. After two quarters of not being a leading destination for any of the top 10 carriers' defecting customers, GEICO returns to the list as the top destination for those defecting from Allstate, Progressive, and State Farm.

On page 3, we take another look at the "Insurance Neighborhood" analysis we originally conducted in 2022 to see how household-level insurance trends have changed in the last two years. July marks the first full month of updates to LIST (LIST 3.0) which will allow for enhanced analyses of consumer shopping behavior and insights into the price competitiveness of insurers at an individual customer level. Reach out to discuss further and keep an eye out for these data in future reports.

Auto Shopping and Switching Rates by Month



Quarterly Quote Rate – By Region Q2 24



J.D. Power Carrier Switching Trends by Largest Rival (Among the top 10 Carriers) – Q2 24

The carrier that each brand is losing the most business to

Allstate, Progressive, State Farm	GEICO
GEICO, Liberty Mutual Insurance, Nationwide, Travelers, USAA	Progressive
American Family Insurance, Farmers Insurance	State Farm

J.D. Power Loyalty Tracker – Q2 24

% current customers shopping

Higher Loyalty	Lower Loyalty
1. NJM	1. National General
2. Amica	2. Kemper
3. USAA	3. Auto-Owners
4. MAPFRE	4. ACSC
5. Erie	5. Mercury (tie)
	5. Progressive (tie)

Source: J.D. Power Loyalty Indicator and Shopping Trends (LIST)

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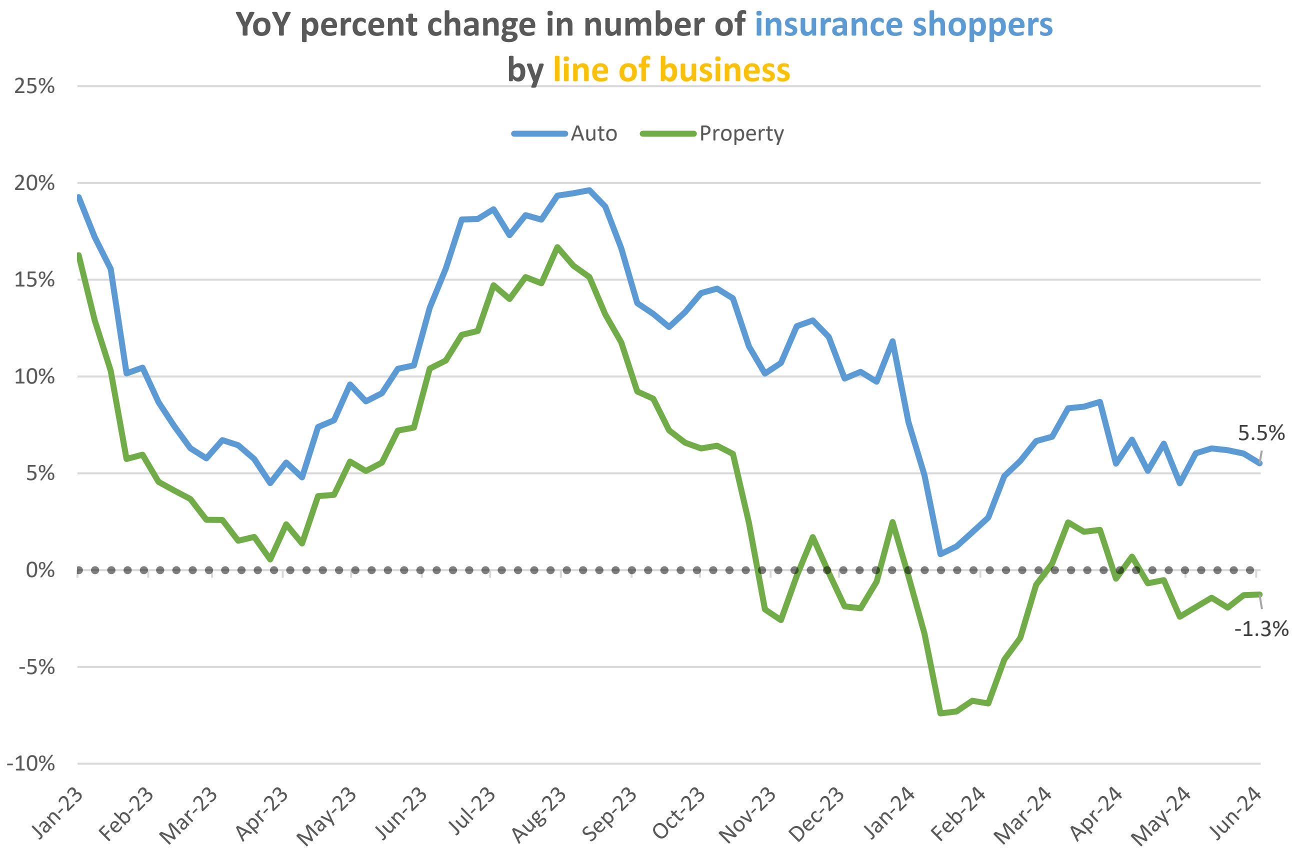
Auto insurance shopping reaches new high in 2024



Note: YoY Percent change is calculated on a weekly basis using 3-week moving average over 18-month rolling period

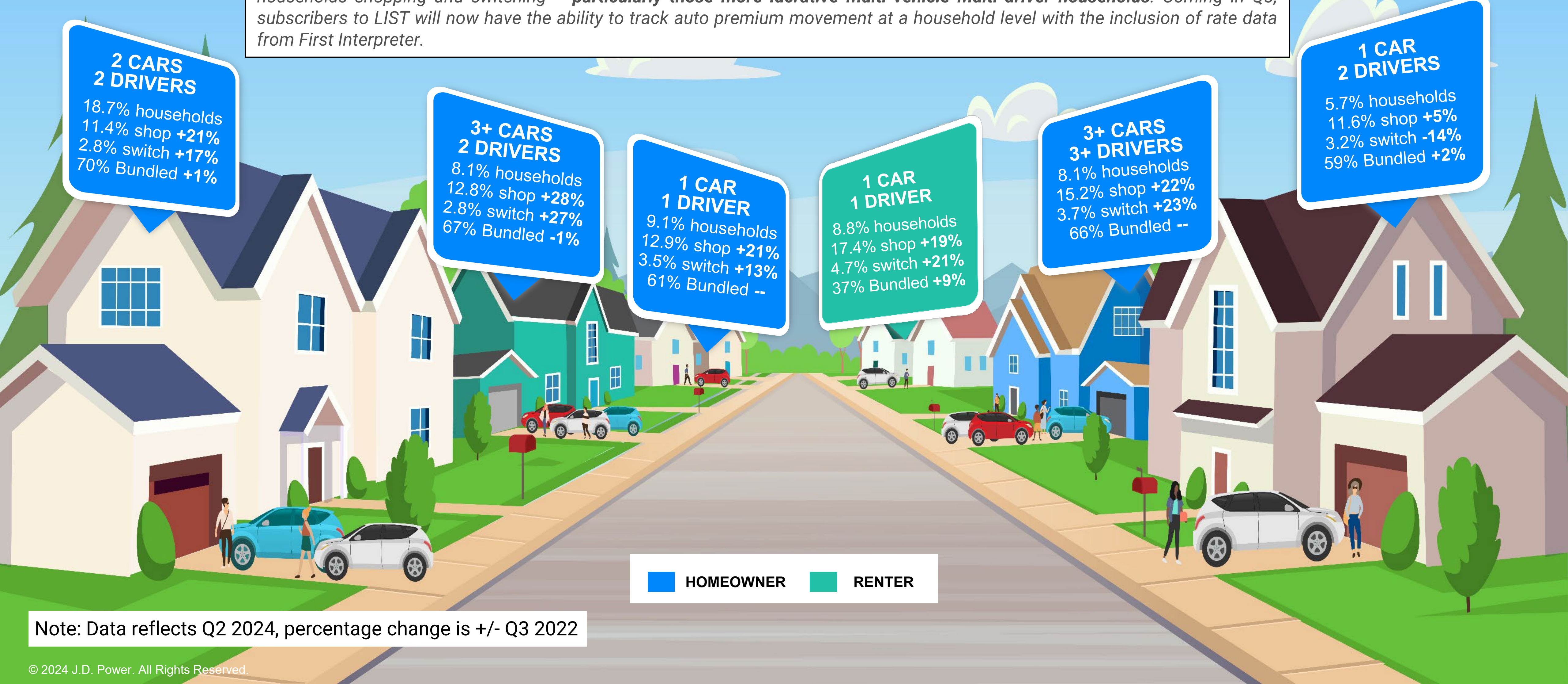
- Increasing rates and price sensitivity continue to drive auto insurance shopping to record levels, while property insurance shopping remains elevated
- Personal lines profitability, while improving, will remain a challenge for some carriers; especially in property insurance
- Persistently higher prices and borrowing costs will impact affordability of personal insurance and insurable assets
- Consumers are in market at record levels – price is most important, but the door is open to meet coverage and service needs.
- 2024 should continue to be a year of transition – profitability should continue to improve, and competitive pressures will likely increase

Source: TransUnion internal analysis and Personal Lines Shopping Database

INSURANCE NEIGHBORHOOD

These 6 examples represent 59% of U.S. households with auto insurance in Q2 2024

*Two years after we introduced the insurance neighborhood, we find the same 6 household types still dominate the landscape. The propensity to shop and switch, however, has changed dramatically. The unprecedented increase in rates has driven an increase in households shopping and switching – **particularly those more lucrative multi-vehicle multi-driver households**. Coming in Q3, subscribers to LIST will now have the ability to track auto premium movement at a household level with the inclusion of rate data from First Interpreter.*



Note: Data reflects Q2 2024, percentage change is +/- Q3 2022

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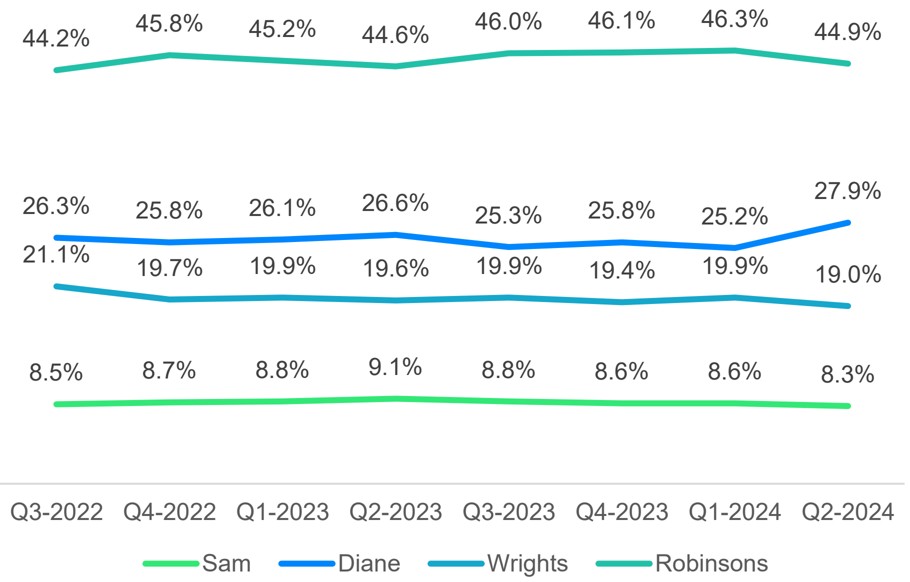
IN FOCUS QUARTERLY:
The Robinsons two years later

There hasn't been much movement over the past 2 years in the customer segment mix between the bundled Robinsons, the unbundled Wrights, the renter Dianes, and the auto policy only Sams. What we have seen is an increase in shopping and switching among the generally loyal Robinsons. While they still remain the least likely to shop and switch (making them the most desirable segment for carriers to attract), the unprecedented rate increases have pushed these ultra-loyal customers to look elsewhere for their insurance needs. Meanwhile the Wrights, who are generally more price sensitive opting to find different solutions for their auto and home insurance needs, have seen an increase in shopping behavior, but a slight decline in switching activity signaling the difficulty finding lower premiums without bundling.

The Shift in Customer Segments



Segment	Auto Shopping/ Switching (July 22-June 23)	Auto Shopping/ Switching (July 23-June 24)	% Change	Most New Business Q2 2024
Robinsons *Bundle home and auto policy*	Shop: 9.9% Switch: 2.1%	Shop: 10.6% Switch: 2.2%	Shop: +7.1% Switch: +4.8%	State Farm
Wrights *Unbundled home and auto policy*	Shop: 14.7% Switch: 5.2%	Shop: 15.7% Switch: 5.0%	Shop: +6.8% Switch: -3.8%	PROGRESSIVE
Diane *Rents home and has an auto policy*	Shop: 15.8% Switch: 5.3%	Shop: 16.0% Switch: 4.9%	Shop: +1.3% Switch: -7.5%	PROGRESSIVE
Sam *Auto policy only*	Shop: 14.9% Switch: 5.8%	Shop: 14.5% Switch: 5.3%	Shop: -2.7% Switch: -8.6%	PROGRESSIVE

Note: Brand and peer data available for LIST subscribers

NOW LIVE

LIST 3.0 LAUNCHES THIS SUMMER

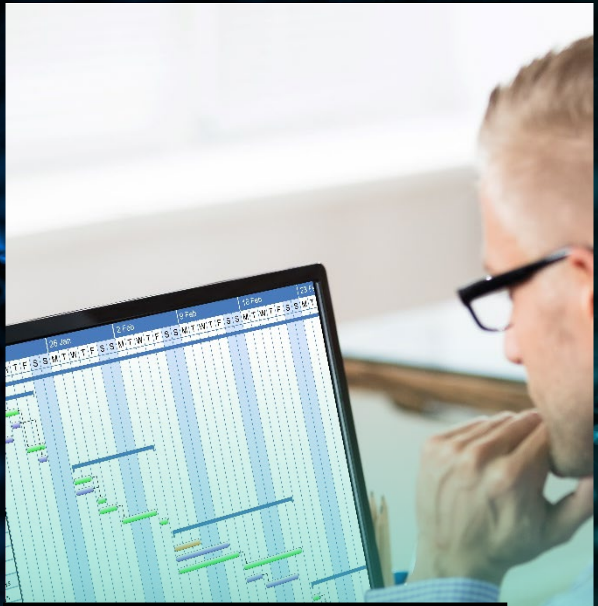
We are proud to announce the launch of LIST 3.0! We continue to enhance LIST to provide subscribers with the critical data needed to win the acquisition battle and are excited to roll out the latest version, now available:

Survey Enhancements

We expanded 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 migrated to a more agile survey tool which allows for interchangeable modules to provide timely data on topical issues and client customization.



More Data

We increased sample sizes to enhance state, product, and customer segment specific data analysis.

More Vehicle Details

We added questions to gather primary vehicle make, model and year and will soon add data sets to understand auto premium dollar amount down to household level precision.

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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.