



DRIVE PROFITABLE REVENUE AND
**KEEP CUSTOMERS
COMING BACK.**

Usage-Based Insurance





ADVANCES IN MACHINE-TO-MACHINE (M2M) TECHNOLOGY HAVE GIVEN RISE TO MORE INTERACTIVE AND INSIGHTFUL METHODS FOR TRACKING DRIVER SAFETY.

One service that can benefit greatly by these innovations is usage-based insurance. By collecting data on driver behavior in near real time, insurance providers are able to make more-informed decisions and offer more-accurate usage-based rates.

Usage-based insurance is transforming the industry. And while that transformation presents many benefits, it also brings with it a number of new challenges, including a complex implementation process, regulatory filings, and enormous technical hurdles—obstacles that are even more daunting for small and medium-sized businesses.

That's why Verizon has created a solution that provides insurance companies of all sizes a cost-effective way to offer their own branded usage-based insurance program. We've already developed the technology. Now you can use it to help improve profitability and keep ahead of the competition.

Eight of the top 10 U.S. insurance agencies now offer usage-based plans or have pilots under way.



HOW DOES USAGE-BASED INSURANCE WORK?

A telematics device installed in the car collects data on factors like speed, distance, and braking patterns. That information is used to create a score for the driver, which in turn is used to calculate usage-based rates.



KEEP MORE OF THE DRIVERS YOU WANT.

Usage-based insurance turns knowledge into pricing power. With the right technology and data, you can create valuable predictive scores that help you spot and price risky drivers appropriately. Meanwhile, it also helps you reward safe drivers with lower rates—which will make them less likely to shop around.

Companies with usage-based programs can achieve more specialized pricing and customer retention, while those without them face adverse selection and run the risk of higher claim costs. Picking the right usage-based insurance partner can help you single out safer drivers and better customers.

INTRODUCING DRIVEABILITY WITH IN-DRIVE

Through a new agreement between Verizon and Towers Watson, we've combined two proven, powerful industry solutions—DriveAbility® and In-Drive®—to provide a turnkey usage-based insurance program for companies of all sizes.

The program offers insurers access to the industry's largest pool of aggregated data and the predictive power it enables. Insurers utilize this information to offer better rates for those who deserve it and retain more loyal, financially desirable drivers who come back when their policy is up for renewal.



ABOUT TOWERS WATSON AND DRIVEABILITY

A leading global professional-services consultancy, Towers Watson has worked on more than 30 usage-based insurance projects around the world. The company's DriveAbility program is employed by two of the country's top 10 insurers and has been providing aggregated telematics and insurance data since 2010.

KEY BENEFITS

Industry expertise and worry-free implementation

By combining Verizon's technology and infrastructure with Towers Watson's insurance industry experience, you can reduce the risks and hassles of implementing usage-based insurance. Our turnkey program addresses all major components of your implementation, including regulatory filings, technology, communications, marketing, and actuarial priorities.

Smooth operations, strong security, and scalability

Our proven technology delivers a scalable infrastructure built on next-generation telematics architecture and established information security engineering and protocols—including disaster recovery—plus data management, hosting, and cleansing.

Proven scoring model and the industry's largest pooled data set

Towers Watson houses the industry's largest pooled data set from multiple carriers, which helps you provide more accurate ratings and underwriting, along with peace of mind.

Increased brand value through program branding

To your customers, DriveAbility with Verizon In-Drive looks and feels like your own custom program. All customer-facing materials—from communications to the customer portal—prominently display your brand, increasing your customers' perception of your business and market image.

Network reliability and extensive reach

Verizon's services, assets, and expertise include:

Infrastructure

- Extensive global network reach
- Nation's largest 4G LTE network
- 2G network commitment
- Strategic agreements with Vodafone and China Telecom

Data Services

- Cloud services and security platform around the world
- M2M OEM device development and testing expertise

Enterprise Experience

- Global supply chain and sourcing expertise
- Vertical solution development expertise
- Expansive professional-services practice around the globe

Additional consumer value

Gain a competitive advantage with value-added services that help drive consumer demand and customer satisfaction. Many insurance companies operate their products as though to offer a discount or coupon to attract new business. By providing value-added services and additional incentives, you can retain more customers and collect more valuable long-term data.

Low start-up and operating costs

Because DriveAbility with In-Drive is a templated program model, it offers low start-up and operating costs that help you quickly realize return on investment without significant in-house expertise. Additionally, the program offers volume hardware and service cost discounts.

WHAT YOU GET

DriveAbility with In-Drive gives you everything you need for a smooth implementation and immediate market competitiveness, including:

- Implementation consulting
- Regulatory filings
- In-Drive data device
- DriveAbility web portal
- Insured-driver scoring from Towers Watson
- Direct-to-consumer shipping
- Consumer-facing e-mails
- Product packaging
- Data management and reporting
- Program billing/logistics/fulfillment
- Tier II technical and customer support for insurer's support team

Also Available

- Marketing consultation and support
- Product customization and engineering support
- Upgradable service packages

Additional Telematics Services

DriveAbility with In-Drive offers value-added telematics services that keep customers engaged with the service.

Reporting and Scoring

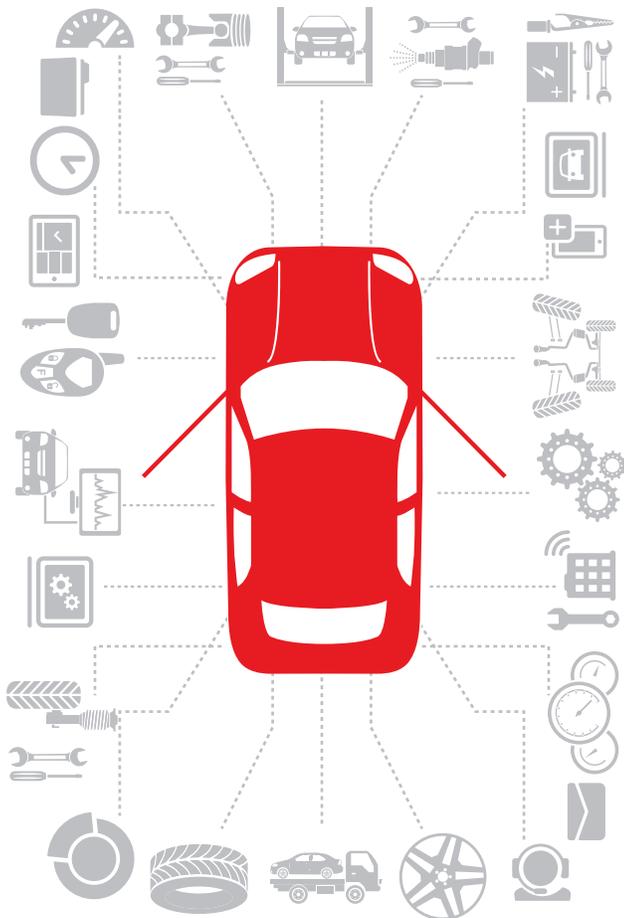
- Maintenance logs
- Recall notices
- Vehicle health (basic)
- Drivability score

Accessibility and Health (Available 2015)

- Mobile phone app
- Pending maintenance
- Vehicle locator
- Cell phone blocking
- Driver monitor/locator
- Geofencing
- Speed alerts
- Vehicle health (full)
- Suggested repair cost

Safety and Assistance (Available 2015)

- Voice-activated commands
- Manual emergency call
- Roadside assistance
- Hands-free mobile
- Battery reminder
- Stolen-vehicle location assist





IN-DRIVE CUSTOMER PORTAL

Your customer web portal is customized to your brand. Customers can log on to view charts and other information related to their driving habits, including their Towers Watson driver score. The portal also offers vehicle health and maintenance data—including recall notices—and safe-driving tips.

The detailed driving information offered through the portal can help customers change their driving habits, making them safer, and therefore helping you improve profitability.

EASY IN-DRIVE INSTALLATION AND SETUP

The In-Drive device is so easy to install under the dashboard, all your customers have to do is plug it in to get started. This simple setup helps enable program participation.

Launch your usage-based insurance program today.

Contact your Verizon Enterprise account manager, or visit [verizonenterprise.com/us/industry/insurance](https://www.verizonenterprise.com/us/industry/insurance).



Verizon is a global leader in driving better business outcomes for mid-sized and large enterprises and government agencies. Verizon combines integrated communications and IT solutions, and professional-services expertise with high-IQ global IP and mobility networks to enable businesses to securely access information, share content, and communicate. Verizon is rapidly transitioning to a cloud-based “everything-as-a-service” delivery model that will put the power of enterprise-grade solutions within the reach of every business.

Usage-based insurance is currently available in the U.S. Custom programs may be available in other areas. See your Verizon account manager for details.



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