

12.0% Quarterly Quote Rate

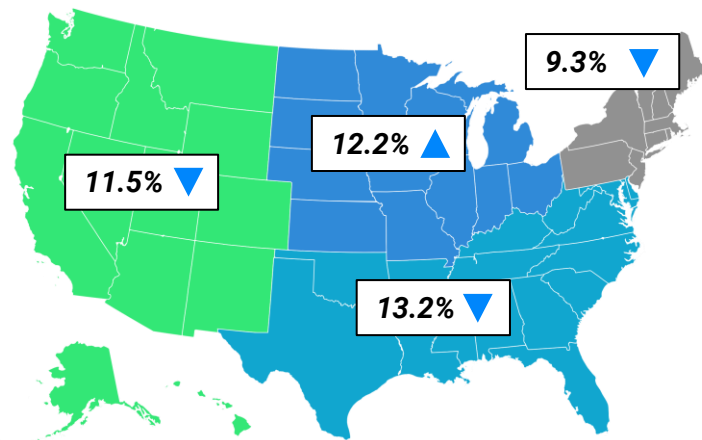
Qtr Chg



3.6% Quarterly Switch Rate



Quarterly Quote Rate – By Region Q4 23

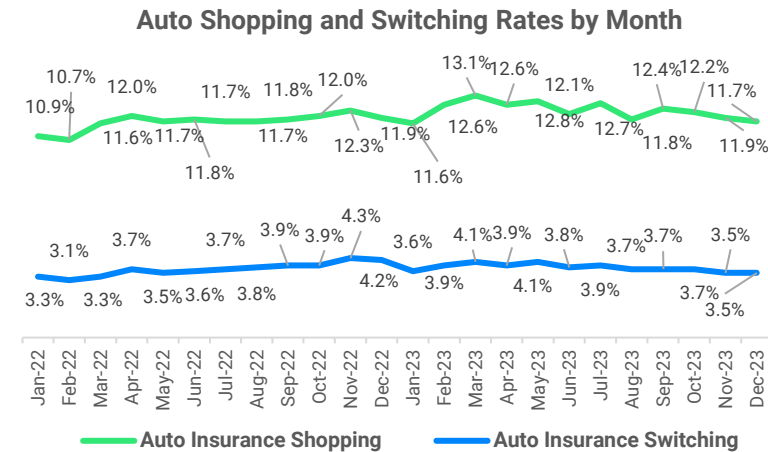


Drivers relent as higher premiums are here to stay

On a monthly basis throughout 2023, auto insurance premiums were either one of or the leading component of increases in the Consumer Price Index (CPI). The first half of the year saw consumers react by increasing their shopping of and switching from auto insurers. Our Q3 report revealed the first dip in insurance shopping in a full year and explored whether this meant consumers were coming to terms with higher premiums or simply finding it too difficult to obtain a lower quote on their auto insurance. Despite this decrease, shopping in Q3 of 2023 was still higher than in Q3 of 2022.

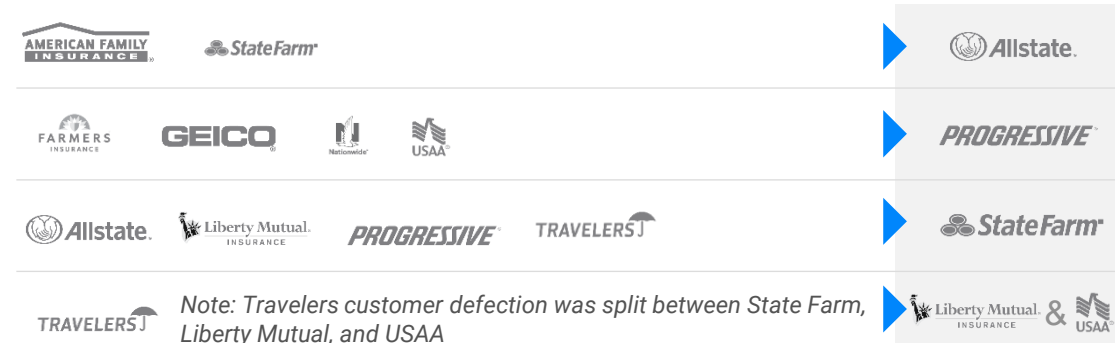
Q4 results are beginning to confirm that consumers are indeed showing a resignation to higher premiums as the quarterly shopping rate fell from 12.3% to 12.0%. A more detailed monthly view shows that the shop rate fell each month during Q4, further confirming the shift in consumer behavior. Switching auto insurers is also dropping despite rate increases accelerating through Q4. We should also note the impact of GEICO's pullback from the market. After being the leading destination for at least one insurer's defectors each quarter of 2021 and 2022, they achieved this in only one quarter in 2023 (Q3, by being the leading destination for USAA defectors).

When we look at geographical trends, we see consumers in different states wrestling with state-specific issues aside from the rate taking that has blanketed the nation. In this report, we look at the Texas, Florida, and California markets where consumers are showing very different trends in their auto insurance behaviors. It certainly appears as though emerging capacity constraints in California and Florida have impacted consumers' ability and/or willingness to consider moving their auto or homeowners insurance.



J.D. Power Carrier Switching Trends by Largest Rival (Among the top 10 Carriers) – Q4 23

The carrier that each brand is losing the most business to



J.D. Power Loyalty Tracker – Q4 23

% current customers shopping

Higher Loyalty	Lower Loyalty
1. MAPFRE	1. Kemper
2. NJM	2. National General
3. USAA	3. ACG
4. The Hartford	4. Progressive
5. Travelers	5. Farmers

Through Q3 2023 auto shopping remains high, while property shopping rebounds

YoY percent change in number of insurance shoppers
by line of business



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

According to TransUnion’s 2023 Q4 Personal Lines Trends and Perspective Report, the year-over-year percent change in the number of auto and property insurance shoppers in Q3 2023 remained elevated.

High auto shopping rates are driven by continued premium increases, tighter underwriting, and increasing new vehicle sales. Property shopping has rebounded somewhat this year due to increasing premiums and replacement costs, as well as an increased focus on bundling coverage.

In 2023, consumer migration, as measured by address changes in TransUnion’s consumer reporting database, dipped a bit from 2022, but is still much elevated over pre-pandemic levels, with Florida, Texas and North Carolina seeing a measurable population influx and California, New York and Illinois seeing outflows.

The largest percentage of movers are heading to the southern coastal states, which coincides with greater opportunities for homeownership and lower cost of living. However, these states are also more prone to natural disasters.

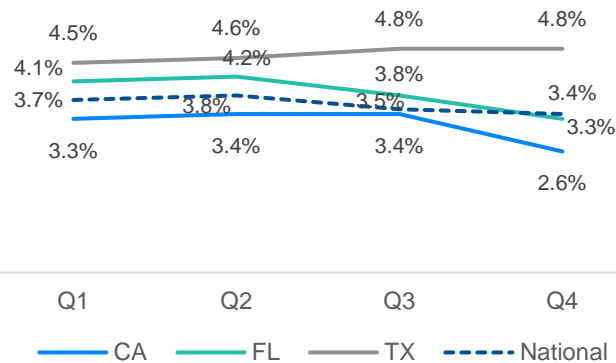


IN FOCUS QUARTERLY:
Bundled vs. Monoline Shopping for Auto and Home

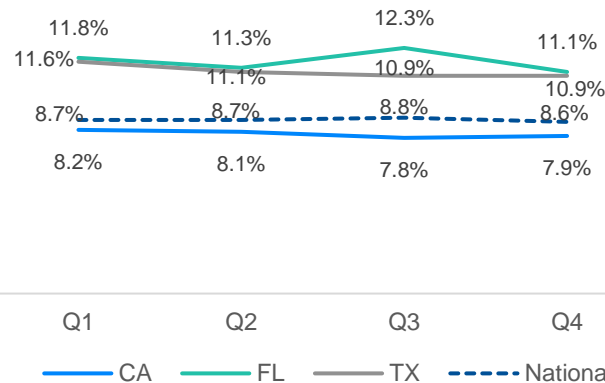
Prior to 2022, the year when auto premiums began increasing rapidly in Texas, Florida saw similar shop rates for auto insurance to Texas, while California had a lower shop rate than both states. As auto premiums increased in Texas, shopping for auto insurance surpassed rates in Florida and have remained higher ever since. Auto insurance shopping rates in Texas and Florida are the 2nd and 3rd highest in the nation in 2023, compared with California at 33rd. This quarter, J.D. Power went deeper into the LIST data to separate consumers who shopped both for auto and homeowners policies simultaneously from those who shopped only for auto and those who shopped only for homeowners. These groups bear striking differences across California, Florida, and Texas, and show how not all insurance shoppers are created equal – and certainly do not represent equal profitability to insurers. Trends also reflect the impact of capacity constraints on consumer behavior.

Throughout 2023, shop rates among those seeking both auto and home insurance (the traditionally more profitable bundlers/Robinsons) shopped at higher rates in Texas than California or Florida. Interestingly, as major carriers announced they were pulling back from the California and Florida homeowners markets, shopping among consumers looking for both auto and home insurance fell in these states, while remaining mostly flat in Texas where capacity was not pressured. Shopping only for auto policies is higher in Florida and Texas than in California (where auto premium increases are just beginning to approach recent increases in other states). These trends throughout 2023 are mostly flat. However, the non-renewals and constant media stories about major carriers exiting the California and Florida homeowners space in 2023 has created a chilling effect on monoline homeowners insurance shopping, as it has with bundlers, in those markets. Presumably, many consumers are hunkering down with the insurer they have in the face of stories of consumers not being able to find homeowners insurance outside their states' FAIR plans and increasing difficulties switching auto carries in later 2023. We will watch how these trends unfold in 2024.

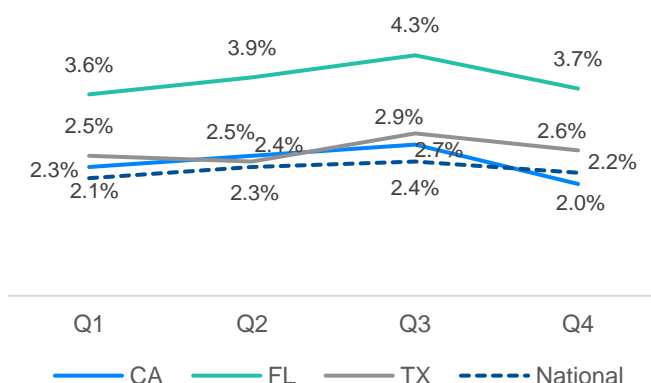
Shop Rate – Both Auto and Home



Shop Rate – Auto Only



Shop Rate – Home Only



WHAT'S BEHIND THE DATA AND HOW ARE SUBSCRIBERS LEVERAGING IT?

THE LIST ADVANTAGE



Get the advantage in the acquisition battle with an independent, daily, competitive view of who is shopping, where they are shopping, and which brands they are considering.

LIST AT-A-GLANCE

Robust data you can have confidence in

TIMELY



500-1,000

Consumers Reached Every Day

BIG AND GROWING



820K+

Consumers Captured So Far

GEOGRAPHICALLY RELEVANT



State and Zip Level Data allows targeting specific markets

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LIST IN THE FIELD

LIST subscribers are putting the data to work across their business. Here are the challenges they can check off their list:



DIRECTOR OF CLAIMS

I need to know if my team's CAT response efforts resulted in better retention numbers versus the overall market.



HEAD OF UNDERWRITING

I need to know if a competitor's rate change impacted shopping in a specific state.



MARKETING VP

A competitor just launched a large-scale acquisition campaign. I need to see how my current customers are responding to the campaign to determine if action is necessary.



CEO

We need to be more data-driven and customer centric



SVP OF OPERATIONS

I need to know if our new IVR system for inbound sales calls is impacting customer loyalty.



HEAD OF AN ADVERTISING AGENCY

I need to see changes in shopping activity daily so that strategic campaign messaging can be evaluated.



HEAD OF CONSUMER RESEARCH

I need to understand what type of consumers are shopping by demographic features such as age and credit tier (excellent, good, poor).

J.D. POWER

INSURANCE INTELLIGENCE

In collaboration with  **TransUnion**



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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.