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## **RAC Telematics to deliver powerful message to insurance sector**

RAC Telematics MD Nick Walker is set to deliver a compelling message to the insurance industry this autumn, attending several events throughout the UK and Europe to talk about the potential for telematics to create a mass market model for usage based insurance (UBI).

Walker joined RAC Telematics at the start of the year and is now focussing on the potential to offer a much more comprehensive set of data, looking at how both the driver and their vehicle behave, providing live updates. This will enable insurers to base policies on dynamic, real time driver information, rather than relying on retrospective driver history.

Walker says: “Nobody else in the market is able to offer what we are now talking about, simply because they don’t have the range of data that the RAC has access to.”

Walker will explain how UBI can move away from being a product sold purely to young drivers, to something adopted by the mass market with the support of telematics, and become a more profitable model.

He says: “For a long time UBI (usage based insurance) has been focussed mainly on young drivers, but has a high churn rate of customers, something like 50 to 60%.

“Traditionally young drivers will take out a policy when they pass their driving test and then change after their first year to find a better deal.

“The focus of the policy is on driver behaviour, but that doesn’t tell you a lot,

because they have no history and you don't know what kind of drivers they are, which of course is why they are a bigger risk.

“But if you understand how the vehicle is behaving as well, the stress on the brakes, the average speeds, the health of its components and parts, this will tell you much more about how the policy holder is driving the car. We can provide that vehicle health data to match up with driver behaviour.

“The third element, which makes this an extremely powerful tool, is true First Notification of Loss, or FNOL. With the software we now have and the analysis of the data, we are able to tell exactly what has happened in the case of an accident, including speed, direction and location.

“But even more, at slow speeds, we can determine whether the vehicle has been involved in an accident, or if it has hit a speed bump or kerb, with an accuracy rate of 92%. As a result, disputes over liability for accidents at slow speeds could be a thing of the past.

“The RAC is the only provider with access to this combination of data, and it will transform the potential for UBI to go to the mass market.”

Nick Walker will be speaking at the following events:

- Telematics Insurance Europe, London, September 29 - 30
- Telematics for Insurers, London, October 28
- TU: Automotive Europe, Stuttgart, November 2 - 3
- Telematics for Usage Based Insurance, Berlin, November 5

For more information about RAC Telematics [please visit the RAC Business website](#).

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**Notes to editors**

**About RAC Business Services**

RAC is one of the UK's most progressive motoring organisations, providing services for both private and business motorists.

RAC Patrols repair vehicles on average within 31 minutes at the roadside and carry more than 500 parts and tools, so we're always well-equipped and ready to fix wherever possible

RAC Business offers a comprehensive range of services and products for UK businesses of all sizes and currently has around 24,000 corporate and SME customers.

Products available include: fleet breakdown coverage, telematics, fuel cards, accident management, inspections, training, commercial and fleet insurance, fleet management (Business Club) and risk management services.

RAC also provides client-branded outsourced services and call centre support for customers of leading car manufacturers, insurance, fleet providers and logistics companies, as well as truck breakdown, truck warranty and insurance for vehicles from 3.5t to 44t.

RAC press releases, news alerts and a wealth of motoring research is available from [www.rac.co.uk/press-centre/](http://www.rac.co.uk/press-centre/).

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