

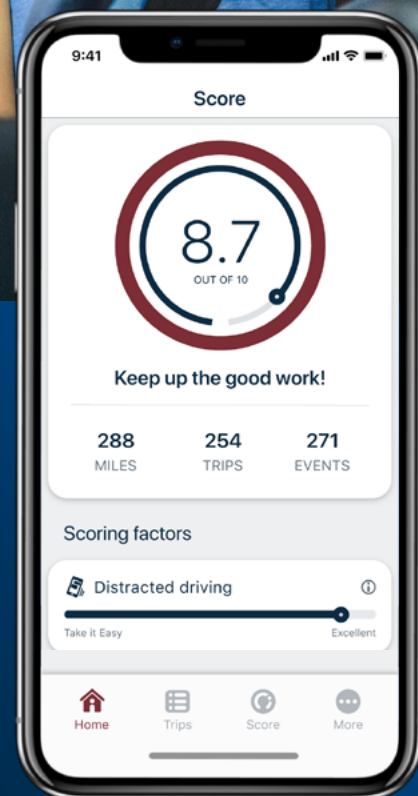
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Powering safer driving with DriveDown

How Arity helped Southern Farm Bureau Casualty Insurance Company (SFBCIC) launch an innovative telematics program to encourage safer driving

Southern Farm Bureau Casualty Insurance Company (SFBCIC) is a multi-line regional property and casualty insurance company licensed in Arkansas, Colorado, Florida, Louisiana, Mississippi, and South Carolina. Established in 1947, SFBCIC remains a leader in the insurance industry through its innovative services and competitive products for its customers, and holds an A+ Superior Rating from AM Best.



The challenge

Considering distracted driving takes an average 8 lives per day in the U.S. alone,¹ SFBCIC recognizes it as one of the most important, and controllable, impediments to driver safety. Eliminating it for all drivers is a tall task, but the insurer is committed to reducing distracted driving for their own customers in a way only a mobile telematics program can.

The approach

Influencing driving behaviors can be difficult, especially considering 82% of Americans think they're safer than the average driver.² To encourage their customers to drive less distracted, SFBCIC determined that offering an incentive was critical.

Further, it's often overlooked that the total cost of an insurance policy is not just the premium a customer pays, but also the deductible a customer realizes when a claim occurs. SFBCIC addressed this as a unique opportunity to reward their customers' safe driving with a reduced deductible.

To lower its customers' costs and encourage less distracted driving, SFBCIC tapped Arity to implement a deductible rewards telematics solution, DriveDown, and implemented quickly even amidst ongoing systems integrations. It was the right time for SFBCIC to get into the telematics space, as consumers have become more willing than ever to share driving data with their insurance carrier.

2020 VS. 2019: INCREASE IN CONSUMER COMFORT WITH TELEMATICS

▲ 49%

consumers willing to share
distracted driving data

(39% in 2019 to 58% in 2020)

▲ 34%

consumers willing to share
speeding data

(35% in 2019 to 47% in 2020)

▲ 31%

consumers willing to share
mileage data

(41% in 2019 to 54% in 2020)

¹ <https://www.nhtsa.gov/risky-driving/distracted-driving>

² Arity Distracted Driving 2019 Report

"Thanks to our collaboration with Arity, we quickly implemented a solution that worked well with our existing technology, enabling our customers to begin realizing the benefits of our DriveDown program. I'm not sure other companies would have been able to help us navigate this so well."



BEN KIMMONS, VICE PRESIDENT, ACTUARY AND R&D
SOUTHERN FARM BUREAU CASUALTY INSURANCE COMPANY

"At every step in the journey, from program design to program launch to ensuring our program meets our internal goals, Arity was there to provide support. They helped us design our agent online training, provided input on marketing materials to ensure a successful launch, and shared best practices to help us achieve our program adoption goals."



**MISSY MORGAN, UNDERWRITING PRODUCT DEVELOPMENT MANAGER
SOUTHERN FARM BUREAU CASUALTY INSURANCE COMPANY**

The Arity Difference



Consultative approach

SFBCIC desired to be in the telematics space for a long time, but a combination of limited internal resources, legacy systems, and ongoing technology platform integrations prohibited them from doing so. Arity's consultative approach led SFBCIC to its deductible rewards solution, allowing for a seamless integration.



Ready-for-market telematics app

Arity's state-of-the-art, mobile technology, Routely®, allows for a quick launch that includes simple customizations to tailor the brand experience – without the additional costs, resources, and time needed to build a custom app from scratch.



Accurate driving score

Drivesight® 2.0, Arity's driving score, is based on the industry's largest telematics dataset tied to actual telematics insurance claims.



Organizational focus on distracted driving

SFBCIC considers distracted driving to be one of the most significant problems in transportation safety today. Routely + Drivesight enables SFBCIC to better understand users' distracted driving behaviors, and allows for SFBCIC to promote safer, less distracted driving to customers through the app.



Agency and customer adoption

A marketing and sales distribution and engagement strategy is just as important as an effective app and accurate score. Arity provides the resources, educational tools, and expertise necessary for SFBCIC to best engage its agency force and ultimately achieve its take rate goals.



A vision for how telematics powers the future of insurance

Over time, Arity's quantity and quality of data insights will continue to provide SFBCIC with deeper insight into customer driving behavior to predict risk and future losses.

"From an actuarial perspective, I was impressed how the score was designed to explain additional "lift" over traditional rating variables. This is an important distinction from other scores on the market which are not all calibrated using insurance loss costs and are not specifically designed to work in conjunction with traditional rating plans."



BEN KIMMONS, VICE PRESIDENT, ACTUARY AND R&D
SOUTHERN FARM BUREAU

The results

- : SFBCIC launched DriveDown in Arkansas, Mississippi, Louisiana, Sand South Carolina and plan to launch in Florida in 2021.
- : Nearly a quarter of distracted drivers reduced their distracted driving by more than 50% after 30 days.
- : The distracted drivers who saw the most improvement reduced their distracted driving by an average of 70%.
- : Overall, drivers reduced rates of distracted driving by nearly 10%.



How DriveDown works

- : Enroll in DriveDown via SFBCIC's MobileAgent app
- : Users drive as they normally would, as the app automatically tracks and displays their driving behaviors: speed, braking, distracted driving, time of day
- : After taking their first trip, users automatically receive a 5% discount off their deductible
- : Each month, customers can bank additional deductible discounts for safe driving, up to 100% off their deductible

Are you ready to talk about telematics?

To learn more about Arity's market-leading mobility solutions, please contact dan.barrington@arity.com (Business Development Senior Manager).

About Arity

Arity is a mobility data and analytics company that provides data-driven solutions to companies invested in transportation to enable them to make mobility services smarter, safer, and more economical.

Insurance companies, automobile OEMs, shared mobility companies, and governments turn to Arity to better understand driving behavior, manage risk, operate more safely, and ultimately increase their bottom line.

The Arity platform has processed over 400 billion miles of historical anonymized driving data, from more than 23 million active telematics connections and 10 years' experience analyzing driving data from cars and mobile devices.