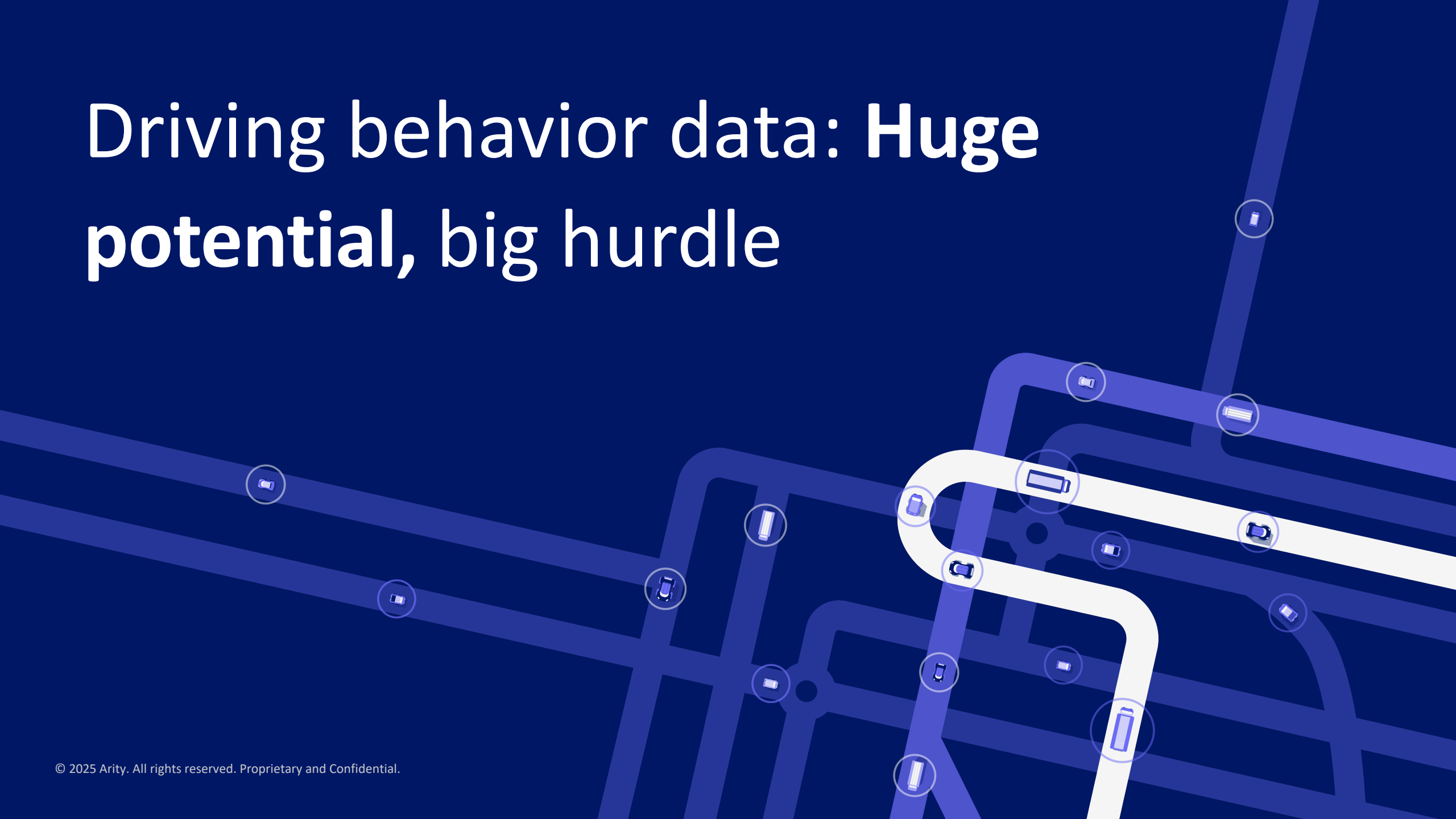
Creating driver score transparency

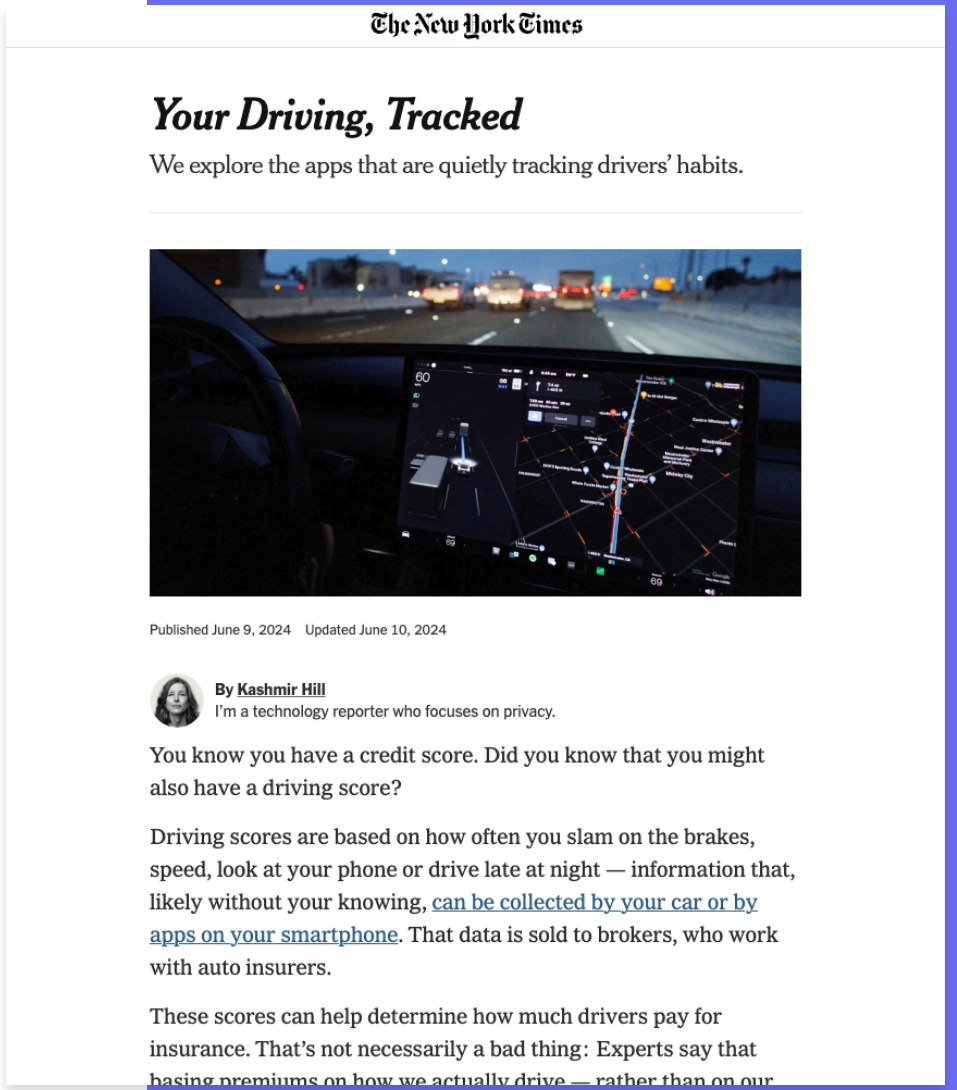
Gary Hallgren, President, Arity

Auto Insurance Report National Conference, May 2025

Driving behavior data: **Huge potential,** big hurdle



Many consumers believe that sharing driving data will be used *against* them



The New York Times

Your Driving, Tracked

We explore the apps that are quietly tracking drivers' habits.

Published June 9, 2024 Updated June 10, 2024

By Kashmir Hill
I'm a technology reporter who focuses on privacy.

You know you have a credit score. Did you know that you might also have a driving score?

Driving scores are based on how often you slam on the brakes, speed, look at your phone or drive late at night — information that, likely without your knowing, can be collected by your car or by apps on your smartphone. That data is sold to brokers, who work with auto insurers.

These scores can help determine how much drivers pay for insurance. That's not necessarily a bad thing: Experts say that basing premiums on how we actually drive — rather than on our

In reality,

86% of US drivers would share driving data to save lives

Source: Arity Consumer Survey, 2024

In reality,

More than 50% of US drivers would share driving data with insurers to lower insurance prices

Source: Arity Consumer Survey, 2024

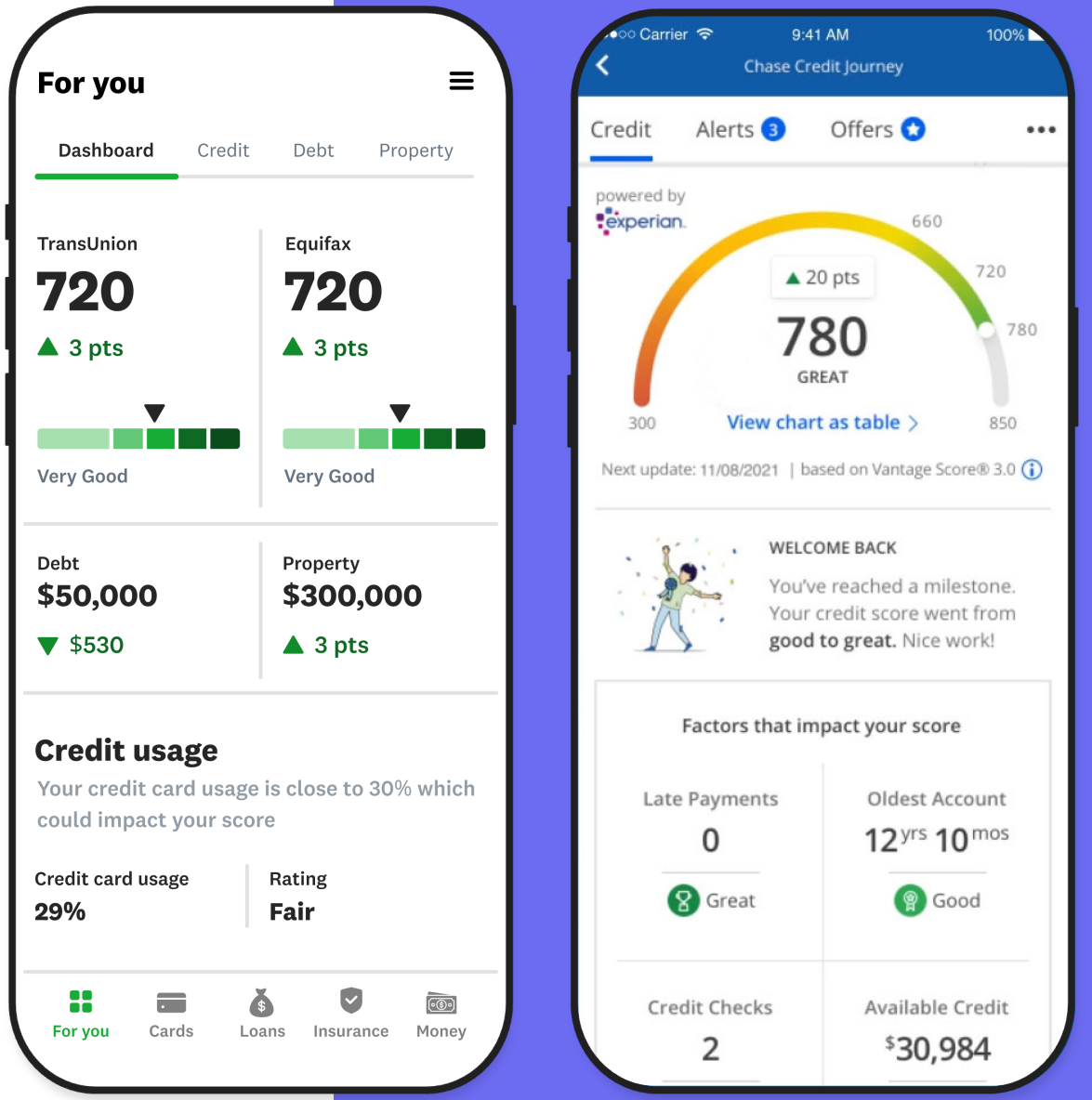
In reality,

Year over year, we see that people are getting more and more comfortable with insurers using their driving behavior to price

Source: Arity Omnibus Consumer Survey, 2024

Credit scores have **evolved** over the years

With aid from tools like Credit Karma or banking apps, these platforms demystified how credit data is used



Built for the industry. **Proven at scale**

Telematics and driving scores aren’t new, but making them truly scalable, trusted, and consumer-friendly? *That’s the next evolution.*

2010	UBI Programs Launched
2017-2020	Mobile Insurance Scoring Programs Launched
2021	Scaled Dataset to Be Used at New Business
2022-2024	Launched Arity IQ with Carriers
2025	Bring Scores to Consumers

The Arity Driving Score Center

To bring **transparency**, **understanding**, and **empowerment** to consumers

** Consumers driving behavior data, including their driving score, will not be shared until they give consent to do so*

Debunking the myth

Consumers assume all driving data is used to penalize pricing

Traffic violations + accidents

Driving behavior data

One-off moments

Driving behavior impact: the Arity Driving Score

NOTE: Arity's Driving Report uses industry-standard behaviors and evaluates their predictive value across a general population sample to provide educational insights on risk. Individual insurers may assess and apply risk differently in their own programs.

Ratings

GREAT

Your driving habits are better than most drivers. Generally, insurance companies may reward safer drivers with lower prices. Keep it up — staying consistent helps protect you and everyone on the road.

GOOD

Your driving habits are similar to most drivers, showing some risks on the road. Generally, insurers view drivers in this range as neutral risk which may result in minimal impact to your insurance pricing. Keep striving for safer driving habits—every improvement enhances your safety on the road.

POOR

Your driving habits currently show more risks compared to other drivers. Typically, insurers view drivers in this range as high-risk, which may lead to higher insurance rates. However, every step you take towards safer driving can make a big difference and enhance your safety on the road.

Okay

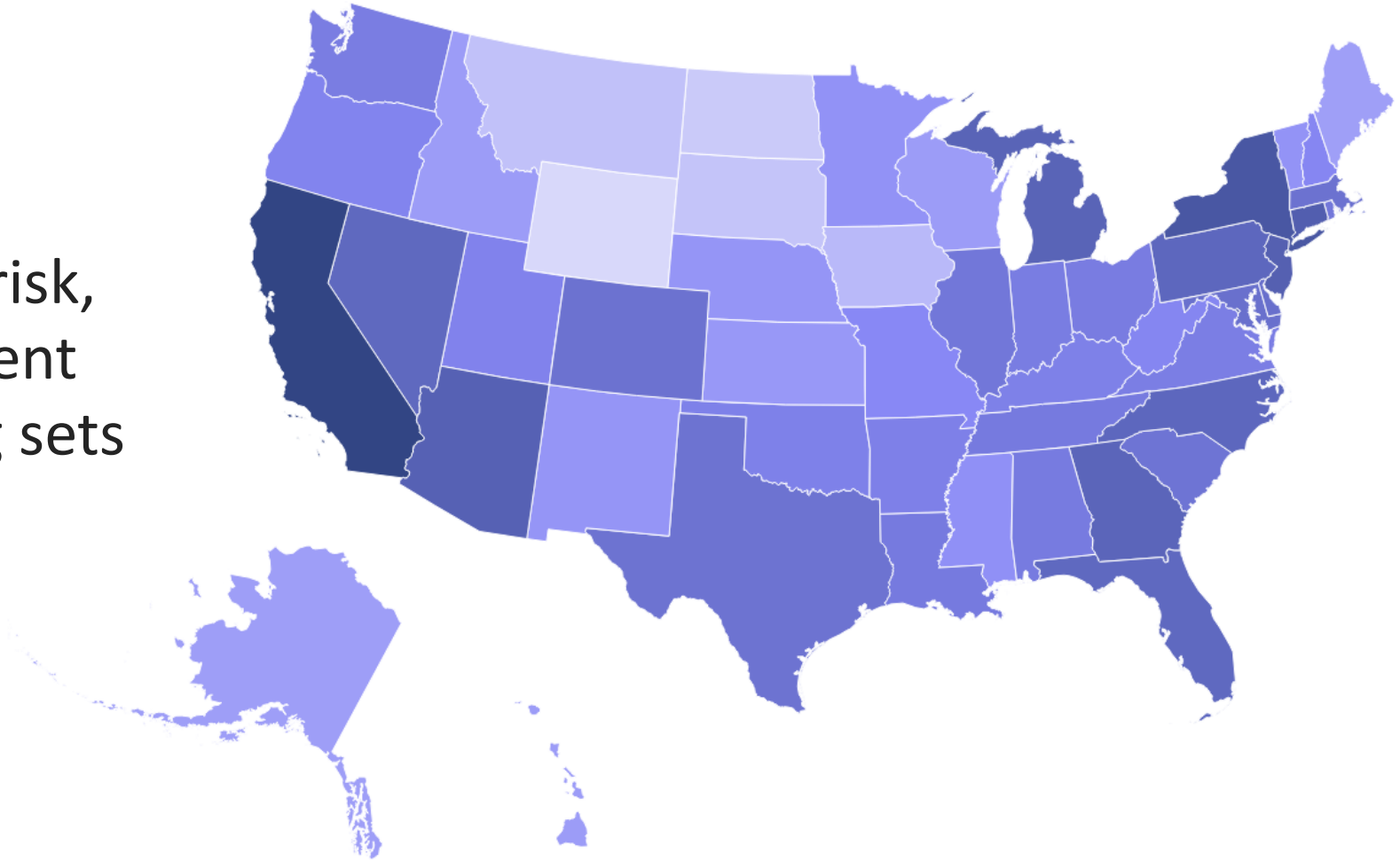
Hard braking: Rapid deceleration over a short period

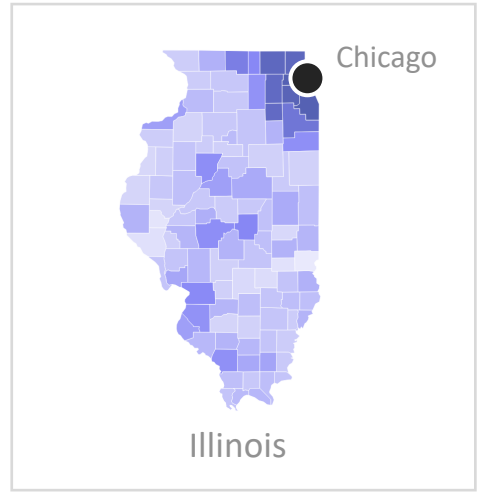
The riskiest 20% of drivers brake suddenly once every 16 miles or more.

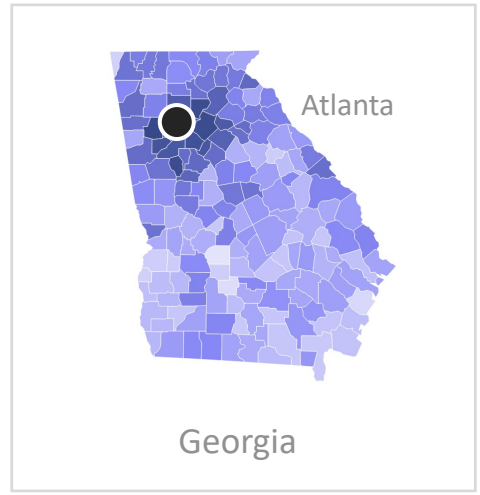
The safest 20% of drivers brake suddenly less than once every 105 miles.

Location influences risk, but consistent safe driving sets you apart

Hard braking per mile driven by state







40 110

* *Relativity – 100 = nationwide average*

* *Telematics is not used for rating in CA*

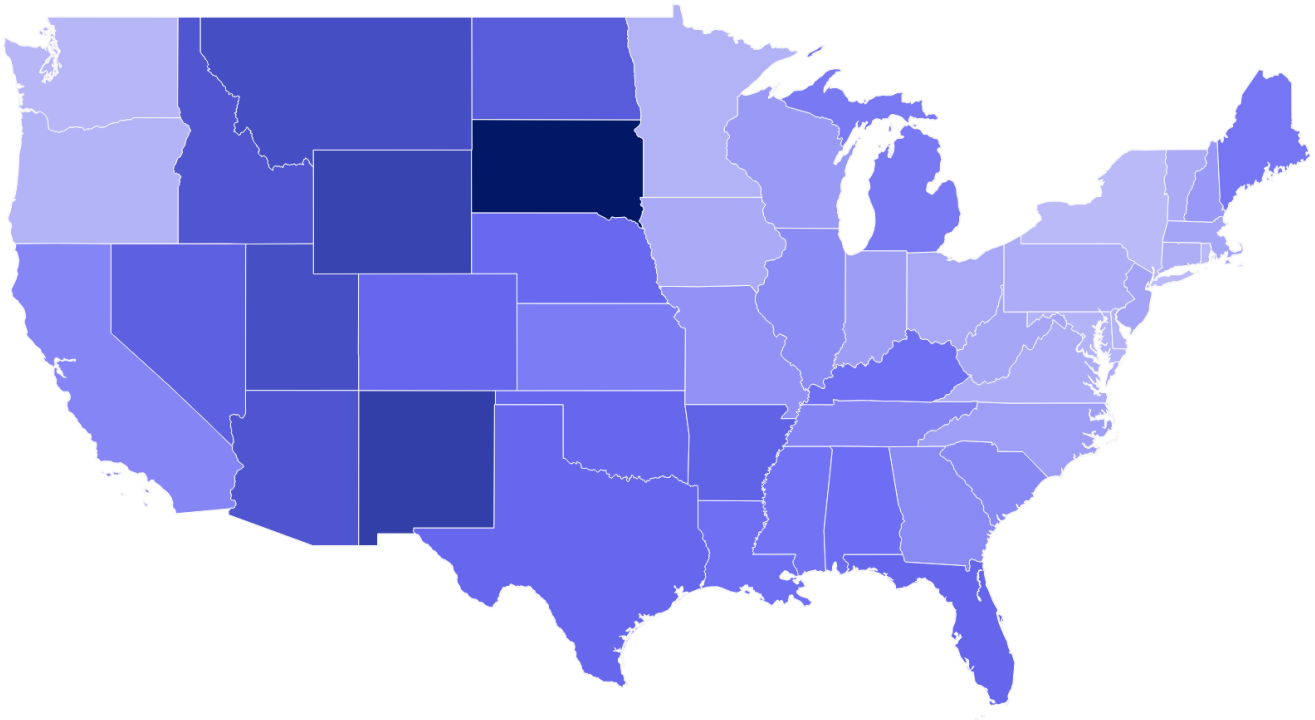
High speed: Driving above 80mph

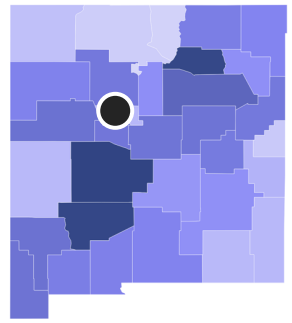
The riskiest 20% of drivers have more than 3.6% of their driving at 80+mph.

The safest 20% drive less than 0.1% of their miles at 80+mph.

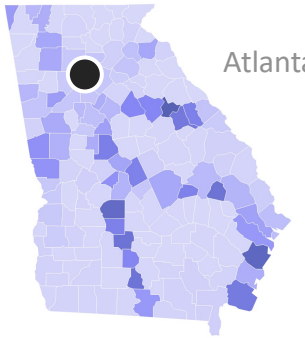
Understanding how high-speed driving affects your risk—and your rates—helps you make smarter choices on the road and potentially save money.

Percent of miles driven at 80+mph





New Mexico



Georgia

0% 35%

** Telematics is not used for rating in CA*

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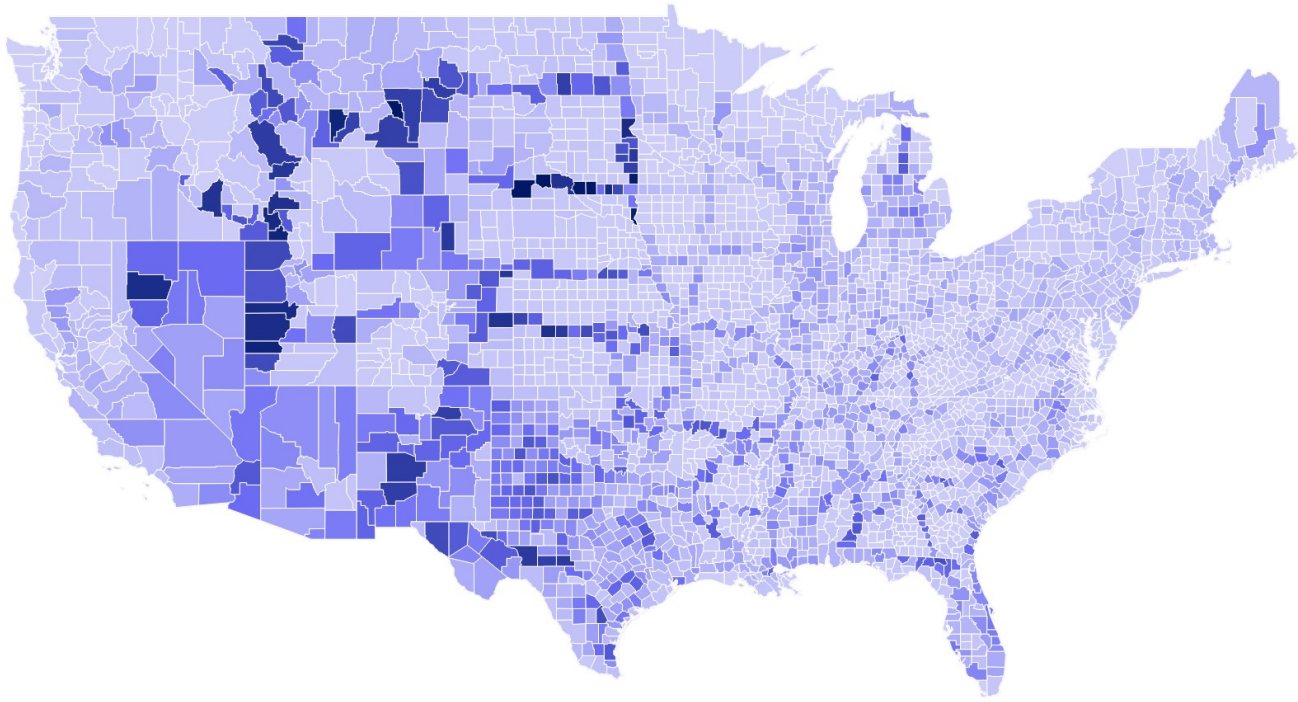
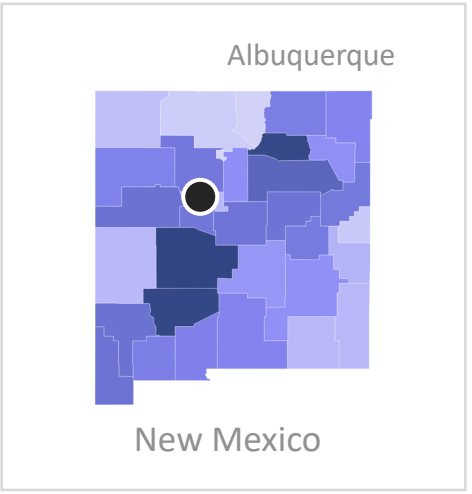
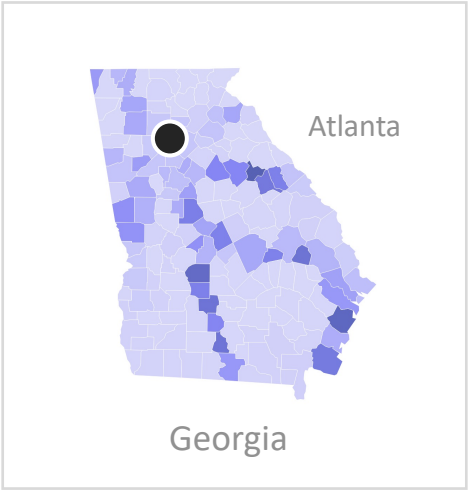
Percent of miles driven at 80+mph







0% 80%

** Telematics is not used for rating in CA*

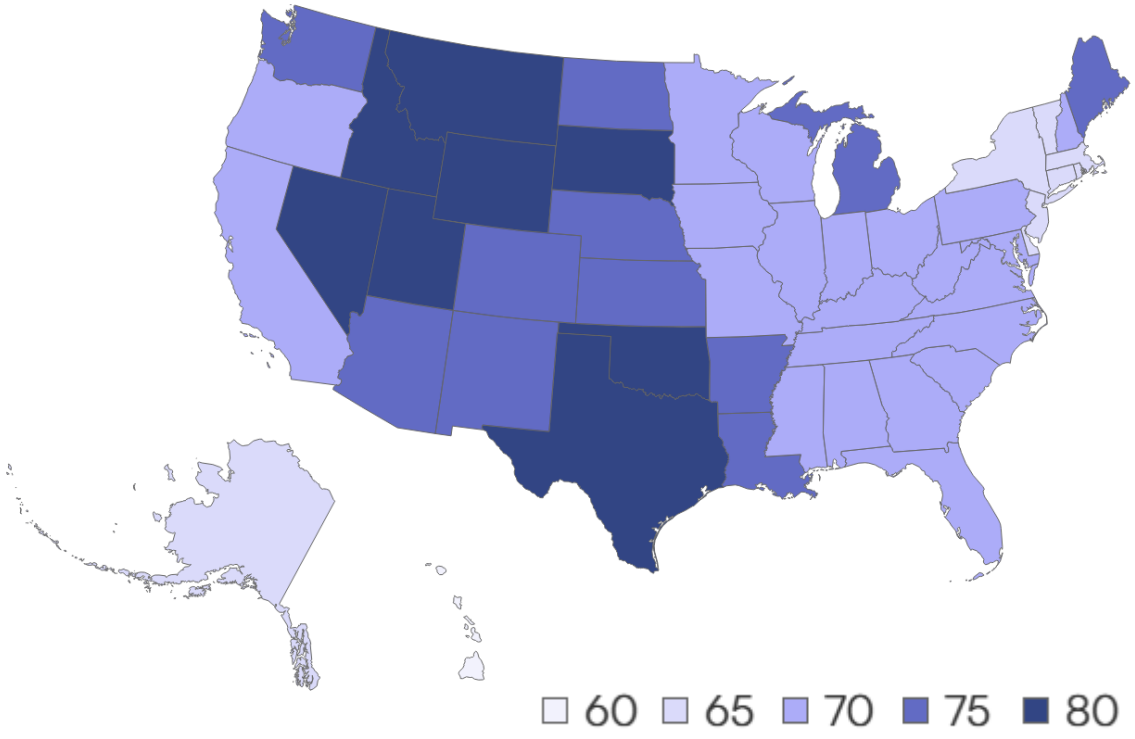
Contextual speed: Speeding 10mph+ over posted speed limit

The riskiest 20% of drivers speed 10+mph over the limit more than 19% of the time.

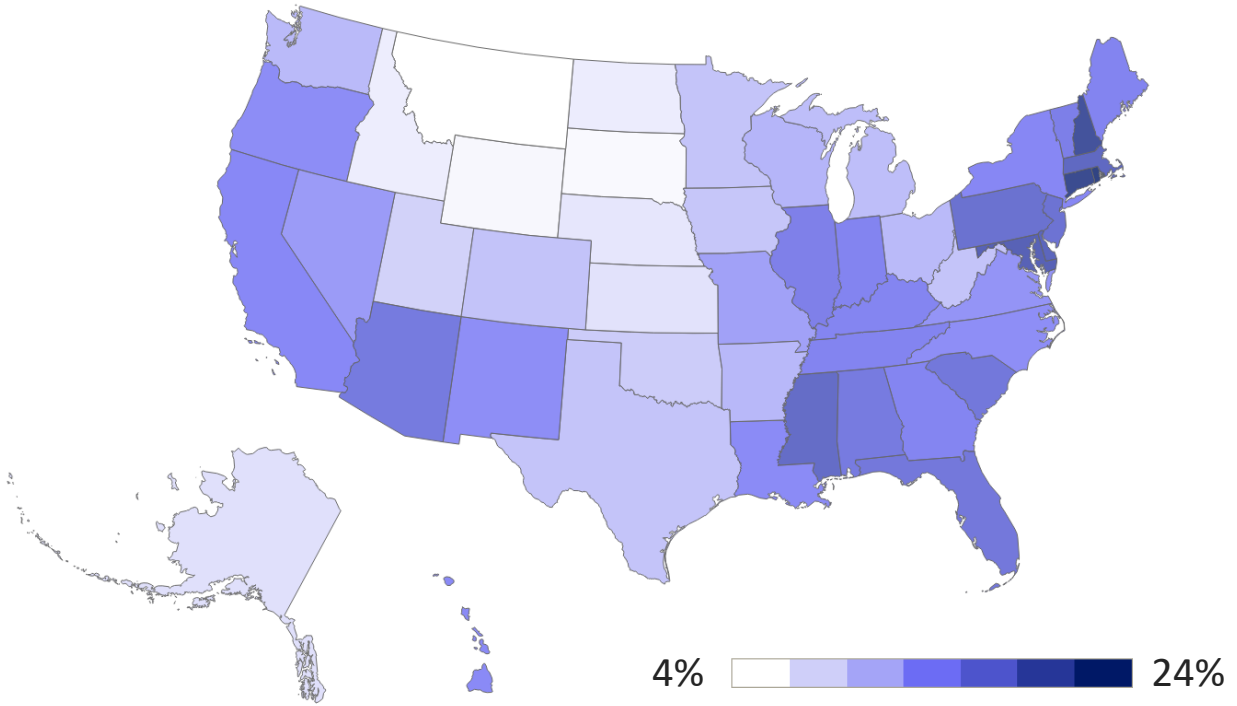
The safest 20% of drivers speed 10+mph over the limit less than 5% of the time.

Drivers speeding far over the limit pose a significant but often overlooked risk - and using contextual speeding can unlock stronger predictive models.

Maximum Speed limit per state



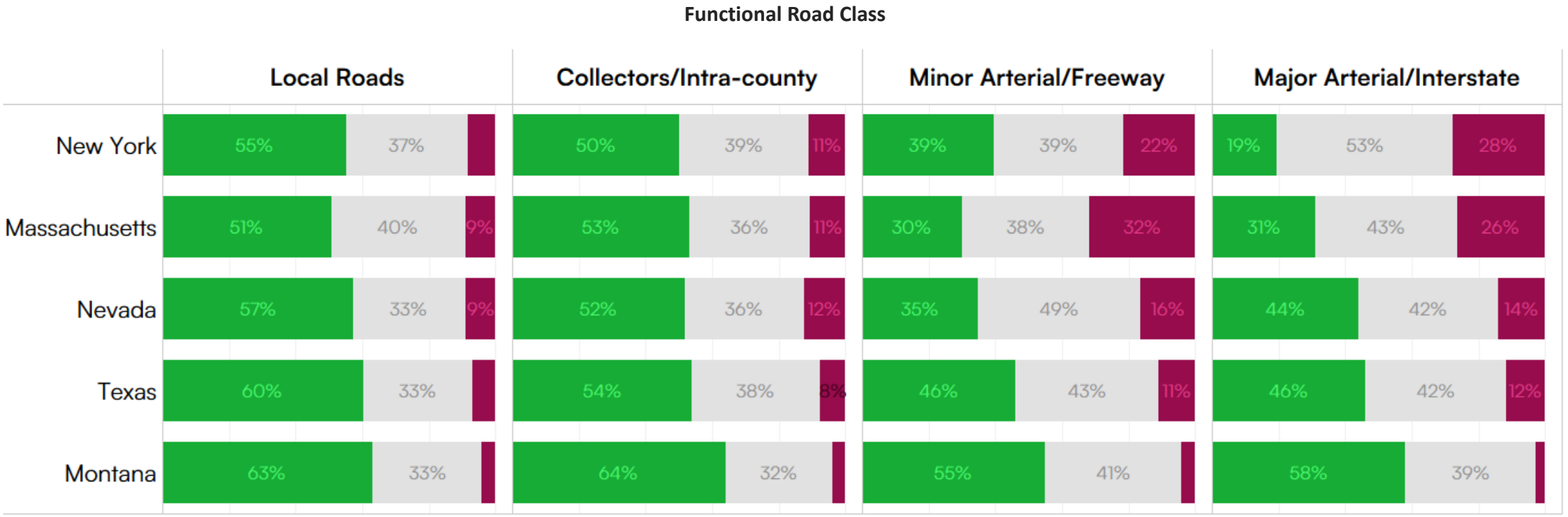
What % of mileage is driven at **10+mph over the speed limit**?



** Telematics is not used for rating in CA*

Speeding is everywhere, not just highways. Broader analysis = better strategies = safer roads.

What % of drivers on each road class are under the speed limit, 0-10 over, or 10+ over?



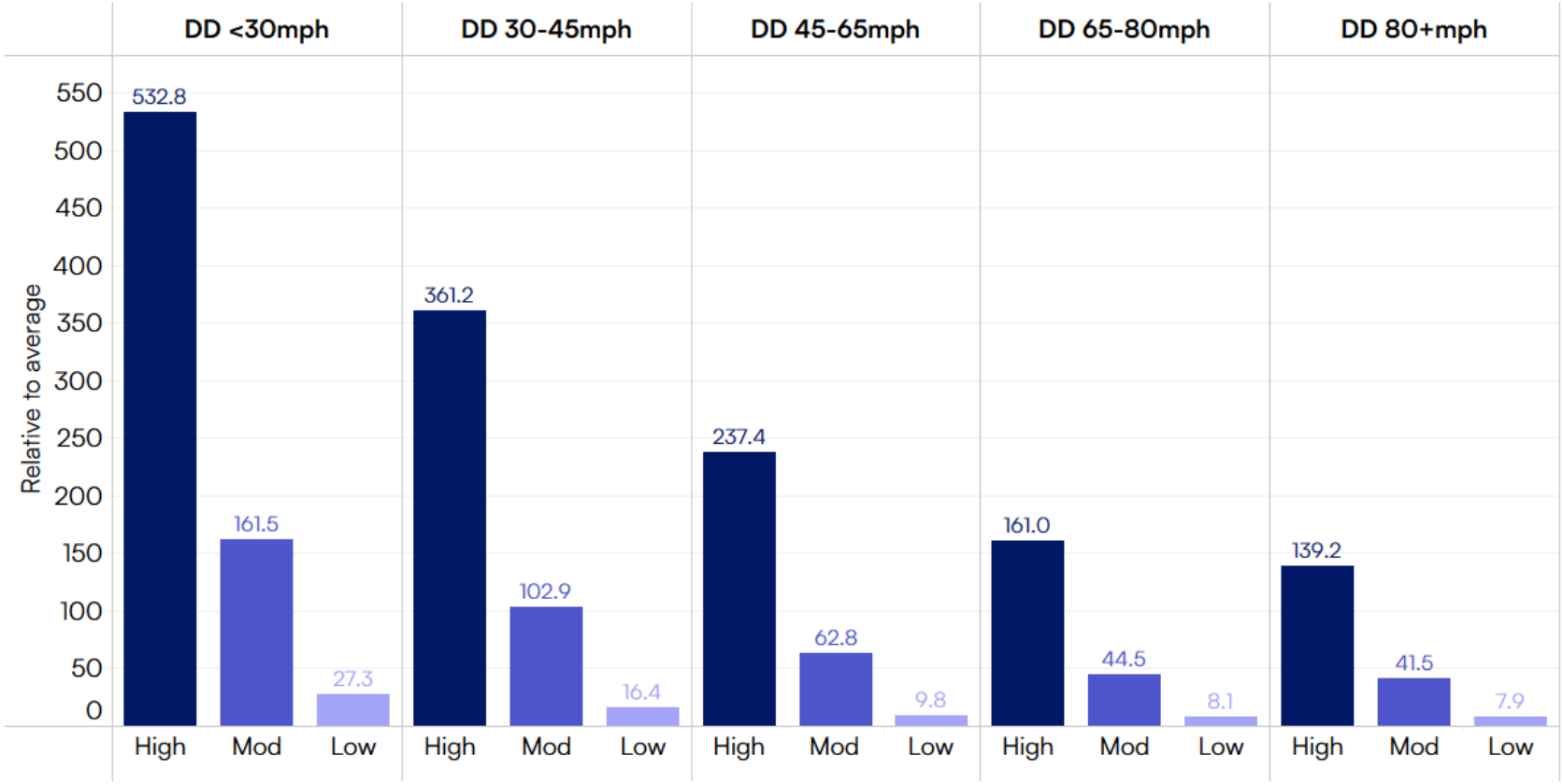
Phone distraction: Using your phone while driving

The riskiest 20% of drivers interact with their phone once every five miles. If a trip is 10 miles–that's twice a trip.

The safest 20% of drivers do this less than once every 37 miles.

Real distraction = **Real risk.**

Phone distraction per miles driven at various – High, Moderate, and Low Risk Decile Groups *(relativity, all speed avg = 100)*



Time of day: Driving from 11pm to 5am

The riskiest 20% of drivers drive 4% or more of their miles at night.

The safest 20% drive late-night 0.2% or less of the time.

Annualized mileage: The average miles you've driven

The highest mileage drivers averaged more than 30 miles a day in the last 6 months.

The lowest 20% drove ~12 miles per day.

Driver vs passenger: Score reflects behavior patterns, not the one-off Uber ride

Arity Driving Score Report
DEMO

arity®

Thank you.