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## Having the Right Conversations Around Telematics is Key

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Telematics is nothing new to the insurance industry and certainly not anything new to the commercial fleet industry. By now, just about everybody has heard of it. For insurance carriers and agents, telematics has usually been connected to insurance discounts and loss prevention. For commercial business fleets, telematics has come with the benefits of fleet management and safety. Lately, however, as the commercial auto space has become more challenging and things like inflation, litigation funding, and the economy are casting dark clouds over the business world, telematics, telematics data, and cameras are being seen in a different light.

Insureds, agents and carriers are having more in-depth collaborative discussions around telematics now more than ever before. Those conversations started post-Covid as the business fleet world faced unexpected challenges, however, as the world recovered and a new context emerged, it was clear that our fleet ecosystem needed a fresh look. In parallel, telematics and camera technology gained more sophistication and capabilities to provide opportunities across the board to help with these challenges. Talk has shifted from beyond just discounts and loss prevention. Conversations are now revolving around setting fairer premiums based on accurate driving habits, reducing the frequency and severity of accidents, improving fraud detection, efficient claims processing, and enhancing customer engagement. This all results in savings and safety opportunities for insureds, retention and profitability improvements for agents, and better commercial auto business for carriers.

In one particular case, a franchise business with over one thousand fleet vehicles was struggling with costs that were attributable to youthful driver claims, vehicle downtime from accidents, and high repair costs due to inflation. They decided to outfit their fleet vehicles with a camera and telematics solution, but they knew that just buying this solution might not be good enough to turn things around for them. They worked with their agent and Great American as their carrier to find ways to maximize their use of the technology and what resulted was a collaborative program that involved data sharing, creation of loss control measures and guidelines, incentives for insurance savings, and pricing breaks from their technology provider in partnership with Great American. It was a comprehensive approach, but it enabled this business to provide a program for their drivers and fleet managers that focused more on good driving habits and the protection of their drivers, and less on the technology or perceived intrusion. With support of their agency and carrier, the program became part of their company's culture and not just a technology investment.

This specific example may not always be a practical path for every business out there, but it does show that the conversations around telematics can take on greater depth towards a more sustainable investment in protection for drivers, vehicles, and the company. There are still concerns with things like the cost of the technology, privacy, and data sharing. However, this is where agents and carriers can make a big difference in helping insureds navigate through that. This technology is not just for larger fleets or larger vehicles anymore, either. A practical solution is out there, no matter what size the business or fleet.

The commercial auto space is a challenge for everyone. Having the right conversations around telematics and how it can play a positive role for all involved is key to making progress, especially for smaller fleets in the human services and medical transport space. It takes a little bit of work and strong, dedicated partnerships between the insured, the agent, and the carrier.