

## Usage Based Insurance



Tech Mahindra Usage Based Insurance solution installed in a car, studies the driving pattern/behaviour of the driver creating a digital signature for him/her. This information will prove useful to insurance companies who can then customize insurance policies based on the driving pattern of drivers. Insurance companies attempt to differentiate and reward "safe" drivers, giving them lower premiums. Our solution will also provide savings tips based on the driving behaviours and use this information to rank drivers of fleet operators based on capability helping reduce accident rates. Even the resale value of a vehicle can be determined with insights from this solution.

### Features

- Linking insurance premiums more closely to actual individual vehicle or fleet performance rather than using a retrospective formula on the claims received in the past
- Gives consumers the ability to control their premium costs by incentivizing them to reduce miles driven and adopt safer driving habits
- Rationalizes the premium calculation system and make it transparent and tamper proof
- Standard parameters exposed by OEM on OBD-II bus can captured for vehicle diagnostics

**Devices:** Mobile App based, Telematics Unit (OBD mount and Black Box)

### Benefits for End Users

- Can save up to 25% on premiums
- Reduced need for cross-subsidies from low-risk motorists providing affordable cover for higher-risk motorists
- Increased actuarial accuracy, making premiums more accurate to the insurance costs of individual vehicles

### Benefits for Insurance Companies

- Motorists drive more carefully reducing crashes, insurance claims and in turn claim-ratio
- Increased retention through customer loyalty
- Reduces uninsured driving as more people opt for Insurance or Insurance with wider coverage

**To know more about this solution kindly reach out to**

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