



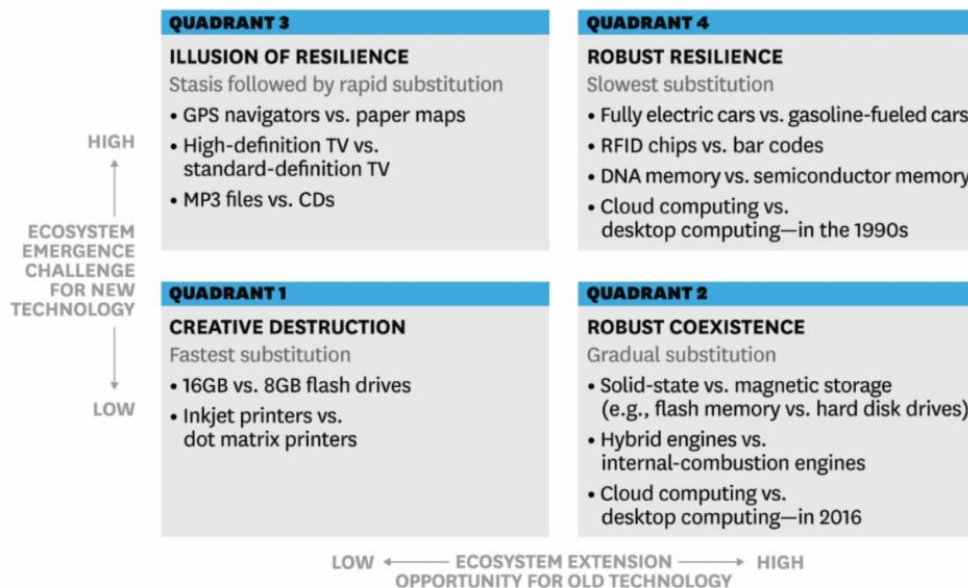
REDTAIL DATAPOINTS

The Tipping Point

As an infrequent consumer of business journals, I was nevertheless struck by the relevance of the below table in response to a frequent question, "When will telematics move from niche to mass market?".

A Framework for Analyzing the Pace of Technology Substitution

The pace of substitution is determined by how quickly the new technology's ecosystem challenges are resolved and whether the old technology can exploit ecosystem opportunities for extension.



The fundamentals of successful entrepreneurship demand satisfaction of customer needs aligned with the delivery of value in a better way. Within a complex ecosystem - underwriter, insurer, broker, OEM, data scientist, device supplier, app supplier - it is interesting to identify which quadrant (above) we are in. And I do not expect consensus here! Having thought on that, what are the actions to make progress? A few entirely random points of conflict and therefore torpor:

- Box vs App
- Right data vs any and all data
- Unfair vs fair (car insurance)
- Real claim vs fraudulent claim
- Economical driver vs inefficient driver

And I have not included telematics standards and data privacy! All of which contribute to the constraints currently limiting growth, and which must prompt rigorous action to resolve questions and concerns within that ecosystem. With that determined effort, we may then attain our desired utopia of insurance for individual driver behaviours and risk, of monetization of the connected vehicle, of greener and more efficient fleets, and more holistically, of safer and more eco-conscious roads. Does REDTAIL purport to have all the answers? Certainly not. Is this a call to action? Most certainly. Let's reach and overcome that tipping point from niche to mass market. Contact us to join in!



Dr Smithers

New News

YouGov Research (2)

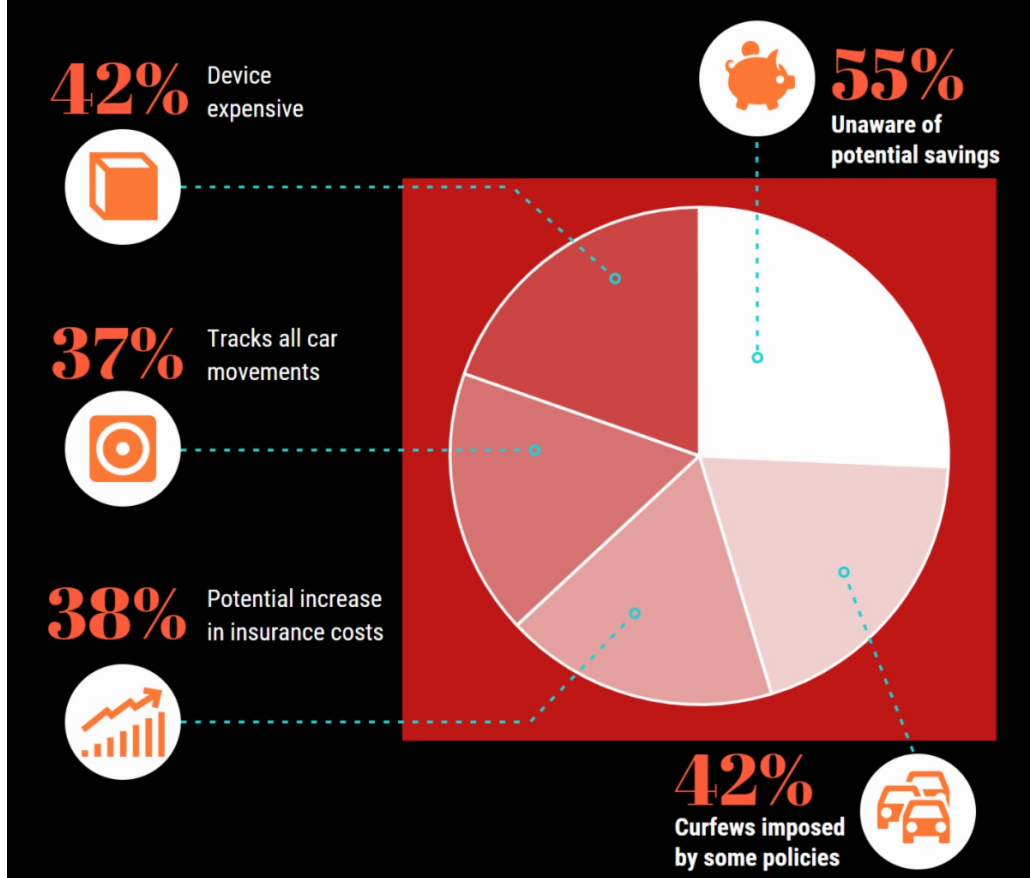
Further to our initial YouGov survey of 1,500 UK drivers regarding their attitudes to using telematics-based insurance policies, we have been doing more work on the results. The survey reveals that insurers are missing certain opportunities to win new telematics motor insurance customers. Also, their conservative use of the data available from telematics is hampering further use of the technology, and poor communications are tending to fuel consumer misconceptions with respect to possible benefits and savings.

With telematics delivering motorists a wealth of benefits ranging from a reduction in the price of motor insurance to improved driver safety and lower environmental impact, the research highlights that even though there are over one million registered telematics policies in the UK according to BIBA, (British Insurers Brokers Association), insurers need to take steps to further utilise the huge amounts of data and also improve communication to promote the significant benefits to consumers of using telematics.

The issue is that, while the majority of insurers now have some form of telematics proposition, whether through broker or in-house, it is still seen as very niche and the benefits are limited to how telematics data is used to rate for risk, and to better inform and incentivise drivers. Of course, other areas of the business including claims and fraud ought to be using it too.

So, the simple conclusion is that the insurance sector still has work to do in convincing UK drivers of the benefits of telematics.

Nearly 30% of those surveyed by Redtail/YouGov stated that they could think of no reasons to change from traditional motor insurance policies;



Commenting on the Redtail Telematics/YouGov research, Redtail Telematics CEO, Dr Colin Smithers said: "The benefits of using telematics for motor insurance purposes are widely documented, however our research reveals that insurers need to continue engaging ever more deeply with drivers to better highlight the benefits and real savings that can be generated and to ensure their buy-in. Not only can safety be improved, and premiums therefore lowered, but the long tail of lost no-claims discounts can also be avoided. The richness and relevance of telematics data must be ever more valuable for those insurers committed to fair pricing, improved road safety and responding to environmental concerns. Redtail is passionate about our data informing insurer data in order to make a discernible impact on all three. But of course, and as I have said before, it is the effects a parent sees on their own children's driving that demonstrate the true potential of well applied telematics, effects that no parent can achieve in their own right".



Imagine for a moment a

Those special blinkers are your view into another part of the telematics eco-system

jigsaw puzzle that you have to make, and quickly. If you fail, or take too long, it will cost your



company a lot of money. There is much riding on your success. Don't worry though, you can get your friends who are brilliant at jigsaws to help you. Easy? **Maybe.**

Now consider the jigsaw itself. The pieces randomly scattered. Some face up, some not. You don't know the finished picture. Nor do you know how many pieces it has, how big it should be, or whether there are any pieces missing. Still feeling confident? **Perhaps less so.**

Some pieces are duplicates and some appear to fit together but then don't. Some pieces aren't real - you are told they are there, but they aren't really. Some are even shape shifters and change before your eyes. **It is quite hard now.**

You must also wear special blinkers that allow you to only see one piece at a time. Very hard now... **Maybe impossible?**

Your instinct is telling you it's going to take a long time to finish this jigsaw. Time that frankly, you could be using to solve other, easier jigsaws. You still have to solve this one though. There is no getting away from that.

This puzzle is the solution to a problem you are working on. This may be devices not working properly, too much data, too little data, a feature not working as expected... and so on. In other words, any operational problem you are likely to come across. It could be all sorts of things in a complex telematics eco-system.

you don't have access to so don't understand. Maybe it's provided by another company - maybe in a different time zone or different language. Maybe people at that company are busy solving their own jigsaws so don't want to help solve yours. Maybe some people want to help too much. They are well-meaning, but for whatever reason the information they give is not consistent. You get even more confused!

Anybody working in telematics solves jigsaw puzzles every day. Some of them hard, some easy. All of them cost money.

Keeping the jigsaw pieces together, on the table, face up, not moving, not changing, without wearing those pesky blinkers is the key to solving the puzzles quickly with minimum fuss or wasted operational cost. That can only happen with a fully integrated telematics eco-system.

Redtail is proud to have built and completely understand its own telematics eco-system, down to every single component and to the very last line of code. Everybody is under one roof and works together to solve those jigsaws very quickly and efficiently. Our customers know and recognise this as the true value of a Total Service Provider.

Tony Allen

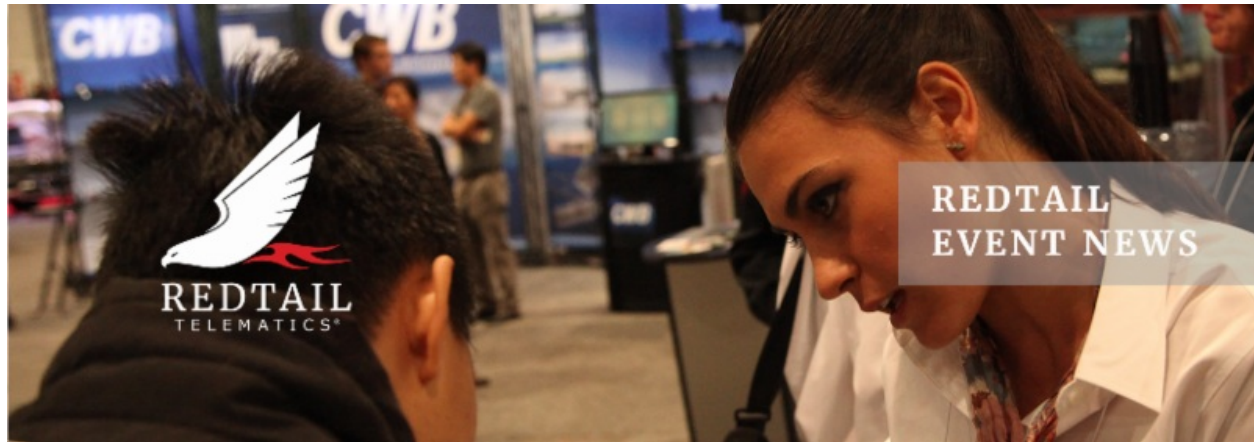


From our Head of Marketing & Sales - looking forward

We are heading into peak conference season (as you will see below), with events, and therefore audiences, in Chicago, Munich and Las Vegas. I value these

forums as opportunities to interact and to learn. Genuine dialogues – still not a common skill or occurrence – are vital in evolving understanding of customer requirements and our potential solutions. So looking beyond the excess of coffee, sore back and relentless charm offensive (no really), bring it on!

Andrew Little



COME OUT TO SEE US IN PERSON!



**Connected Car Insurance
USA**

Chicago, IL (4-5th
September 2019)

Connected Car Insurance USA brings the most in-demand connected car and auto insurance experts to share their business and tech. insights. Develop a product road map and drive adoption of next generation insurance products and services.

TU-Automotive Europe

Munich, DE (29-30th October
2019)

The most innovative minds in connected cars, mobility & autonomous vehicles joined together for two days of in-depth insights, disruptive tech and unmissable networking. Trusted by industry leaders for the past 16 years.

SEMA 2019

Las Vegas, NV (Nov.5 – Nov.
8, 2019)

The SEMA Show is the premier automotive specialty products trade event in the world. It draws the industry's brightest minds and hottest products to one place, the Las Vegas Convention Center. In addition, the SEMA Show provides attendees with educational seminars, product demonstrations,

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