

Progressive® Insurance survey: 63% of drivers don't know they pay higher car insurance rates to subsidize bad driving of others

New "Rate Suckers" national marketing campaign educates, empowers consumers to take control with Snapshot®

MAYFIELD VILLAGE, Ohio — April 8, 2013 —Would you be upset to learn you're paying more for car insurance because of others' bad driving habits? Progressive® Insurance recently surveyed 500 consumers about their knowledge of auto insurance pricing and found:

- 63 percent of respondents didn't know that the bad driving of others affected their car insurance rates
- Men were less likely than women to think bad drivers affect everyone's rates
- At 30 percent, young consumers (ages 18-34) had the lowest awareness of any age group
- 89 percent of respondents said they would be upset if they found out they're paying more to offset the costs of underpriced drivers

In its new, national integrated marketing campaign launching today, Progressive brings a problem most drivers don't know they have into sudden focus. In the ads, which will complement the Superstore campaign currently in the market, "Rate Suckers" jump and attach themselves to passing cars. The solution is Snapshot, which repels Rate Suckers once plugged into the car's onboard diagnostic port.

"A Rate Sucker is simply an over-the-top manifestation of an underpriced driver and can be anybody—your mom, the guy next door, the waiter at your favorite restaurant," said Jeff Charney, Progressive's chief marketing officer. "We all probably know somebody we're subsidizing. Snapshot helps solve that problem; showing consumers that their good driving can reduce the impact other drivers have on their rate. This campaign is our line in the sand to the industry and a wakeup call to consumers."

Insurance companies commonly price consumers by comparing them to drivers with whom they share basic characteristics, like age, gender, or vehicle year, make and model. These factors do not directly reflect individual driving habits, but until Snapshot, there wasn't a simple, reliable way to include how a driver actually drives when calculating a customer's rate. The result: Rate Suckers paying less than the risk they present, and good drivers paying more to cover the costs.

Progressive introduced Snapshot to give drivers a way to save more by showing they drive safely. Snapshot measures the number of times a driver brakes hard, the time of day and the number of miles they drive. With more than 6 billion miles of driving data, Progressive has found that adding these key driving behaviors predict the likelihood of a claim far better than traditional insurance rating variables alone, enabling Progressive to provide larger discounts, averaging \$150 annually, to lower-risk drivers.

"It seems obvious, but the best indicator of someone's likelihood to get into an accident is their actual driving behavior," said Dave Pratt, general manager of usage-based insurance at Progressive. "Having that information helps us provide a more personalized rate that gives people who drive safely the discounts they deserve. Not surprisingly, most customers who try Snapshot save money, are happier, and stay with us longer."

To view the Rate Suckers TV ad, directed by Zombieland's Ruben Fleischer, visit <http://youtu.be/vM6-12aprf8>. For more information about the integrated campaign which will compliment Progressive' existing Superstore campaign, visit www.progressive.com/ratesuckers. To learn about Snapshot, visit www.progressive.com/snapshot.

About Progressive

The Progressive Group of Insurance Companies makes it easy to understand, buy and use auto insurance. Progressive offers choices so consumers can reach us whenever, wherever and however it's most convenient for them — online at progressive.com, by phone at 1-800-PROGRESSIVE, on a mobile device or in-person with a local agent.

Progressive offers insurance for personal and commercial autos and trucks, motorcycles, boats, recreational vehicles and homes. It's the fourth largest auto insurer in the country, the largest seller of motorcycle insurance and a leader in commercial auto insurance. Progressive also offers car insurance online in Australia at <http://www.progressiveonline.com.au>.

Founded in 1937, Progressive continues its long history of offering shopping tools and services that save customers time and money, like Name Your Price®, Snapshot®, and Service Centers.

The Common Shares of The Progressive Corporation, the Mayfield Village, Ohio-based holding company, are publicly traded at NYSE:PGR.

<https://progressive.mediaroom.com/2013-04-08-Progressive-R-Insurance-survey-63-of-drivers-dont-know-they-pay-higher-car-insurance-rates-to-subsidize-bad-driving-of-others>