Progressive Snapshot reaches 10 billion mile mark

Insurer analyzes Big Data and looks to the future of usage-based insurance

MAYFIELD VILLAGE, Ohio — March 20, 2014 — Progressive® Insurance has collected over 10 billion miles of driving data with Snapshot®, its Pay As You Drive® program, since introducing its first wireless device in January 2008. Progressive leads the usage-based insurance (UBI) industry with the most miles collected and two million vehicles that have participated in the program. In 2013, Snapshot accounted for $2 billion in written premium.

The value of 10 billion miles

The insurer's Big Data set is equivalent to 50 round trips from the Earth to the sun. Broken down even further the data equates to:

- 1.5 billion trips in the car from Snapshot customers
- 6.6 average miles per trip
- 1.5 million average "calls" per day from Snapshot devices transmitting data to Progressive
- 110 terabytes of data—that's over seven times the amount of all the data stored in the Library of Congress, according to its own website.

Research and development

The current Snapshot program uses three predictive factors to determine a driver's discount—mileage, time of day and hard braking. Progressive looks to gain an even deeper understanding of predictive modeling by piloting GPS-enabled devices in the coming year. A sample of participants will take part in research to examine how factors like highway versus city street driving contribute to predicting future losses and potentially bigger discounts for customers.

Other opportunities to advance UBI may reside in the use of smart technology, like mobile and original equipment manufacturer (OEM) telematics. "OEM's in-car technologies have the capability to transmit driving data, so we're exploring options like this that would ultimately replace the customer's need to plug in a separate device," says Dave Pratt, Progressive's General Manager of usage-based insurance. "We're also exploring using technology people already carry with them, like smartphones, to do the same measurement."

Open call for app developers

With nearly 60 percent of U.S. mobile subscribers carrying smartphones according to Nielsen, Progressive is working with application developers to try leveraging mobile phones to measure customers' driving behaviors. "This is a very entrepreneurial space right now and we're seeing promising results," says Pratt. Progressive is currently working with app developers to test solutions. Progressive has an open call for app developers. Companies that think they have a viable solution should contactProgressive's Product Development Manager, Bill Everett at Bill_Everett@ Progressive.com.

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 it whenever, wherever and however it's most convenient—online at progressive.com, by phone at 1-800-PROGRESSIVE, on a mobile device or in-person with a local agent.

Progressive also offers insurance for personal and commercial autos and trucks, motorcycles, boats, recreational vehicles, as well as home insurance through select carriers. 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, trade publicly at NYSE:PGR.

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