



LexisNexis Risk Solutions FAQ's
CES 2018
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About LexisNexis Risk Solutions

What is LexisNexis Risk Solutions?

LexisNexis Risk Solutions is the trusted data and analytics provider for organizations seeking actionable insights to manage risks and improve results. We deliver targeted solutions that empower well-informed decisions while upholding the highest standards for security and privacy.

What does LexisNexis Risk Solutions do?

LexisNexis Risk Solutions leverages its industry-leading high performance computing platform with vast data assets and a proprietary fast-linking technology to enable businesses of all sizes to better analyze and understand data at scale, improving time-to-results and decisions. Our innovative products and solutions help organizations of all kinds manage risks like identity theft, fraud, money laundering and terrorism, and prevent financial crimes and insurance and government benefit scams. We also shed light on hidden opportunities. These include giving credit to those without a traditional credit history, helping agencies find uncollected revenue, and finding ways to improve health outcomes.

We work with Fortune 1000 and mid-market clients globally across industries, and federal and state governments. We work with customers in more than 100 countries, including 8 of the world's top 10 banks, 100% of the top 50 U.S. banks, more than 75% of the Fortune 500 companies and 100% of U.S. P&C insurance carriers.

We believe the connected car will become the foundation for automotive insurance products. The cost for all OEMs to integrate with all insurers, however, is a multi-billion dollar industry-wide problem. Utilizing our decades of experience in the automotive insurance, credit and financial markets, LexisNexis Risk Solutions has invested in, and pre-built this service.

Why are you participating at CES 2018?

At CES 2018, we will be exhibiting our telematics solutions with Mitsubishi Motor Corporation and JVC Kenwood. Our smart phone app for Mitsubishi vehicle owners provides trip details with information on speeding, braking and other driving behaviors. Insurance is one of several factors that could impact the vehicle ownership experience through driving behavior monitoring and coaching.

Consumers increasingly desire convenient, simple access to products and services that make consumers' lives easier and add value— such as virtual assistants, voice-control automation and digital payments - task-completion capabilities, coupon suggestions and as connectivity further permeates insurance, usage-based insurance or UBI. LexisNexis believes the connected car will become the foundation for automotive insurance products and that data



from the Internet of Things will have a positive, significant impact on our daily lives as autonomous driving becomes a reality.

Come by the JVC Kenwood Booth #4602 in the North Hall to see Mitsubishi vehicles featuring the LexisNexis Telematics Solutions on JVC Kenwood head units.

What is the LexisNexis Risk Solutions involvement in Telematics?

We are expanding the variety of data-gathering methods we offer our insurance and auto OEM customers. Our global telematics platform, which is device-agnostic, can normalize and standardize this additional data – such as data from aftermarket devices or connected vehicle technology – for better integration into connected car and UBI programs and more insight into driving behavior.

Organizations such as insurers, OEMs and others, like telecoms, can join the LexisNexis® Telematics Exchange to access our central platform of driving and connected car data, delivering a consistent view of risk and driver scores regardless of the data source.

We leverage the insights from these multiple telematics data sources, helping to ensure the continuity of UBI products regardless of changes in technology.

What OEMs are you currently working with?

We are developing proofs of concept with 3 OEMs to develop connected car-derived data service via our platform. We publicly announced our relationship with Mitsubishi Motors Corporation (MMC) in May 2017. We have non-disclosure agreements with the others right now and cannot mention them by name, but will announce them publicly as soon as we are able to do so.

About how Mitsubishi Motors Corporation and LexisNexis Risk Solutions work together

Describe the relationship between LexisNexis Risk Solutions and Mitsubishi Motors Corporation (MMC) and describe the proof of concept announced in your news release.

As announced in May 2017, we entered into an agreement for proof of concept to evaluate the system and gather real-world data through in-vehicle testing. Insurance is one of several factors that could impact the ownership experience by monitoring driving behavior.

Today, we are in the process of moving forward with our proof of concept. The data being collected provides good insight into driving behavior and will be used for MMC to develop strategic programs and consumer engagement opportunities.

What is the benefit for Mitsubishi? How does this fit into your strategy?

MMC is all about providing value to the ownership experience. We continuously assess technologies that could adapt to our vehicles as a way to add value to our cars. The connected car and smartphone ecosystem is one that is constantly evolving with some apps having more value than others. It is always our intent to add value to our cars with relevant technology that enhances the driving and/or ownership experience.

What is the benefit for consumers?

Customers could benefit through personal analysis of driving habits as well as through the potential of reduced insurance premiums through documented driving behavior.

For dealers, this is one more differentiator for the brand as they position the car to their prospects. Consumers seeing their driving scores is a great starting point.

How does this technology improve driving behavior?

Our smart phone app for Mitsubishi vehicle owners provides trip details with information on speeding, braking and other driving behaviors. Insurance is one of several factors that could impact the vehicle ownership experience through driving behavior monitoring and coaching. By sharing details and feedback from the vehicle, usage-based insurance (UBI) can give consumers the opportunity to improve their driving behavior.

How is this different from what other OEMs are doing?

While we can't speak for other OEMs, we can say that Mitsubishi is the first auto manufacturer to connect its vehicles to the LexisNexis® Telematics Exchange in order to offer usage-based insurance (UBI) solutions to Mitsubishi automobile owners and drivers.

Usage-Based Insurance Study 2017**What was the premise of the study?**

Because the price of insurance premiums can be such a significant factor for consumers (it's one of the highest costs of car ownership), usage-based insurance (UBI) creates a strong use case for the connected car. OEMs have a great opportunity to fulfill their own revenue objectives by focusing on the benefits (cost and otherwise) that UBI, ADAS and the connected car can deliver to customers. At the same time, effectively managing data exchanges will be an important component of OEMs' connected car strategy, especially as vehicles transition to full autonomy.

Deeper insight into customers as the users of these vehicles will greatly enhance the OEMs' ability to provide valuable services consumers want while delivering a superior customer experience in every way.

What were you trying to understand?

- The extent to which connectivity in the car is valuable to customers
- What role connectivity is likely to play in car purchases in the future
- The current estimated demand for connected vehicle services
- How the adoption of connectivity features relates to UBI adoption

At LexisNexis Risk Solutions, we take a holistic and evolutionary view of UBI. Traditionally, auto insurance policies have been based on driver characteristics (demographics, personal information and history). As UBI emerged, insurers started incorporating driving-behavior data (speed, hard braking and other contextual factors). The newest parameter in the equation is OEM-based vehicle behavior (such as ADAS/connectivity features the vehicle comes with and how often are these features manipulated by the driver). This third

parameter will continue to gain importance as the technology on vehicles evolves toward full autonomy.

What did you discover in the Study?

The telematics study reveals key items that would motivate drivers to shop specifically for ADAS or connected vehicle, suggesting implications for insurers and automakers as they refine their offerings.

Safety First – When looking at the benefits of ADAS and connected cars, safety ranked the most important benefit to drivers both for ADAS (80 percent) and for connected cars (69 percent). Owners of vehicles equipped with ADAS have also indicated that they have seen tangible value and benefit in terms of safety improvements as a result, which is why both automakers and insurers should promote these results and positive sentiments to help drive adoption.

Customization of Features – While features such as adaptive cruise control, automatic braking, GPS/traffic warnings, smartphone connectivity, and lane change alerts are all seen as valuable features, the study found that car owners want some control of these features. More than one-third of car owners with ADAS features (36 percent) and half of connected car owners (50 percent) would like to be able to disable some or all of these features.

Privacy Matters when ADAS and Connected Car are Mechanisms for UBI – Privacy concerns over the driving information shared through ADAS and connected car features are also universal across all respondents. Seven-in-ten respondents cite personal privacy concerns as the main reason they are less interested in ADAS, if it enables UBI.

The good news is, whether they chose these capabilities or not, most people who end up with cars that include ADAS and connectivity say they enjoy these features. Those who actively sought them out consider themselves to be early adopters and are generally more open to technological innovations. Those who didn't seek out these features start recognizing their benefits shortly after purchase.

What is top of mind for consumers?

One unifying factor is shared by all respondents – consumers consider safety to be a top benefit of both ADAS and the Connected Car. We see this as an opportunity for OEMs to gain a better understanding of which features to add to their offerings in order to improve safety, elevate the customer experience and deliver what customers most want.

For more details and highlights from the 2017 LexisNexis UBI Study please [click here](#) (link to landing page to download).