LexisNexis® Insurance Demand Meter

A quick look at auto insurance shopping trends



ISSUE #25

LexisNexis® RISK SOLUTIONS

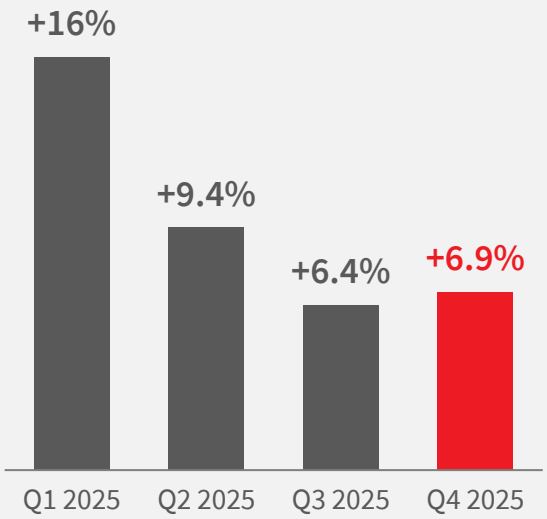
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LexisNexis Insurance Demand Meter – Trends from Q4 2025

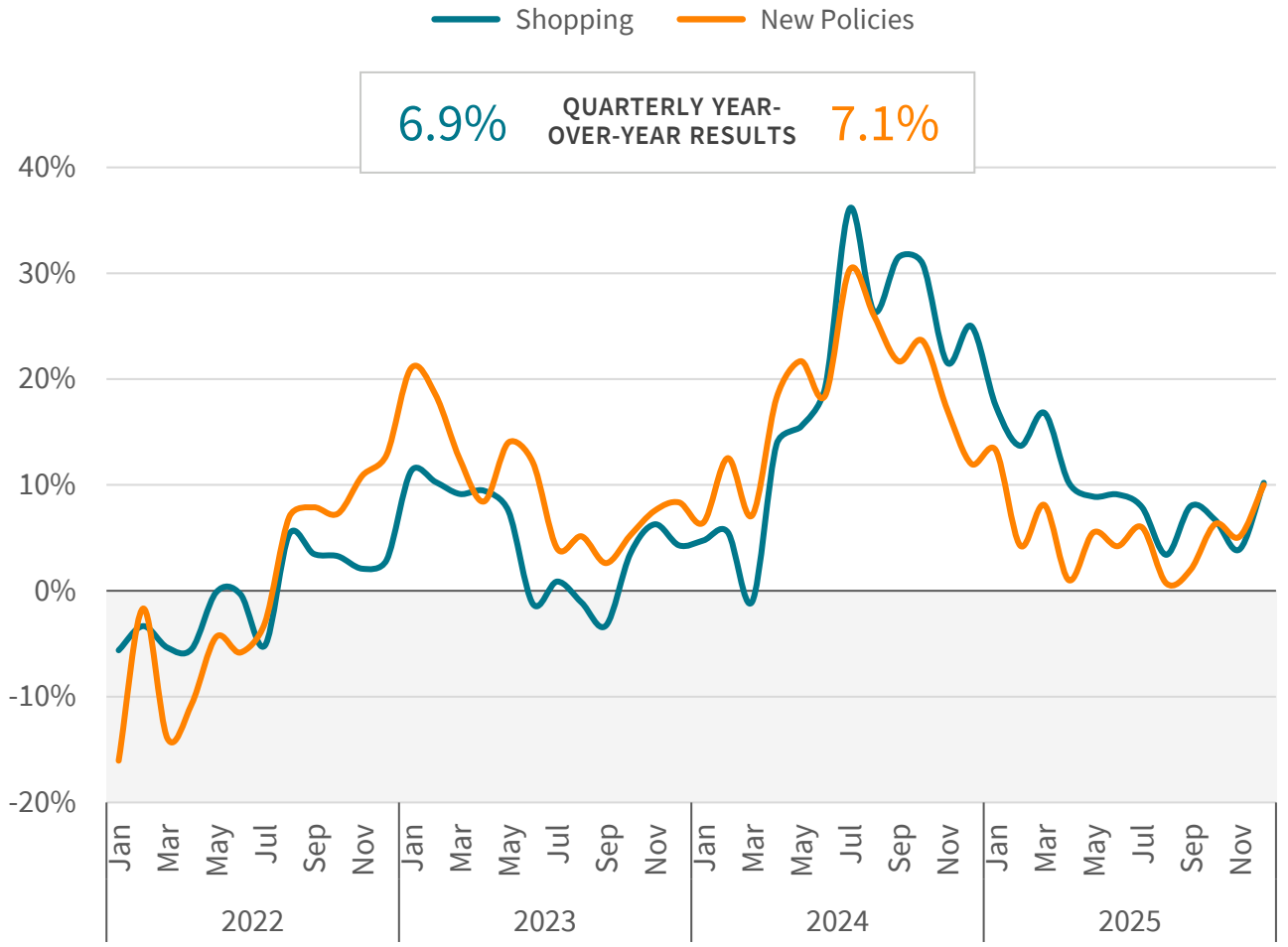
Overview

Elevated Q4 readings on the LexisNexis® Insurance Demand Meter rounded out record-breaking volumes in 2025 as U.S. auto policy shopping finished strong. Quarterly year-over-year U.S. auto policy shopping maintained its "Hot" reading on the Demand Meter, rising to 6.9%, and up slightly from the 6.4% increase insurers saw in Q3. New business growth jumped back into "Hot" territory, too, after a brief hiatus in the "Warm," increasing to 7.1%, and up from 2.8% in Q3 (See Chart A).

Q4 reversed the year-long trend of decreases in quarterly growth



A

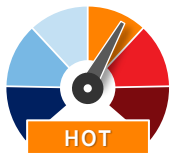


SHOPPING CHANGE — Q4 2025



The quarterly year-over-year shopping growth rate was +6.9% for Q4 2025 (up slightly from +6.4% last quarter).

NEW POLICY CHANGE — Q4 2025



The quarterly year-over-year growth for new policies was +7.1% for Q4 2025 (up from +2.8% last quarter).

Charting Channels, Age and Policies-in-Force

Shopping growth in Q4 was fueled primarily by the direct and exclusive agent channels, standard shoppers and the 66+ aged cohort, who have historically been the market's most tenured policyholders.

Once again, the direct channel outperformed both the exclusive and independent agent channels with a 12.6% growth rate. However, for the first time in 2025, the exclusive channel posted a positive growth rate, 5.3%, likely tied to an increase in ad spending from exclusive channel carriers. The independent channel continued its downward growth trajectory, dipping to -0.1%, which was the first negative growth rate it experienced since Q1 2024.

Share of shopping per channel from Q1 2023 to Q4 2025

Direct	Exclusive	Independent
+13.5 POINTS	**-6.4 POINTS**	**-7.1 POINTS**

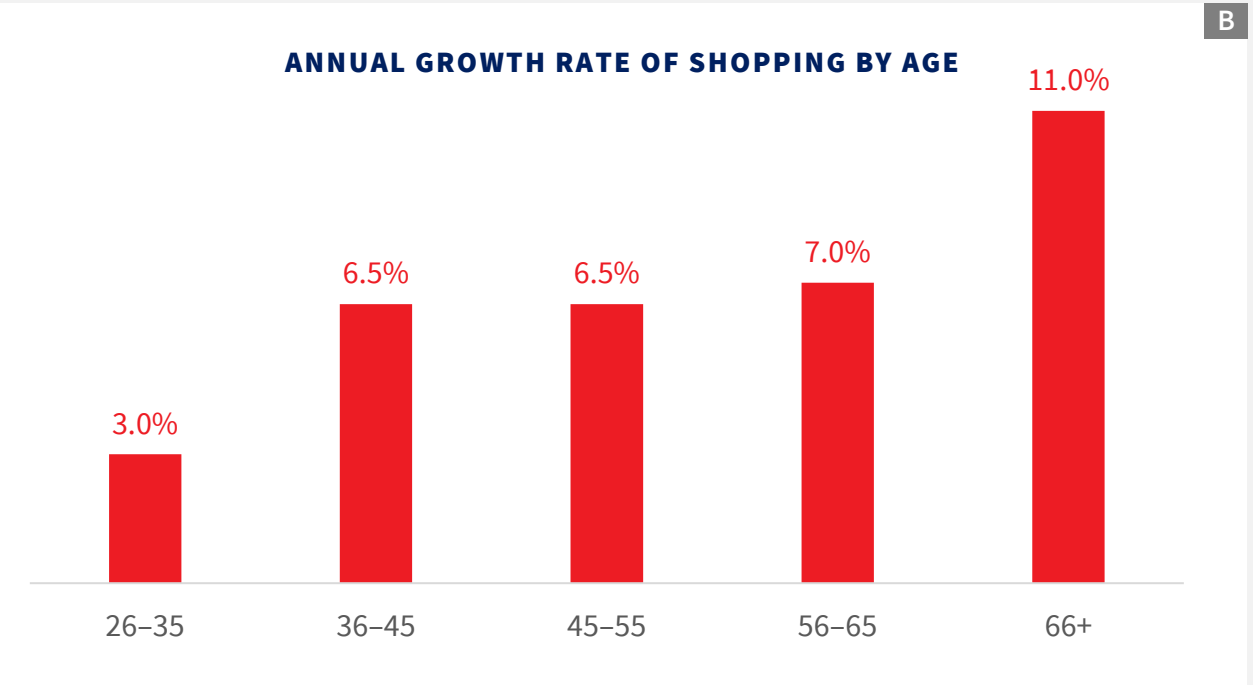
Growth by standard shoppers increased 6.5%, up from 5.6% in Q3, marking the first quarter of greater growth over the prior quarter since Q2 2024. Non-standard shoppers slowed to a 12.2% quarterly year-over-year increase from the 18.6% growth seen in Q3.

As has been the case since Q1 2023, the 66+ age group led growth among other demographic age groups, with older shoppers seeing 11% growth in Q4 2025 (See Chart B).

Motivated shoppers propelled the annual shop rate to a new all-time high since the inception of the Demand Meter in 2020.

47.1% of policies-in-force had been shopped at least once in the past 12 months as of Q4 2025 (See Chart C), which translated to a 1.9-point increase from Q4 2024 and a 5.9-point increase from Q4 2023.

B



C



The Majority of Rate Filings were Decreases

Helping aid shoppers into the market and across the finish line were the rate adjustments that rippled throughout the country.

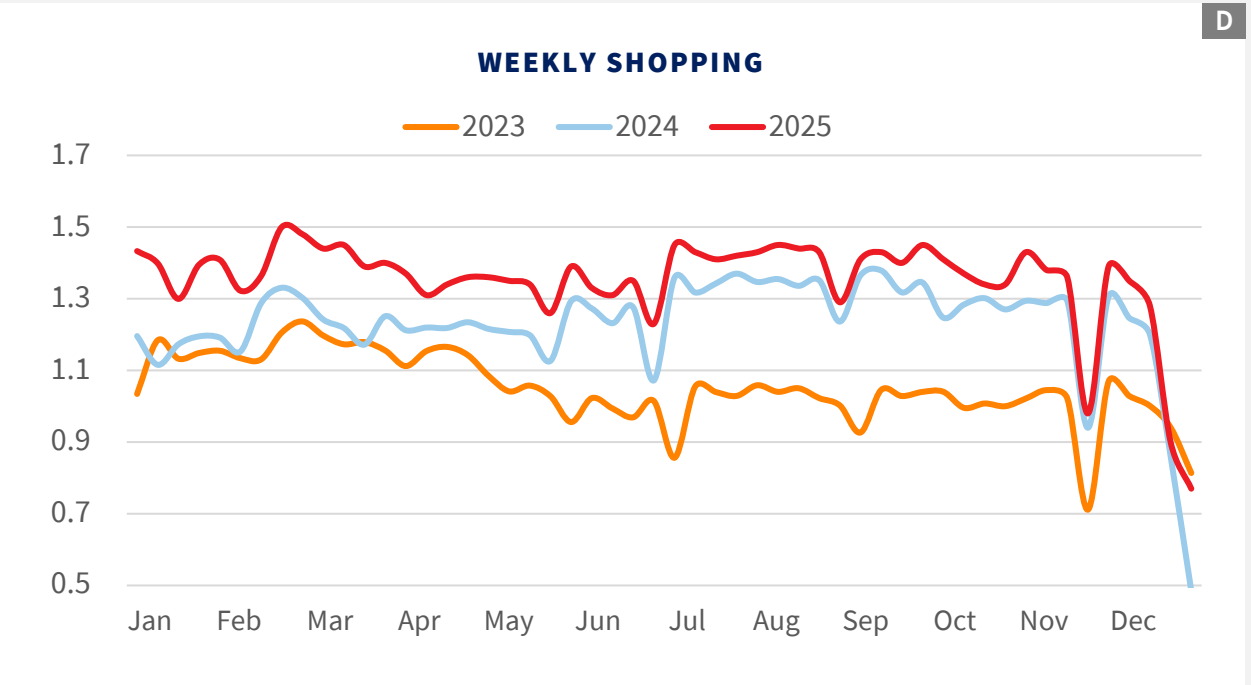
In Q4, 25% of all rate revisions were increases, with an average increase of +5.1%. Another 25% were rate-neutral filings, and 50% of rate modifications were decreases. This translated to an overall industry rate impact of -0.5%.[1]

These changes somewhat mirrored the Top 25 auto carrier rate activity, among which 41% of rate revisions were decreases, 35% were increases and 23% were rate-neutral. Among this cohort of carriers, the overall rate impact was -0.7%.[2]

Q4 rate revisions

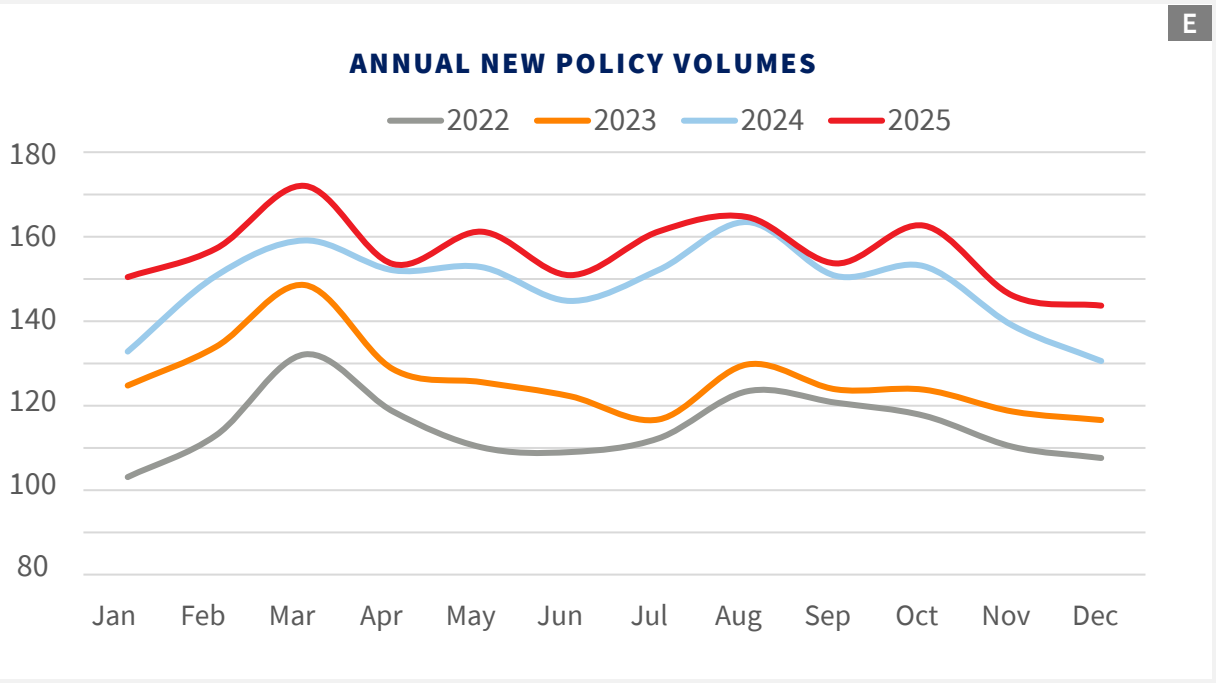
Positive	Rate-neutral	Decreases
25%	25%	50%

D





E



Market Snapshot: The Likelihood of Repeat Shopping

In the previous Demand Meter, we examined a subset of consumers for deeper analysis: policyholders who had not shopped from July 2023 to June 2024. We broke this subset into two groups, those who shopped their auto policy in July of 2024 *(Once-Sidelined Shoppers)* and those who continued to refrain from shopping their policies *(Waited, not Baited* cohort).

The analysis revealed that when *Once-Sidelined Shoppers* shopped, they were then twice as likely to shop again, particularly within the next six months when compared to the *Waited, not Baited* group. In Q4, we looked at alternative views of the data as they pertained to age and tenure distribution.

When it came to age, we found that:

The largest demographic within the *Once-Sidelined Shopper* group was the:

66+ COHORT

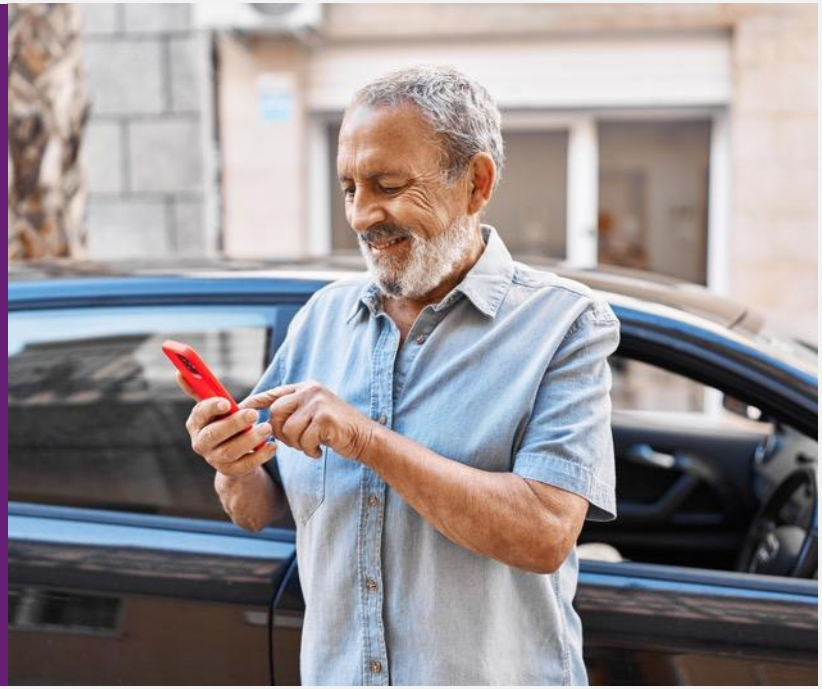
who accounted for **22%** of that population. In the total shopping population, this age group comprised 16% of the distribution.

The second largest group in the *Once-Sidelined Shoppers* was the:

56–65 AGE GROUP

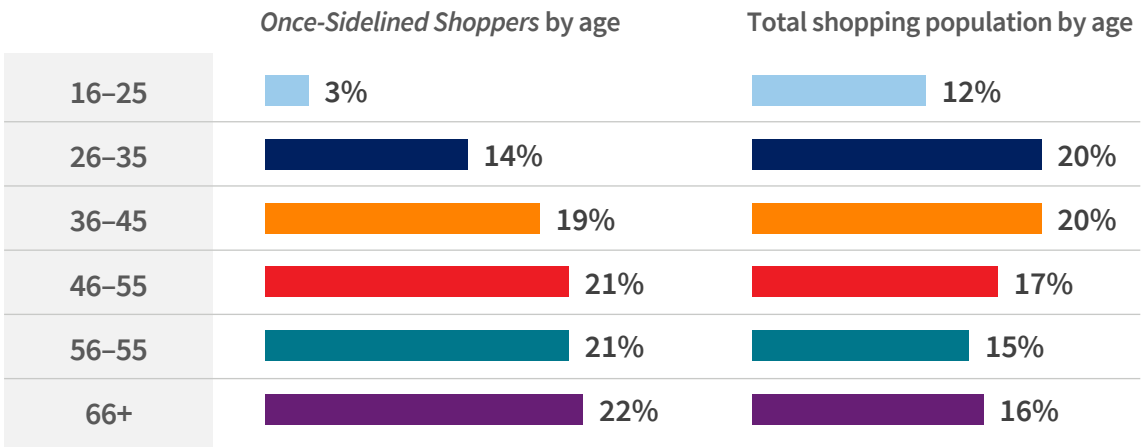
who made up **21%** of the this population, vs. the 15% they accounted for among overall shoppers.

ONCE-SIDELINED SHOPPERS



F

DISTRIBUTION BY AGE



The 66+ age group began growing at an accelerated rate in 2024, and 2025 numbers indicate that once older shoppers are shopping, they're realizing the benefits and shopping again.

A separate 2025 LexisNexis Risk Solutions research study of U.S. auto insurance consumers found that even small rate increases (10% or less) could trigger shopping among those in the 66+ group.[3] As carriers refine their pricing strategies, they should be cautious about pushing this segment into the market.

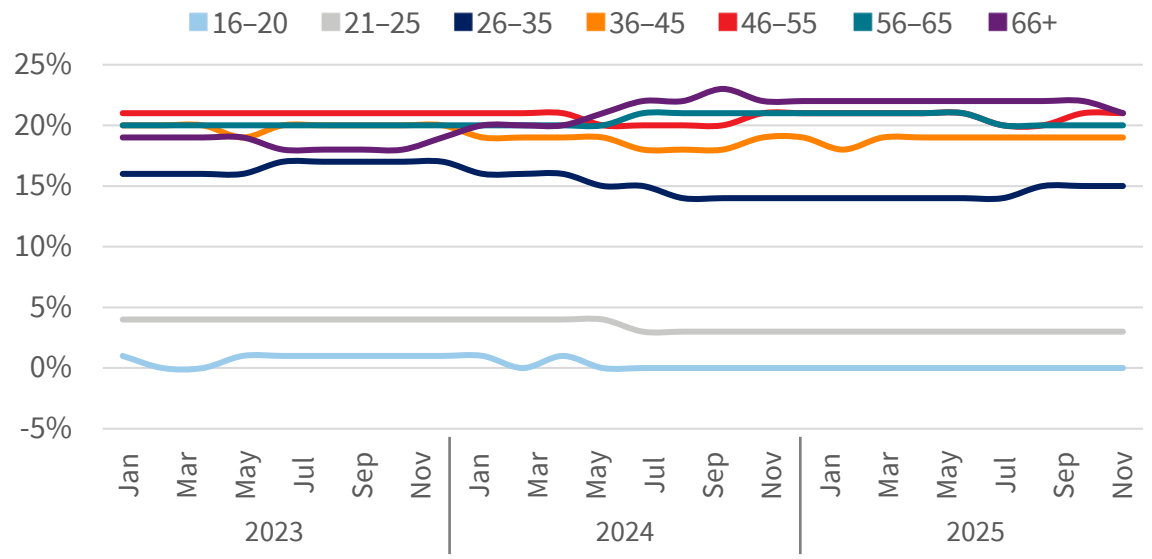
Distribution by Tenure

When we look at the tenure of the *Once-Sidelined Shoppers* compared to all shoppers, we see that those with more than 10 years of tenure comprised 29% of the shopping population compared to the overall population, where policyholders with more than 10 years of tenure accounted for 19%.

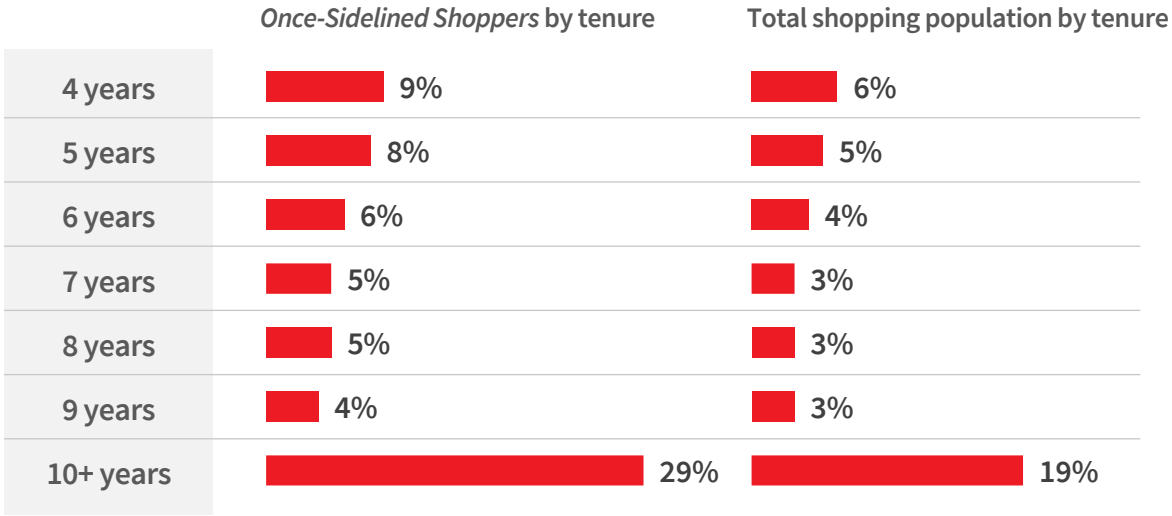
Longer tenured customers who were previously loyal to their insurers are now seeking better rates and are willing to shop more frequently.



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H





Looking Ahead

U.S. auto policy shopping and new business volumes broke records in 2025 in response to rate increases, wallet-conscious consumers and marketing programs. The final quarter, normally a quieter period for policy shopping and switching, was unusually active. In 2026, time will tell how new rate adjustments will impact consumers' urge to shop and if recent shopping behavior has encouraged more frequent shopping events and primed the market for another banner year.

1. S&P Global Market Intelligence (and its affiliates, as applicable), January 2, 2026
2. *Ibid.*
3. LexisNexis® Risk Solutions, Auto Consumer Research, 2025



Jeff Batiste

Senior Vice President and General Manager, U.S. Auto and Home Insurance

"2025 reminded us that we're operating outside of a traditional insurance cycle. Even as the market shifts from steep rate increases to broad-based decreases, shopping and new business remain elevated. In this environment, cutting rates without precision can turn today's growth into tomorrow's volatility — especially among longer-tenured customers. Insurers that keep segmentation and discipline at the center of their strategies and enact growth with guardrails should be well positioned for whatever 2026 brings."

The LexisNexis Insurance Demand Meter is a quarterly analysis of shopping volume and frequency, new business volume and related data points. LexisNexis Risk Solutions offers this unique market-wide perspective of consumer shopping and switching behavior based on its analysis of billions of consumer shopping transactions since 2009, representing ~90% of the universe of shopping activity.

risk.lexisnexis.com/demandmeter