LexisNexis® Insurance Demand Meter

A quick look at auto insurance shopping trends



ISSUE #28

LexisNexis® RISK SOLUTIONS

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LexisNexis Insurance Demand Meter – Trends from Q3 2026

Issue #28

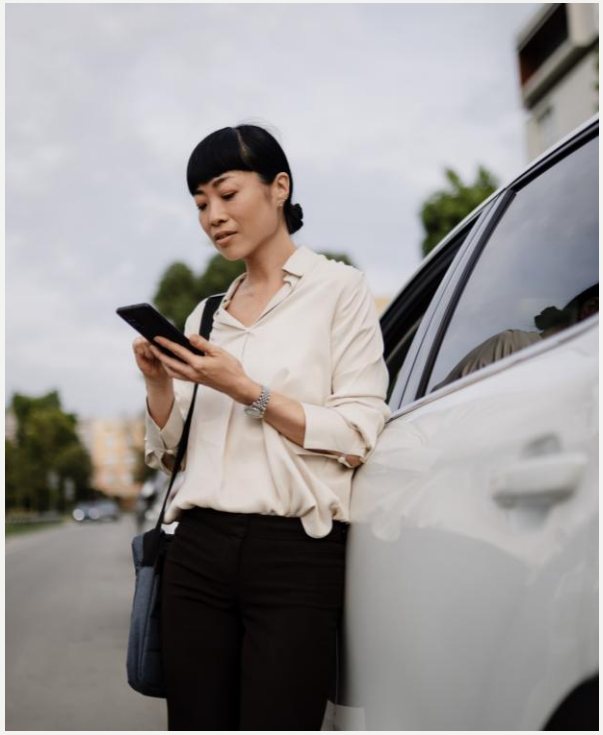
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Overview

In the third quarter, U.S. auto policy shopping and new business growth ushered in similar trends from Q2. Shopping volumes remained high, and auto insurance shopping and new business growth were positive but continued to decelerate (Chart A).

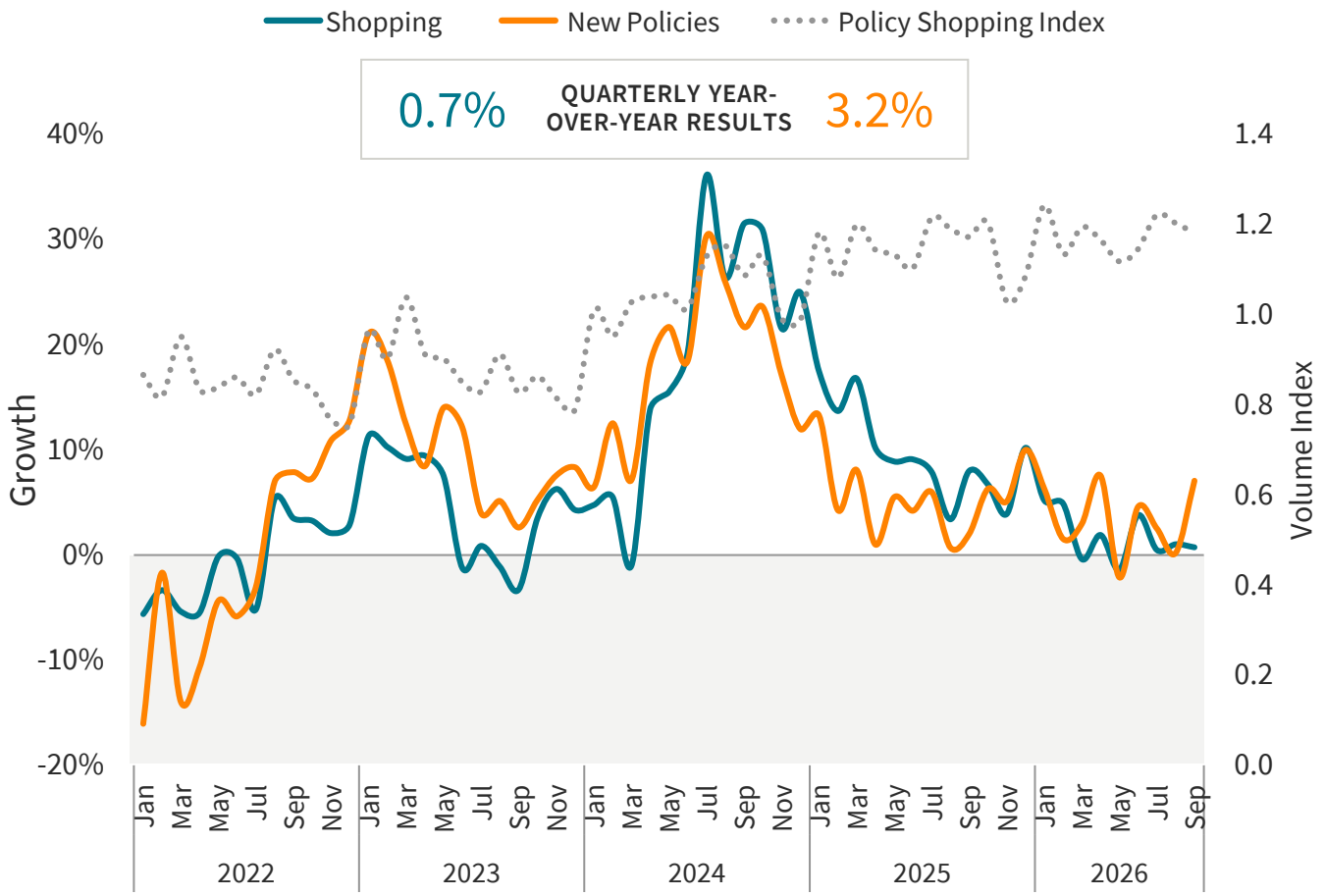
Quarterly year-over-year shopping growth clocked in at 0.7%, down from 1.4% in Q2, and new business growth hit 3.2%, down slightly from last quarter's 3.3%.

Each continued in Warm territory on the LexisNexis® Insurance Demand Meter for the third consecutive quarter (Chart A).



A

GROWTH IN SHOPPING AND NEW POLICIES COMPARED TO POLICY SHOPPING VOLUME INDEXED



SHOPPING CHANGE — Q3 2026



The quarterly year-over-year shopping growth rate was +0.7%, down from +1.4% in Q1 2026.

NEW POLICY CHANGE — Q3 2026



The quarterly year-over-year growth for new policies was +3.2%, down from +3.3% in Q1 2026.

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New business growth outpaces policy shopping

While shopping activity remained strong, new business growth outpaced it for the fourth consecutive quarter. This highlights consumer commitment to securing new, more favorable policies in a competitive and price-sensitive market.

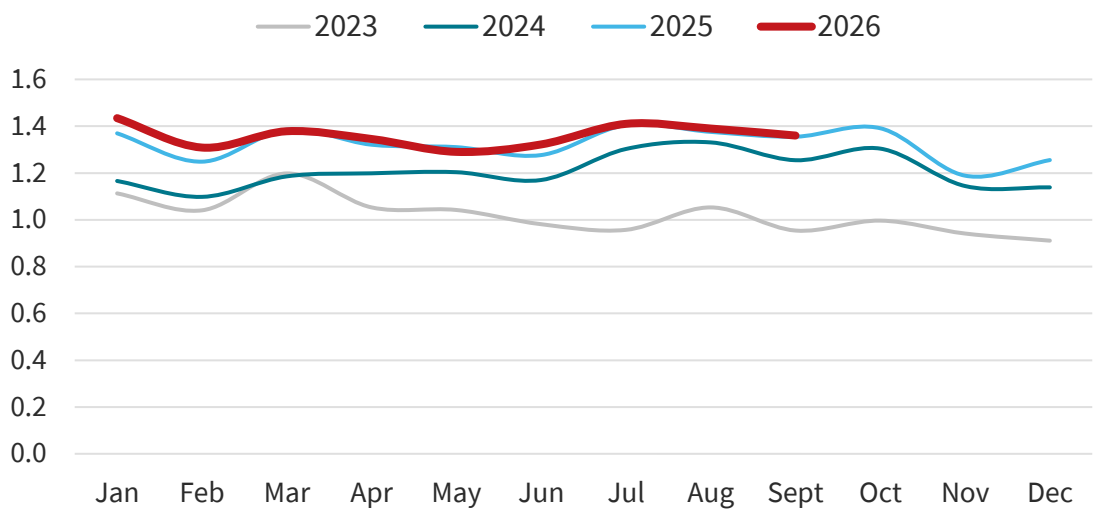
New consumer research from LexisNexis® Risk Solutions underscores this sentiment.

The study found that among policyholders who switched to a new carrier, **89% say they would shop again if their rates increased, and 96% of that group say they would switch again if they found a better offer[1].**

» See the full research report

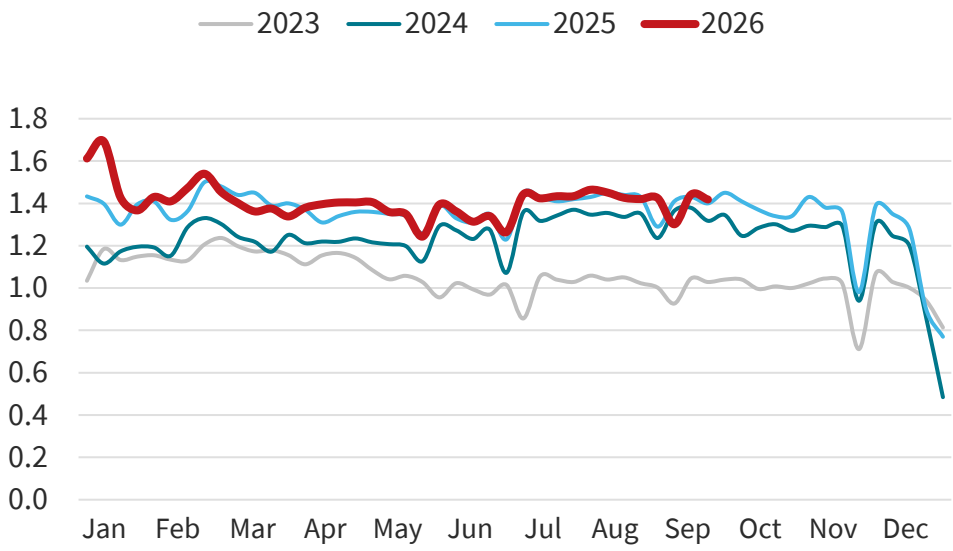
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MONTHLY YEAR-OVER-YEAR SHOPPING VOLUME INDEXED



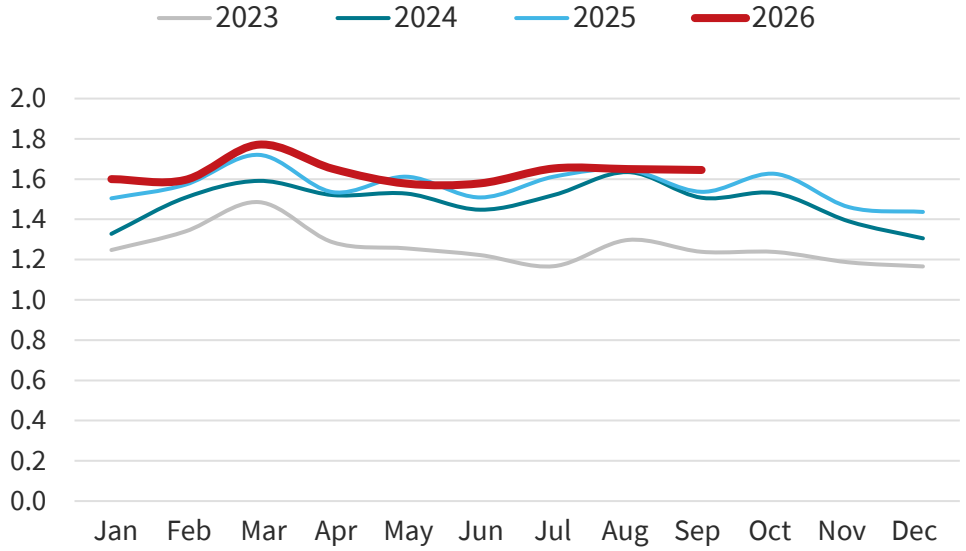
C

WEEKLY SHOPPING VOLUME INDEXED



D

NEW POLICY VOLUME INDEXED



Annual Shopping Rate Hovers Near Historic High

At the end of the third quarter, 47.2% of policies-in-force had been shopped at least once in the previous 12 months. This remained unchanged from Q2 and is one-tenth of a percentage point down from the 47.3% record achieved in the first quarter (Chart E).

Consistency in the annual shop rate may reflect a broader shift in how policyholders approach shopping. Sustained, elevated shopping levels suggest that some consumers are evaluating their policy options on a more regular basis, particularly if the opportunity for more favorable premiums arises.

Exclusive Channels and Non-Standard Shoppers Lead Q3 Growth

For the second consecutive quarter, the exclusive distribution channel posted higher growth numbers than the direct and independent channels, even with more modest numbers.

Exclusive channel growth landed at 4.5%, which was down from 6.8% in the previous quarter. Direct channel growth exhibited a more pronounced decline, dropping to 1.8% from 4.6%. The independent channel grew 1.5%, up from -6.4% last quarter.

Non-standard shopping surged ahead of standard shopping and posted positive growth for the first time in 2026. Non-standard shoppers experienced 5.4% growth, up from –9% in Q2. Standard shopping continued its downward trajectory, growing at 1.3%, which was a dip from 2.6% in Q2.

E



Growth percentage per channel in Q3

1.8%
Direct

4.5%
Exclusive

1.5%
Independent



Risk type growth in Q3

1.3%
Standard

5.4%
Non-Standard

Shoppers Aged 66 and Older Continued Outpacing Other Demographic Groups

For the 15th consecutive quarter, policyholders aged 66 and older posted the strongest shopping growth among all age groups (Chart F). Although growth eased slightly from 4.1% in Q2 to 4% in Q3, the segment continued to outpace all others.

Policyholders aged 36-45 were the only other age group to post positive gains quarter over quarter, increasing from 0.4% to 0.6%.

States Post Growth, but Double-Digit Gains are out of Reach

Michigan led all states in the third quarter with 7% shopping growth, followed by New Jersey at 6.8%. Connecticut and Georgia each achieved 6.6% growth, and Nevada rounded out the top five at 6.2%. No state recorded double-digit growth during the quarter.

STATE	GROWTH
Michigan	7.0%
New Jersey	6.8%
Connecticut	6.6%
Georgia	6.6%
Nevada	6.2%

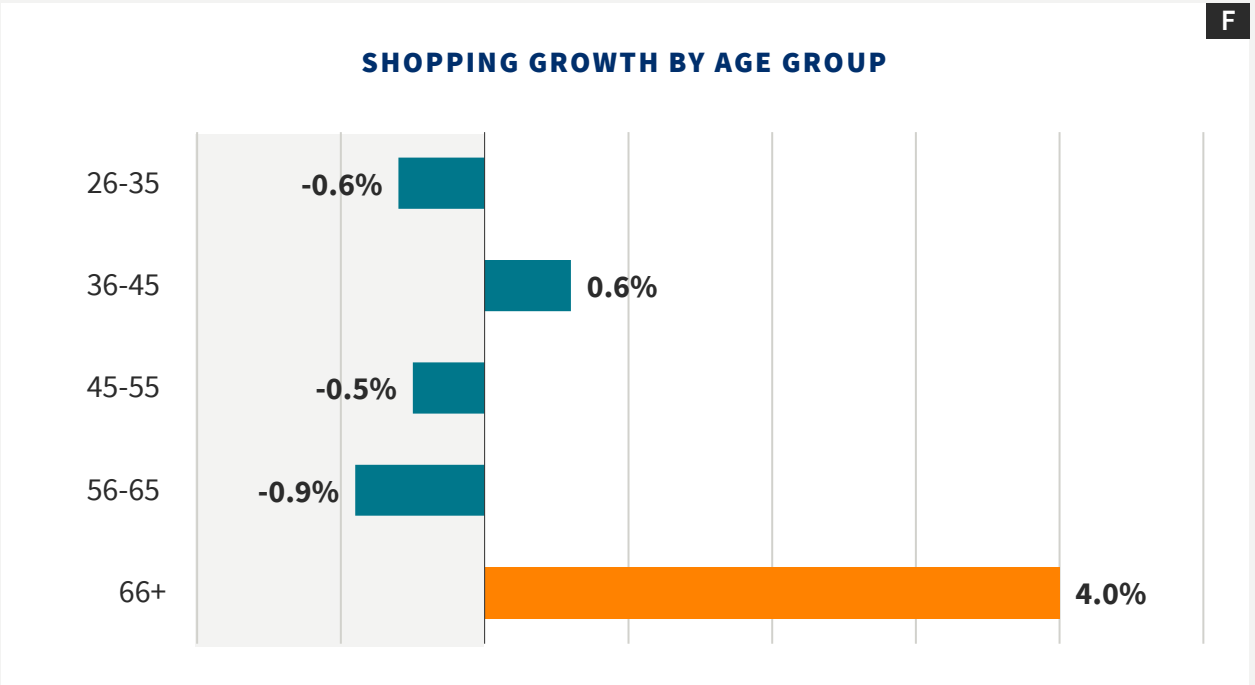


28 STATES

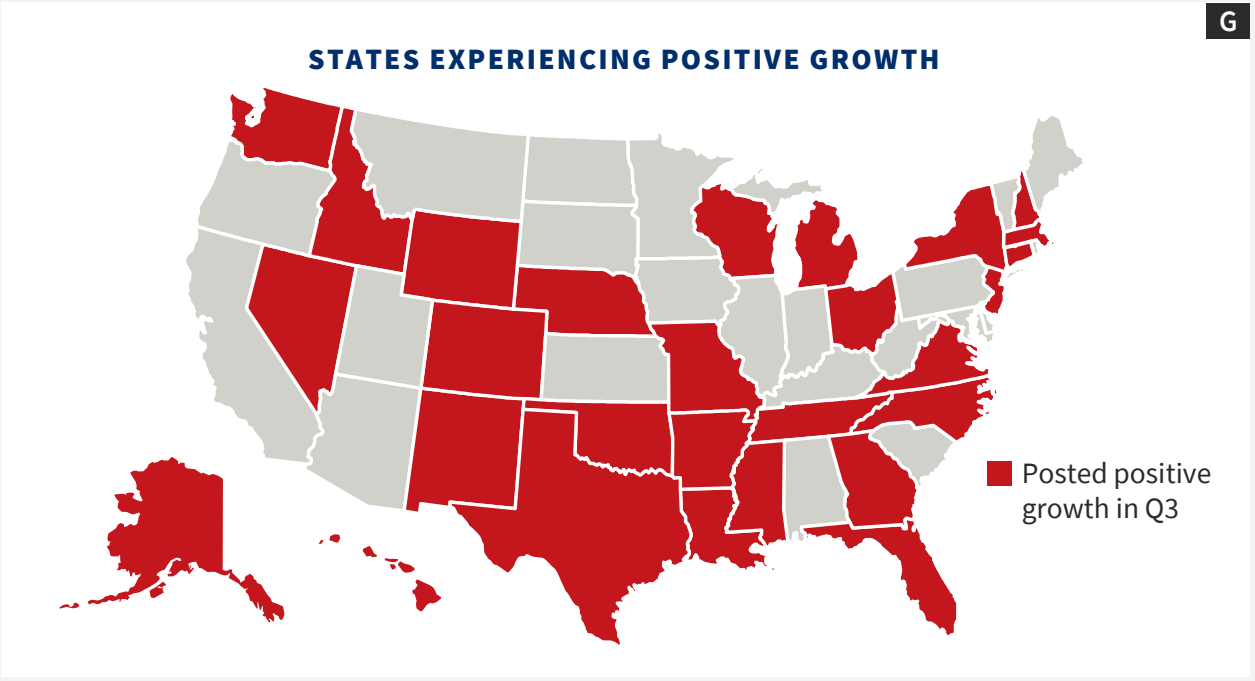
posted positive growth in Q3, compared to 42 states in Q2 and 37 states in Q1.

Compared with Q2, 14 fewer states showed positive growth, while 14 more recorded declines. The wider range of growth rates coincides with a mix of positive, negative and rate-neutral filings across the market.

F



G



New Market Analysis: What Happens When Policies Leave?

Lost policies account for 18% of active policies annually, and a recent LexisNexis® Risk Solutions analysis examined policies lost over a 60-day period to understand if they return, switch to a new carrier or exit the market altogether.

The study found that nearly 30% of lost policies exit the market and roughly 70% remain active. The active cohort either switches carriers, returns to the original carrier or moves from having dual coverage to a single insurer.

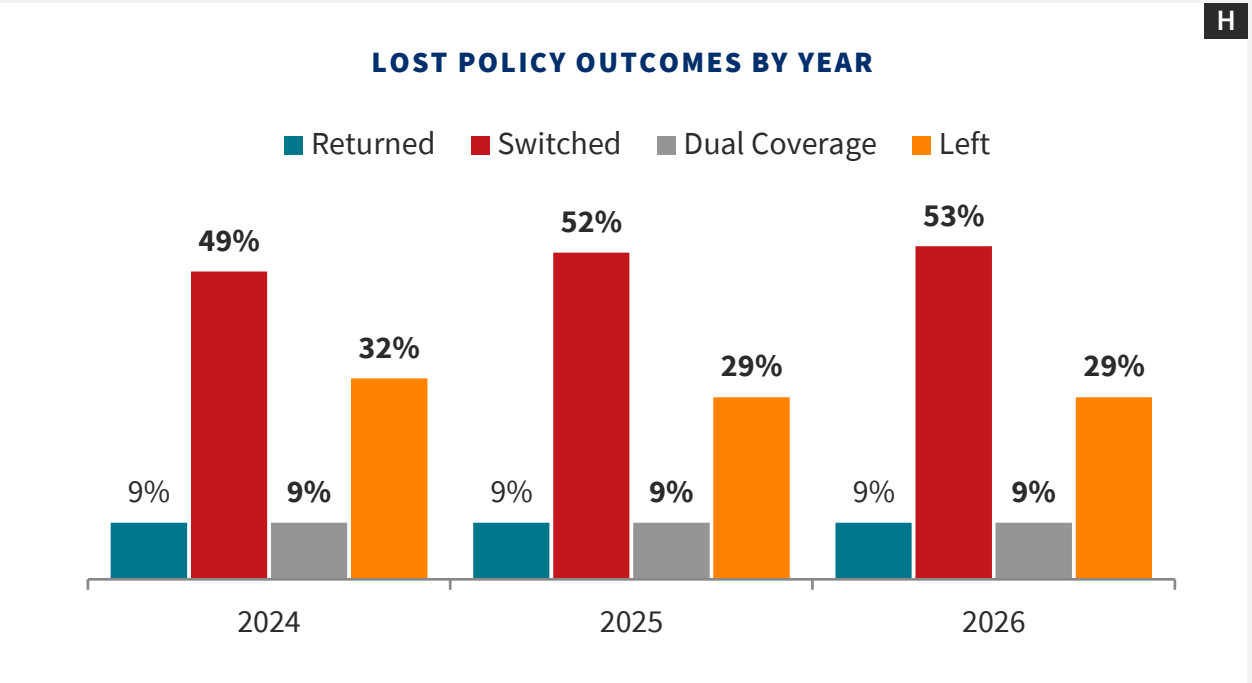
Overall, consumers increasingly switch to a new insurer rather than exit the market.

ONE IN TWO
lost policies switches to a new insurer.

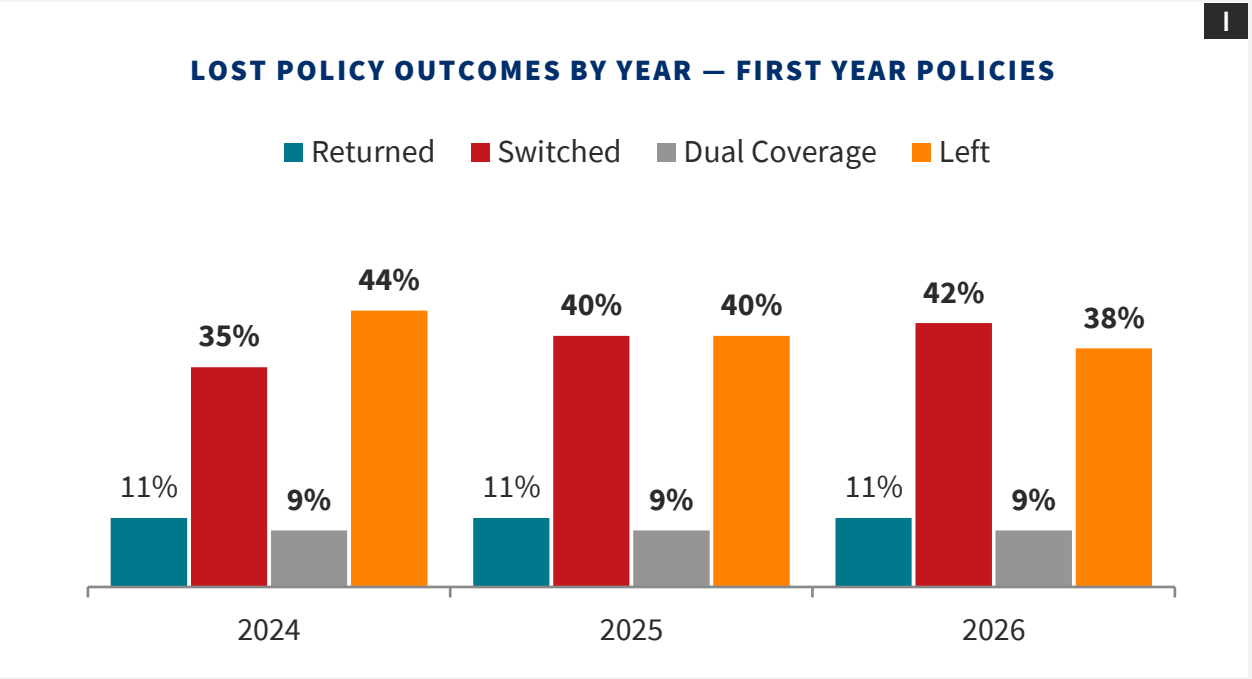
Switching rose from 49% in 2024 to 53% in 2026, while market exits declined from 32% to 29% (Chart H).

First-year policyholders are a particularly vulnerable segment. They represent 40% of lost policies and more than 50% of market exits. Among these policyholders, switching increased from 35% to 42%, and exits fell from 44% to 38% (Chart I). This may point to a retention cliff at first renewal or a lack of policyholder loyalty, consumer price-sensitivity or continued active engagement in shopping.

H

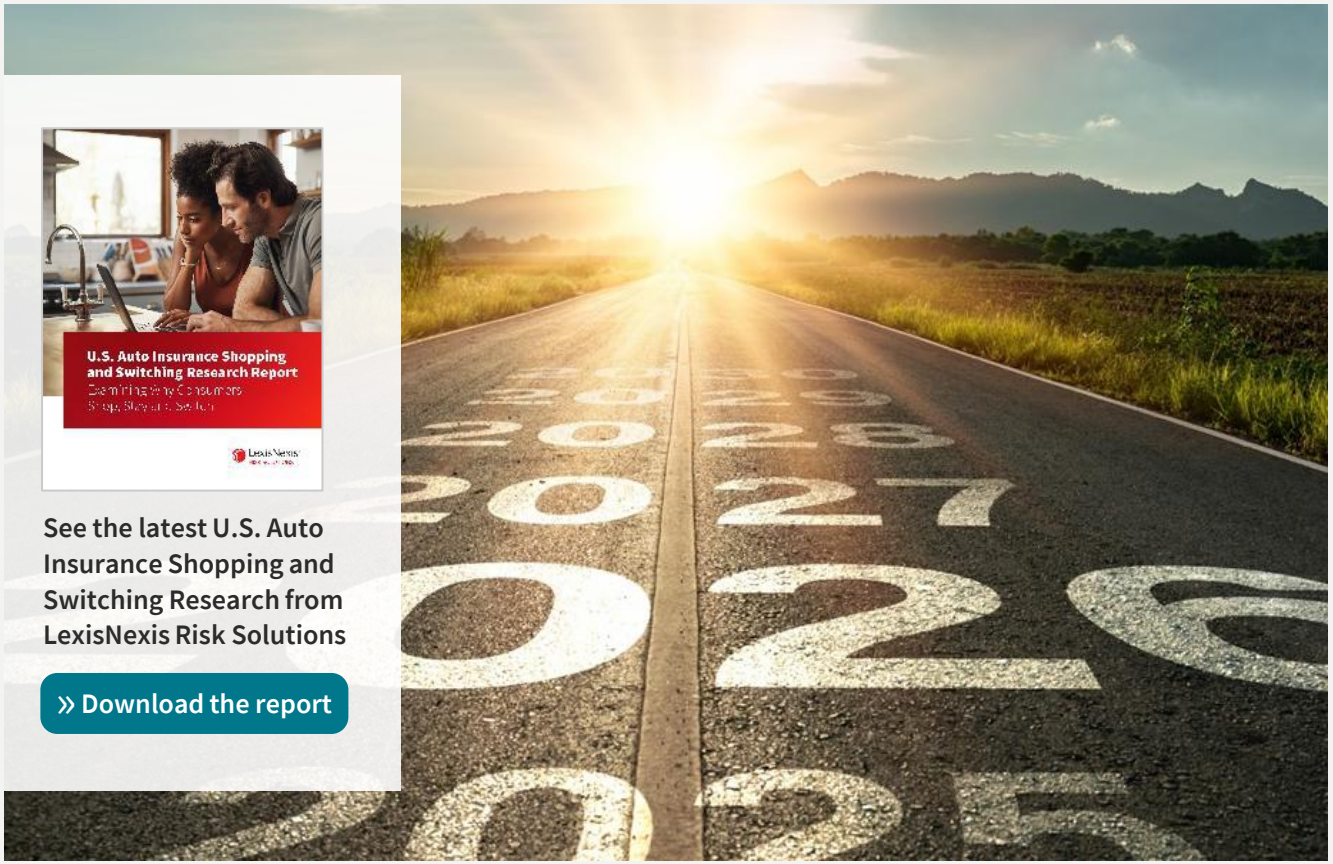


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See the latest U.S. Auto Insurance Shopping and Switching Research from LexisNexis Risk Solutions

» Download the report



Jeff Batiste

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

"Consumers remain highly sensitive to rate changes, which has helped keep auto insurance shopping volumes elevated. As the market continues to evolve, rate increases may no longer be the only dominant driver of shopping activity.

Broader affordability pressures continue to shape household decisions, prompting consumers to take a closer look at what they are paying and the value they receive from their coverage. For insurers, understanding these shifting motivations will be critical to identifying the right opportunities and engaging consumers with the right offer".

Looking Ahead

Third quarter trends remained consistent with what the market experienced in the first half of the year. Shopping and switching remain at record highs, and while growth in each has slowed, volumes continue to reach higher levels. The fourth quarter typically experiences a shopping lull; however, against a backdrop of consumer affordability pressures, the prevalence of AI and the onset of agentic shopping, the market may once again buck that trend.

[1.] LexisNexis® Risk Solutions, Auto Consumer Research, copyright© 2026

The LexisNexis Insurance Demand Meter is a quarterly analysis of auto insurance shopping volume and frequency, new business volume and related data points. LexisNexis Risk Solutions offers this unique market-wide perspective of consumer auto insurance 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