



## CAA Insurance Company

### Headquarters

Thornhill, Ontario

### Operations

Canada

### Business Lines

Personal

### Employees

1,200

### Website

[www.caainsurancecompany.ca](http://www.caainsurancecompany.ca)

### Product(s)

Guidewire InsuranceSuite

Guidewire Digital

## Benefits

- Development of a new, unique product offering
- More than 70% increase in sales with new and existing customers
- Used Guidewire capabilities to better support customers

# CAA Insurance Pioneers Pay-As-You-Go Insurance

## > Reimagining auto insurance to meet consumer lifestyles

One of the largest consumer-based organizations in Canada, CAA offers a range of services to more than 6 million members, including automotive and travel services, emergency roadside assistance, member savings, and of course insurance services. As a trusted insurance provider delivering innovative products, CAA Insurance Company recognized that auto insurance consumers lacked choice and control, and the company wanted to change that. From everyday tasks like ordering coffee, grocery delivery, and purchasing clothing, today's technology provides consumers with real-time choice, control, and ease of use, enabling them to save time and money.

CAA Insurance believes that auto insurance options should follow suit and be based on individual lifestyles, while being accessible at competitive prices and with convenient payment plans. Whether policyholders drive short distances to use public transit, take mostly local trips, or go south for the winter, there were untapped opportunities for CAA Insurance to consider consumer lifestyles as an important part of auto insurance solutions. Named the most trusted brand in Canada in the 2018 Gustavson Brand Trust Index, CAA Insurance has now diversified to enable greater personalization for more than 400,000 customers.

To meet the needs of today's consumer, CAA Insurance developed Canada's first pay-as-you-drive insurance offering—CAA MyPace—which enables motorists to track how much they drive and control how they pay for auto insurance, based on kilometers driven. Motorists start with a base rate and are charged in 1,000 km increments. Those driving fewer than 9,000 km per year save when compared to traditional policies. Providing unparalleled control and choice, the pay-as-you-drive offering gives consumers greater control over their premiums, according to Matthew Turack, Group President at CAA Insurance. "MyPace was designed to provide customers with choice and flexibility, so they can look at insurance and make sure it fits their lifestyle," he said.

## Live in Six Months: Configuring and Testing InsuranceSuite

MyPace is data driven and relies on many different facets to make it come to life. Live on Guidewire InsuranceSuite since 2012, CAA Insurance innovates and builds its products on Guidewire PolicyCenter, Guidewire BillingCenter, and Guidewire ClaimCenter and taps the functionality of Guidewire Digital.



Navigate what's next.

**“Guidewire enables us to go through process improvement methodologies and implement those processes using the systems. It’s a tool that supports customer engagement and customer information.”**

**– Matthew Turack, Group President, CAA Insurance**

Guidewire is the platform P&C insurers trust to engage, innovate, and grow efficiently. We combine digital, core, analytics, and AI to deliver our platform as a cloud service. More than 380 insurers, from new ventures to the largest and most complex in the world, run on Guidewire. For more information, contact us at [info@guidewire.com](mailto:info@guidewire.com).

--- Leveraging its InsuranceSuite instance, CAA Insurance launched the new product, which essentially collects data from a device, delivers it to PolicyCenter, and matches it with an algorithm. This drives premium and enables customers to pay only for kilometers driven.

Using a modular approach, InsuranceSuite is based on a common technology platform that covers the entire insurance life cycle. “It enables us to go through process improvement methodologies and implement those processes using the systems,” explained Turack. “It’s a tool that supports business improvements and really supports customer engagement and customer information.”

CAA Insurance worked with Guidewire partner Octo Telematics on the CAA MyPace app and web portal. Both platforms display distance. Guidewire integrations enable manual and automatic payments triggered by distance, along with real-time reload reminders via SMS and email. To explain the program, CAA Insurance also developed a website that includes a tool for evaluating suitability while directing users to insurance distributors, enabling them to compare payment options.

“MyPace is built directly into InsuranceSuite,” said Turack. “It enables us to sell, distribute, and service this program.”

Using analytics to find new customer segments, upgrading telematics technology to fit product variation, and developing capabilities to support new customer servicing has all resulted in increased customer choice and flexibility.

“It’s really about choice for the consumer,” said Turack. “We’ve used Guidewire to enable the information sharing and the policy generation from that.”

This innovation, on both the business and technical sides, helped CAA Insurance deliver MyPace as the first-to-market payment program supporting diverse lifestyles and embracing new and existing technologies. Turack noted, “Consumers are really adapting the way they interact with insurance companies. They’re encouraging insurers to improve the style, the format, and the ability to research information online.”

### First-to-Market Customer Enablement

By taking insurance from traditional siloed products to inclusive insurance offerings with MyPace, CAA Insurance recognized market needs and responded to them. Quickly spreading in popularity, MyPace delivered CAA Insurance new, diversified customers, which accounted for more than 70% of sales. Moreover, brand awareness reached 30+ million impressions, spurred by a wide array of industry, news, and trade media publications.

Leveraging InsuranceSuite with real-time data to make the right business decision was a critical part of bringing MyPace to life. Moving from the traditional time-based annual pricing model to a time vs. distance model, CAA Insurance has distinguished itself by introducing pricing that uses the exact amount of distance driven. This results in a more personalized rate for customers, unavailable elsewhere in Canada.