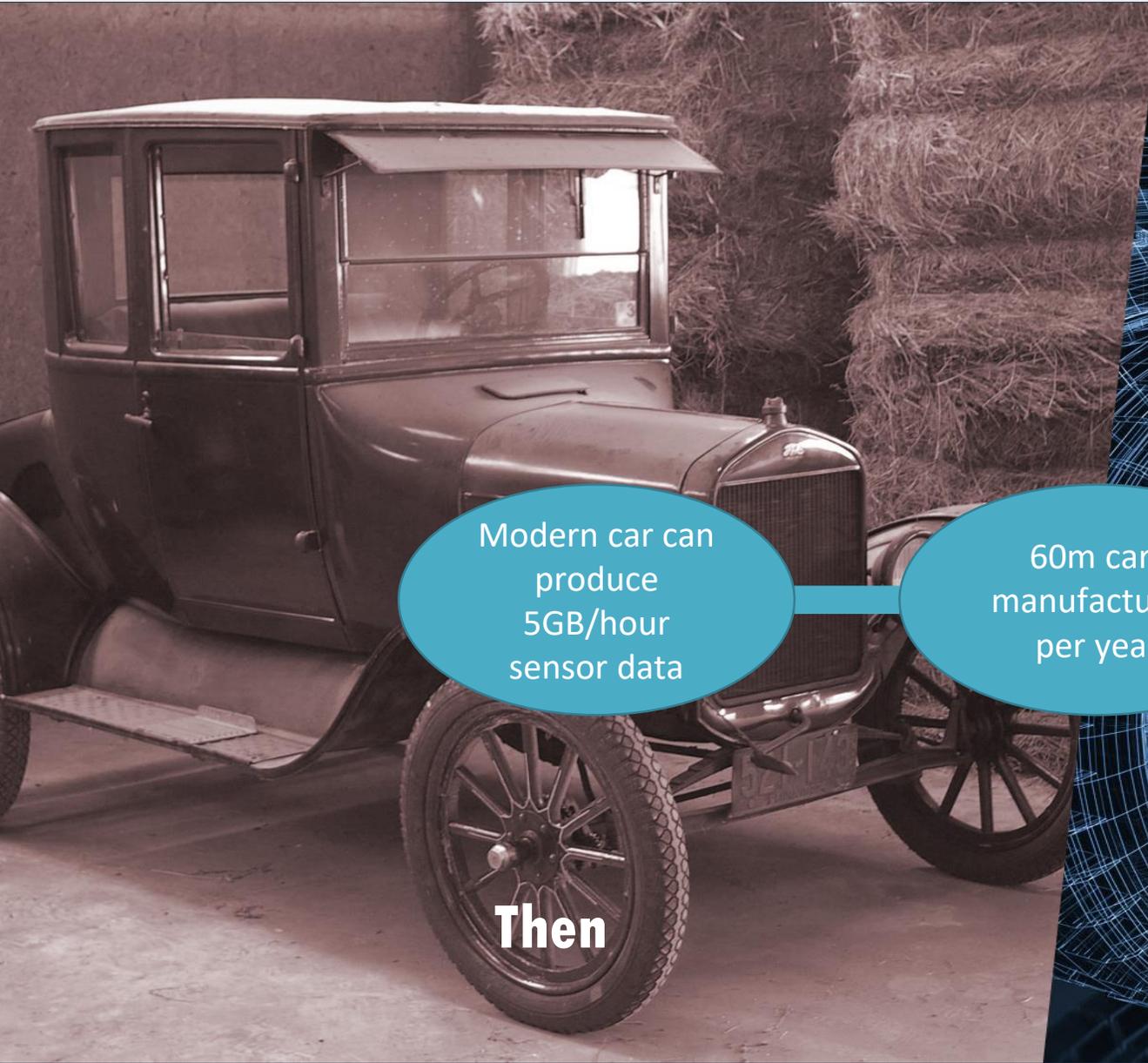


OCTO

# CLEPA Aftermarket Conference

30<sup>th</sup> March 2017

Andrew Lee, Head of Market Intelligence

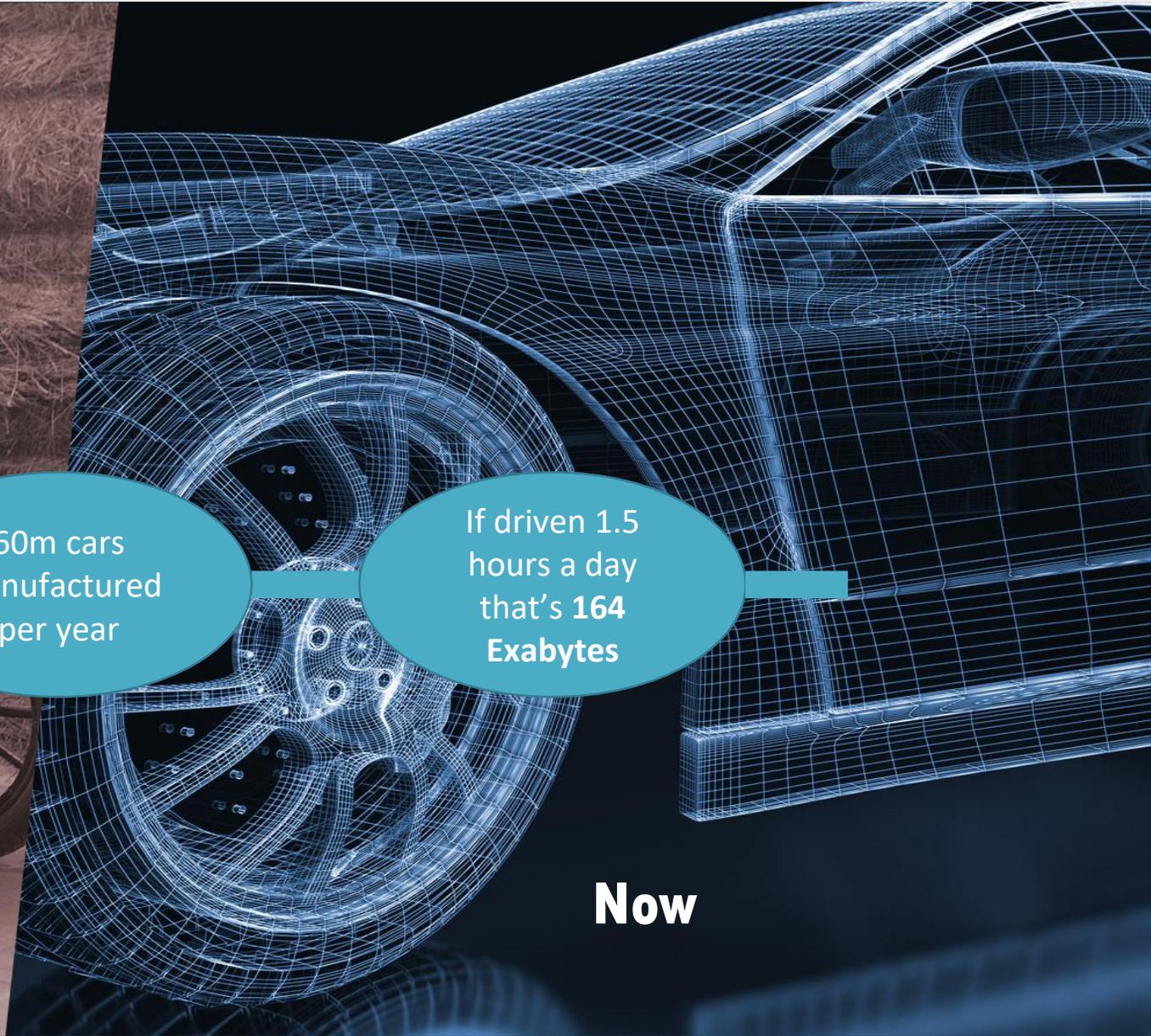


**Then**

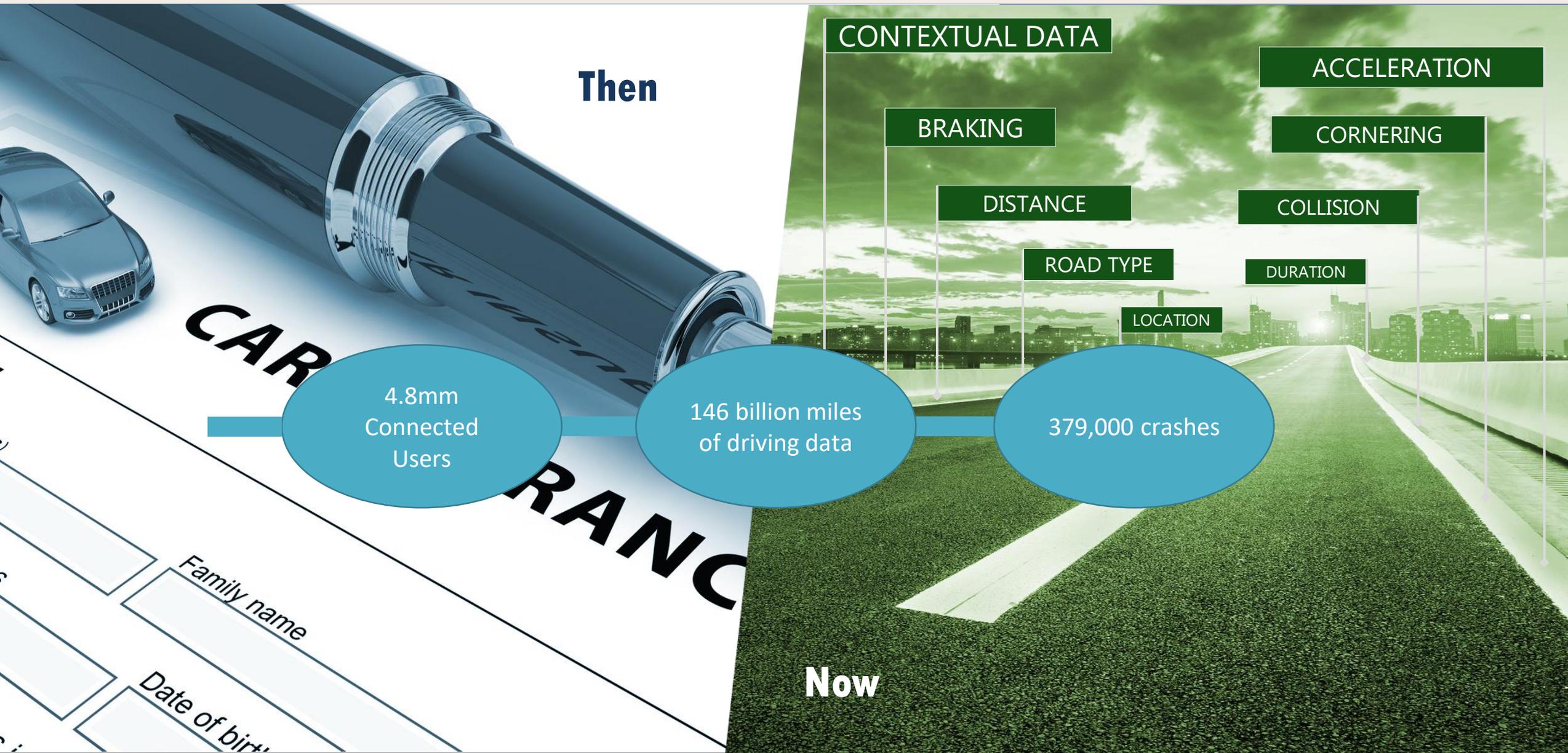
Modern car can produce 5GB/hour sensor data

60m cars manufactured per year

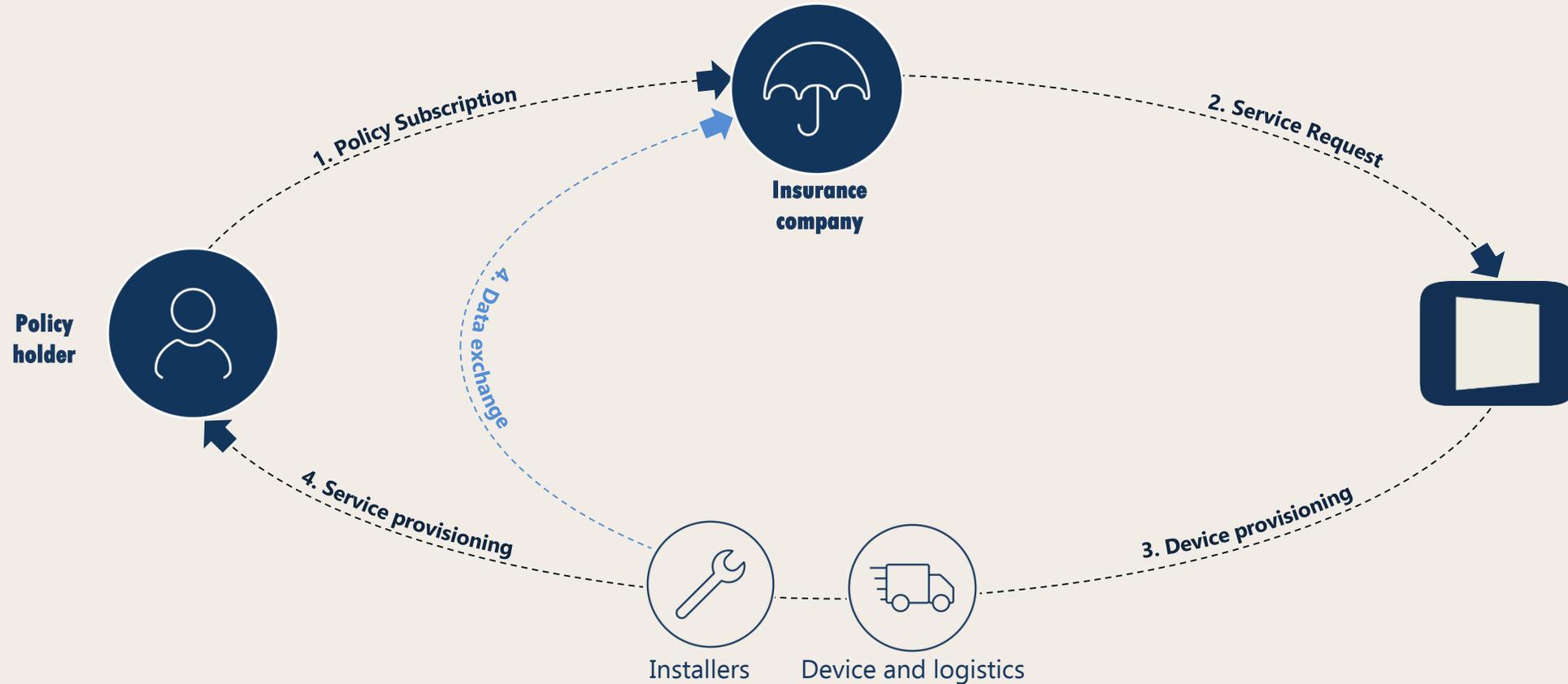
If driven 1.5 hours a day that's 164 Exabytes

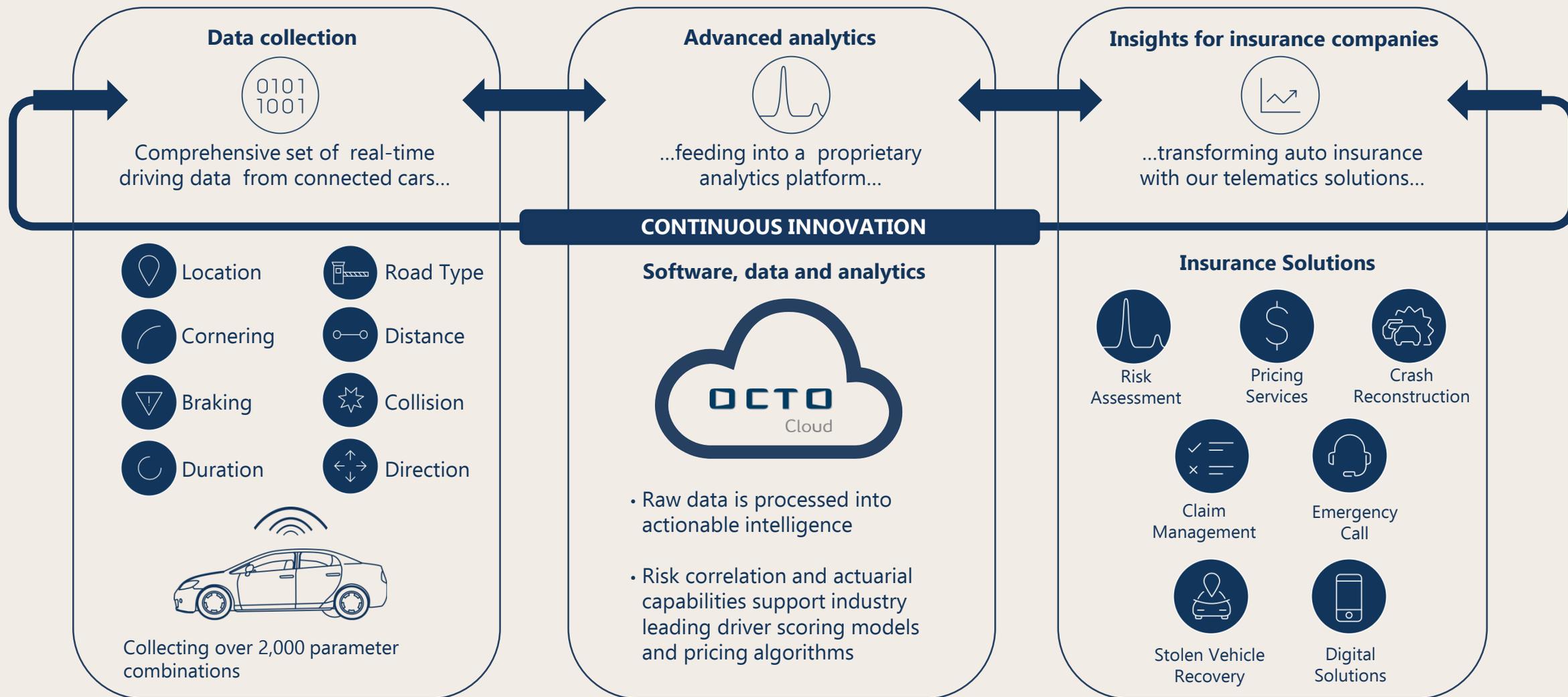


**Now**



**Octo Telematics provides services based on contractual relationships between a number of parties, all connected and perfectly integrated through Octo Telematics platform**





**Insurers**



Up to 30% profitability improvement

**More accurate risk pricing**

Dynamic and more accurate risk assessment / pricing based on real-time driving data.

Telematics programs typically attract low-risk and profitable drivers

**Reduced costs**

50% fewer claims vs. non-telematics insurance policies

More efficient claims management process

Reduced fraud

**Improved brand, client loyalty and retention**

More frequent and better quality interactions with policy holders

Lower customer churn

**Enlarged solutions offering**

New value-added telematics solutions offered, enhancing overall policy holders experience

**Clear value proposition to both policy holders and insurers driving UBI adoption**

(1) Insurance companies advertise up to 30% savings

**Policy holders**



Up to 30% insurance discount

**Discounted insurance premium**

Significant savings<sup>(1)</sup> for telematics-enabled insurance policies as compared to non-telematics policies

**Improved safety**

Natural incentive to drive better as premiums decrease as a consequence

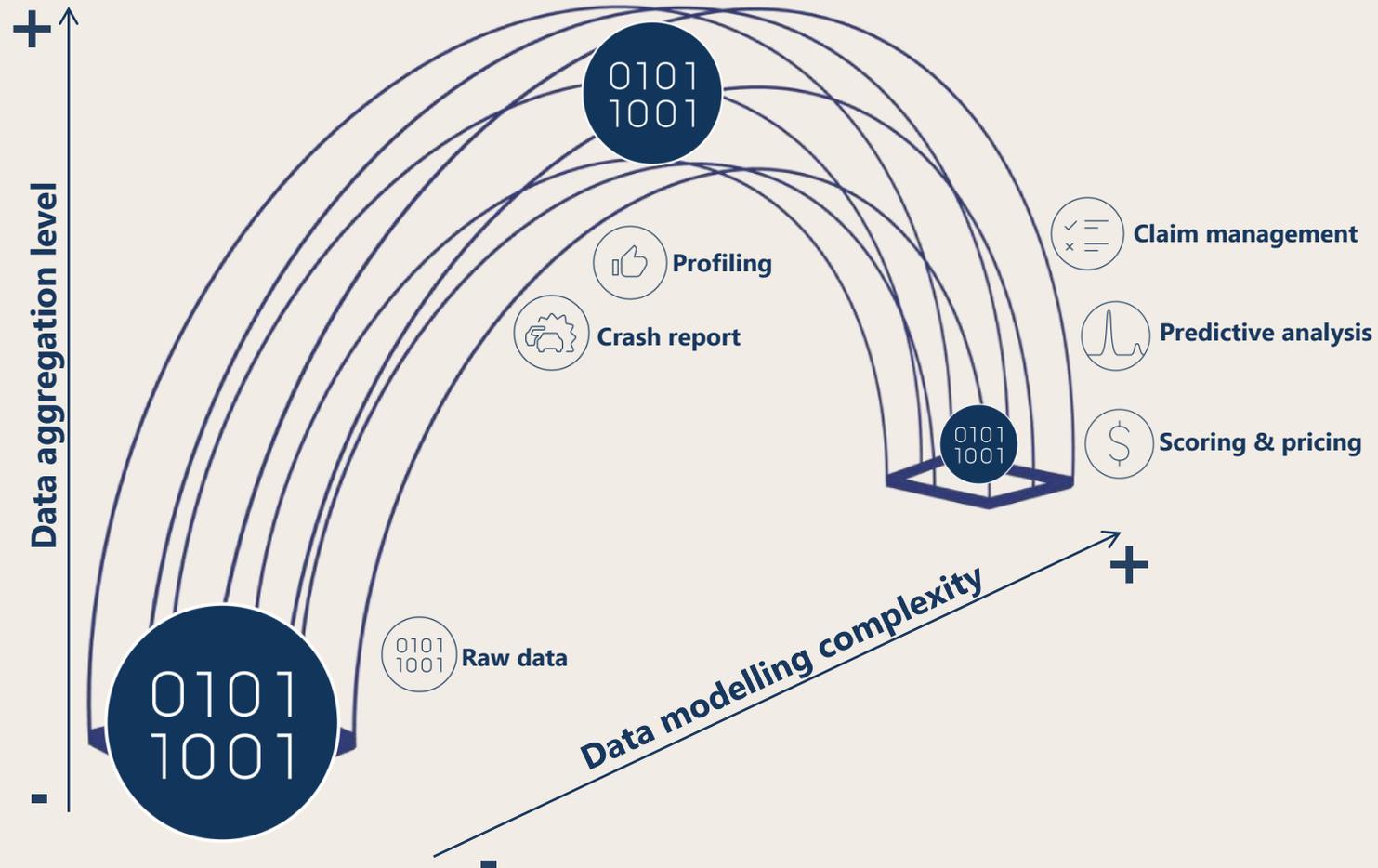
**More efficient claim process**

Significant time savings and certainty

**Enhanced driving experience**

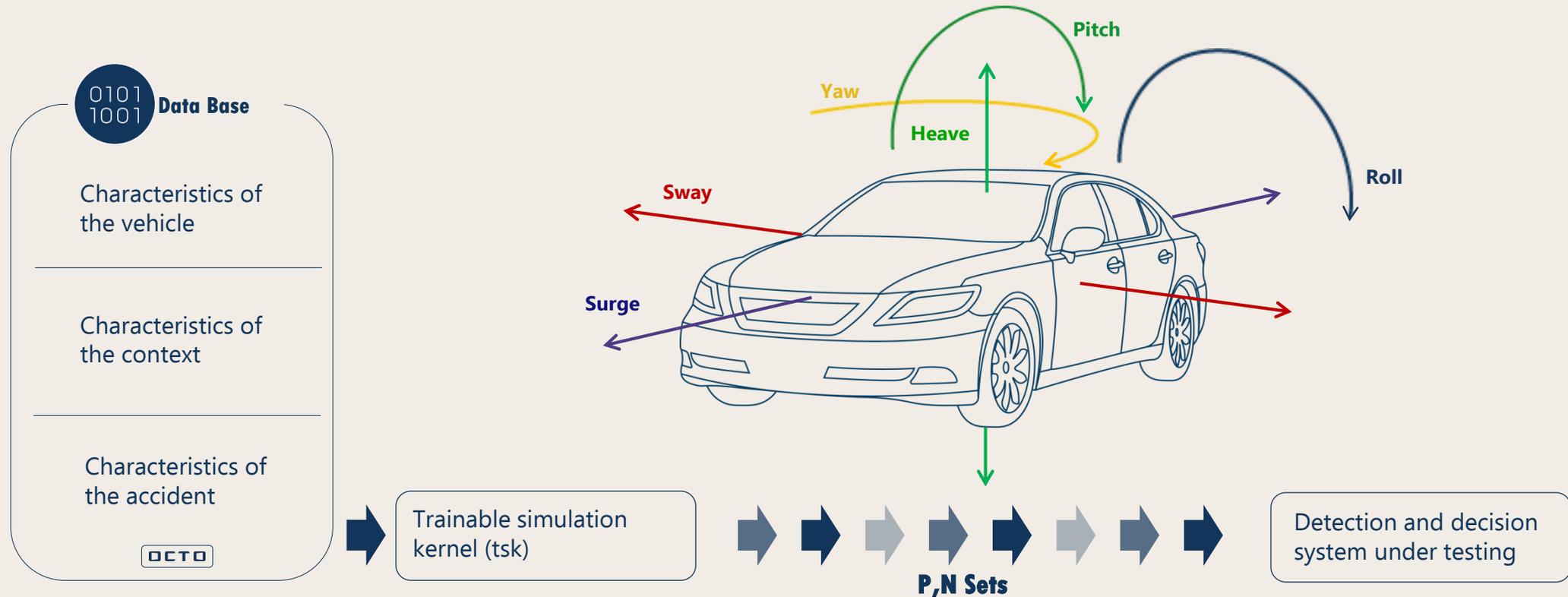
Access to new services improving overall driving experience (e.g. SVR, traffic information)

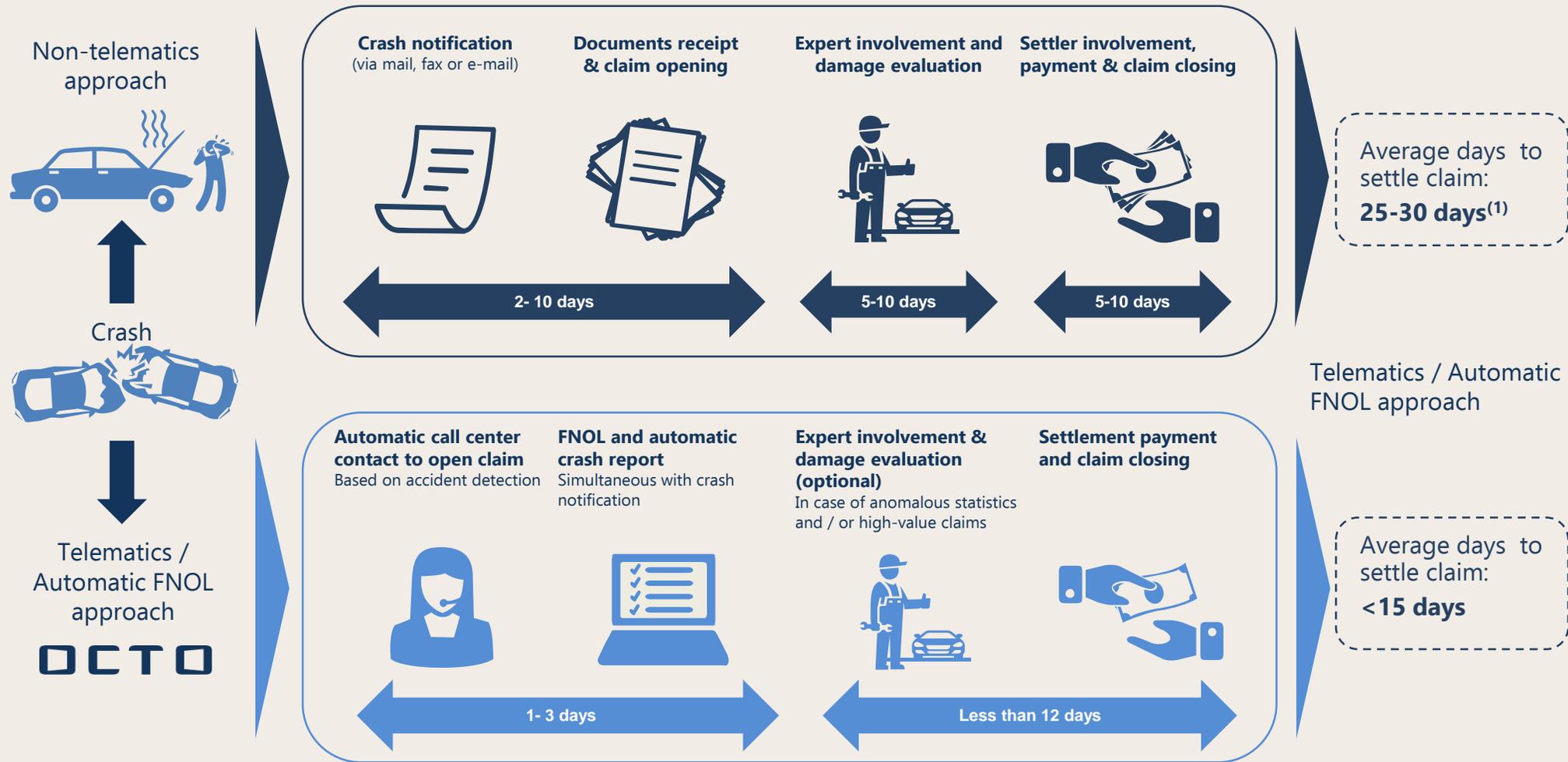
...what info and what for



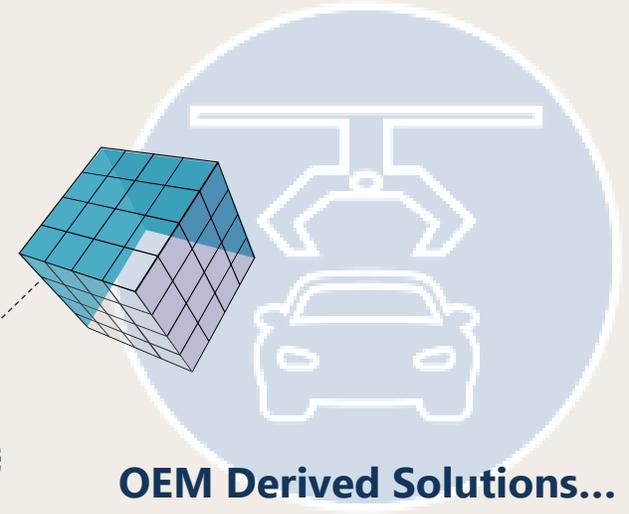
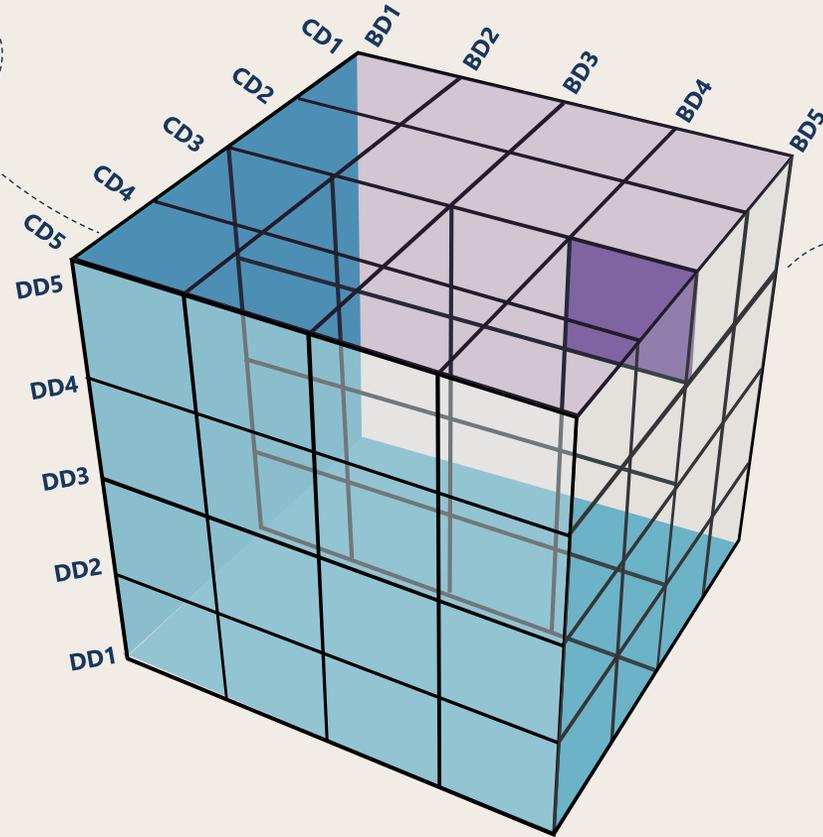
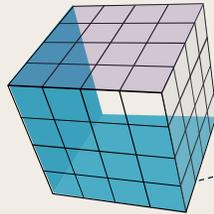
- Large amounts of raw data are collected according to “store & forward” methods and first analysis is applied on the device
- Data aggregations and proprietary algorithms allows the reconstructions of events (like crashes) and mapping driving pattern to identify the behaviour underlying different levels of risks
- New algorithms, both at statistical and actuarial level, are continuously generated and validated trough backward re-processing of the entire data base

Careful modeling of a vehicle's engine and the control matrix of the driver makes it possible to simulate every significant event for development and testing purposes





(1) Benchmark: Direct insurance companies



## OEM Derived Solutions...



Usage based (extended) warranty



Usage based maintenance contracts



Parts & services offers

**DD:** Saturday / 2PM / Rural Road

**CD:** Raining

**BD:** Medium Acceleration

Simple visualization of multi-dimensional, Big Data driven, dynamic risk assessment capabilities

**CD** = Contextual Data-Point - **BD** = Behavioral Data-Point - **DD** = Driving Data-Point

Algorithm Evolution (Fourth Dimension) →



**OCTO**

Thank you

**Andrew Lee**

---

[andrew.lee@octotelematics.com](mailto:andrew.lee@octotelematics.com)