



National Motorcycle Conference

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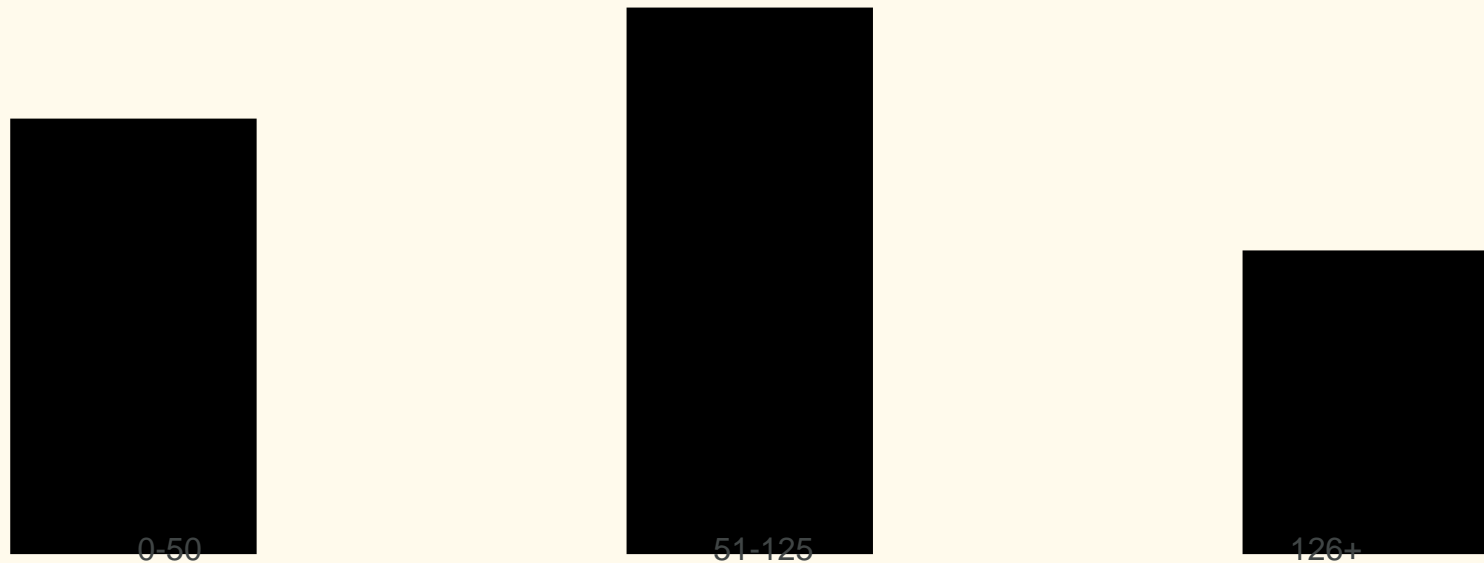
The Role of Insurers in Road Safety

Chris Eagle - ERS

What do insurers do?

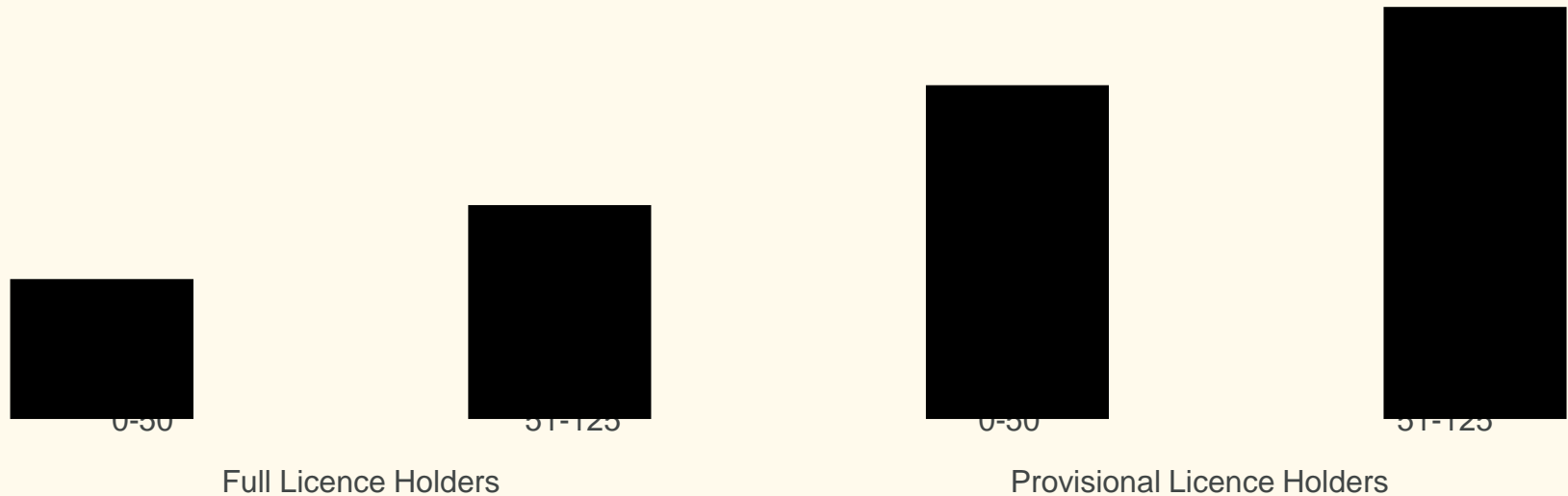
- Collect premium and pay claims
- Monitor claim rates and model risk profiles
- Aggregate data across years

Insight over intuition



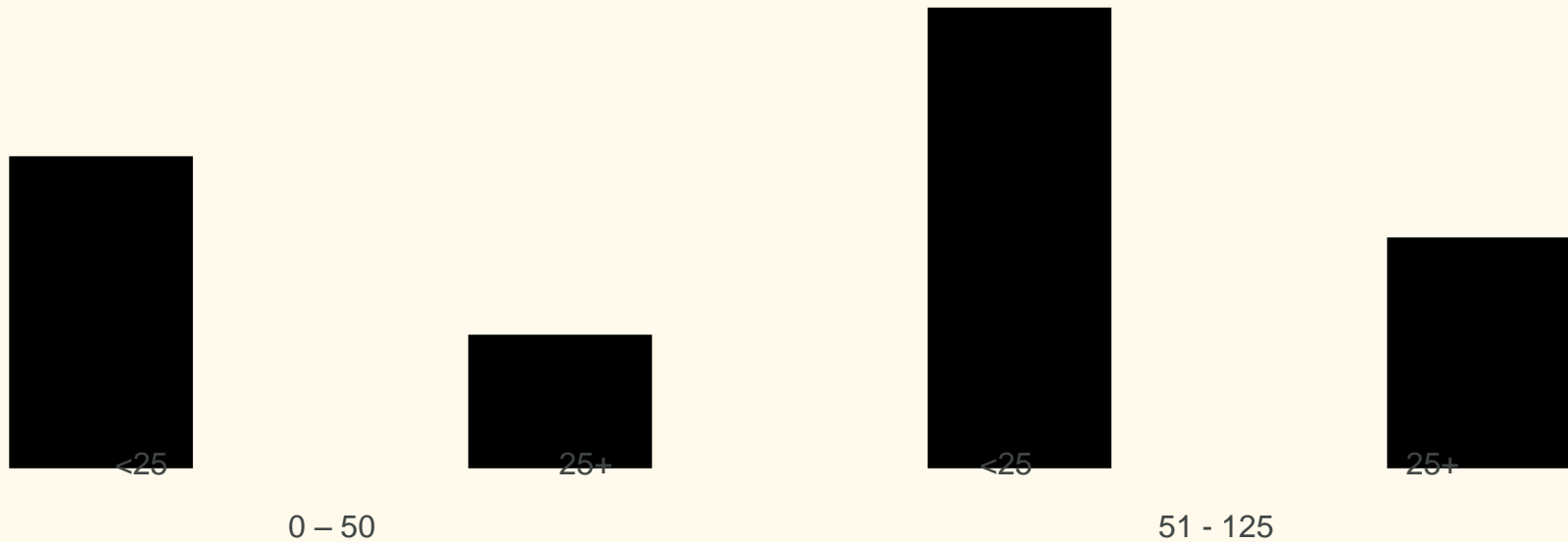
- Rate of Accident on 51 – 125 cc machines is materially higher than 0-50 and 126cc+
- Why?

Insight over intuition – Sub 125



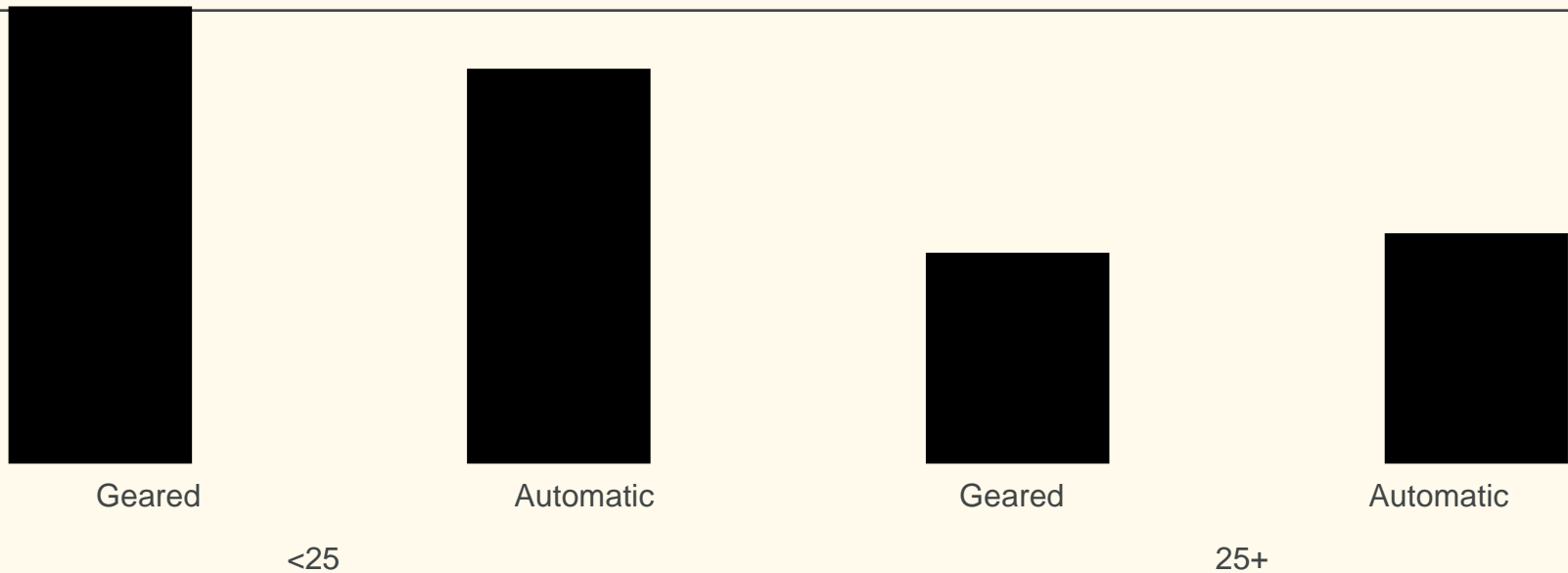
- Licence type appears to hold a key
- Even more so when you consider the above is representative of riders with no current road experience
- Is that it?

Insight over intuition – Sub 125



- Age of rider is a clear determinate of risk
- However risk continues to increase through CC
- That's all pretty much common sense isn't it?

Insight over intuition – Sub 125

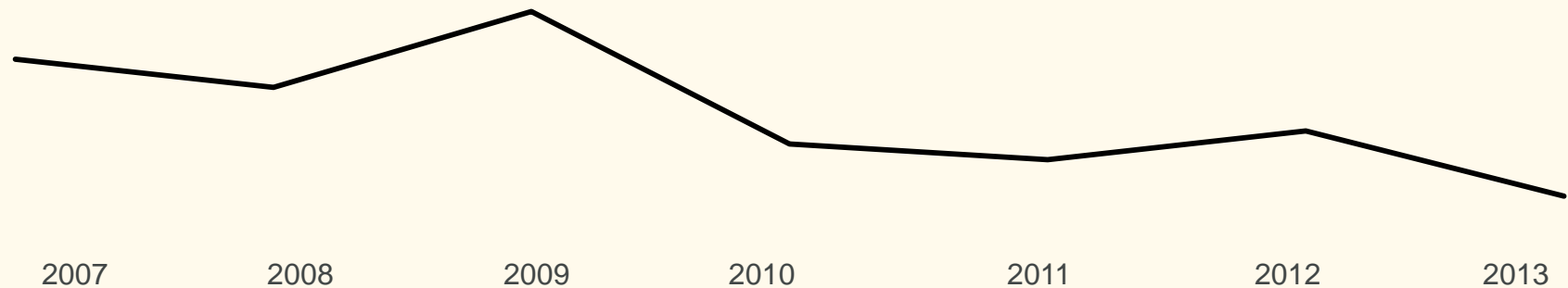


- There is an obvious step in the rate of accident for geared machines ridden by under 25 year olds – not apparent in those over the age of 25
- This group of riders accident rate is twice that of the overall 51 – 125 segment and three times the accident rate of the overall group of risks analysed
- Clutch control anyone?

Government data?

- Reliant on police reports
- Won't cover “minor” accidents
- What drives the difference between a minor accident and a major one?

Post implementation – what happened here?



Accident rate across years for a constant group of policies

- 30 – 59 year olds
- “traditional” machines over 125 cc
- Full licence holders
- 0 years licence held

This appears to support the hypothesis that the introduction of the two stage test in 2009 has reduced the likelihood of being involved in an accident within a year of getting a full licence.

Summary – What can insight bring?

- Effective identification of higher risk groups of people
- Targeted changes to training practices for the betterment of road safety
- Objective impact assessment over time