

F R O S T & S U L L I V A N

2024

TECHNOLOGY
INNOVATION LEADER

*IN THE NORTH
AMERICAN TELEMATICS
INSURANCE INDUSTRY*

F R O S T & S U L L I V A N

BEST
2024 PRACTICES
AWARD



DRIVING CHANGE

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each Award category before determining the final Award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. IMS excels in many of the criteria in the telematics insurance space.

AWARD CRITERIA	
<i>Technology Leverage</i>	<i>Business Impact</i>
Commitment to Innovation	Financial Performance
Commitment to Creativity	Customer Acquisition
Stage Gate Efficiency	Operational Efficiency
Commercialization Success	Growth Potential
Application Diversity	Human Capital

Driving Innovation with Telematics Insurance

The evolution of vehicle telematics in the insurance sector - a fusion of telecommunications, informatics, electronics, and vehicular technologies - has given rise to unique business models that pertain to telematics insurance or usage-based insurance (UBI). The telematics ecosystem revolves around the seamless collection and analysis of data originating from vehicle electronics. Parameters such as speed, location, driving behavior, and maintenance requirements converge to form a rich reservoir of insights. Frost & Sullivan analysts monitor how these insights, harnessed through real-time analysis, refine the overall driver experience and revolutionize the insurance landscape.¹

Traditional insurance models fail to capture the dynamic nuances of individual driving behavior. While conventional premiums hinge on static factors, such as fixed premium rates pertaining to demography, telematics insurance introduces a paradigm shift by evaluating drivers based on their real-time performance. Yet amidst the transition, Frost & Sullivan points out that the industry grapples with balancing innovation and reliability.

Moreover, the proliferation of telematics insurance programs on a global scale creates a competitive scenario fraught with pitfalls. The emphasis on price discounts in many programs requires a commodification of insurance offerings. Therefore, the need for tailored, sustainable solutions that

¹ <https://www.iii.org/article/background-on-pay-as-you-drive-auto-insurance-telematics>

exceed the attraction of short-term gains becomes increasingly pronounced.

Companies like IMS are significant innovators and pioneers of the telematics insurance space, offering several telematics insurance solutions - including personal UBI, commercial UBI, mileage-based insurance, and connected claims. With over a decade of global expertise in claims telematics programs, IMS' tailored telematics insurance solutions provide policyholders with personalized premiums and give insurers invaluable insights into risk assessment and mitigation.

Shaping Safer and Smarter Mobility through Telematics and Connected Insurance

Founded in 1999 and headquartered in Crewe, Cheshire East, United Kingdom (UK), IMS relentlessly focuses on customer engagement-led product design and enables drivers to enhance their driving behavior, fostering a safer and more efficient mobility ecosystem. Leveraging extensive expertise in data

“IMS’ commitment to innovation manifests in a suite of cutting-edge solutions meticulously designed to revolutionize the telematics claims market. The company understands the transformative potential inherent in emerging technologies, driving itself to continuously push the boundaries of what is possible.”

***- Rabin Dhakal
Best Practices Research Analyst***

analytics, the company transforms raw data points into predictive risk scoring, equipping insurers with the tools to craft advanced UBI products tailored to individual driving behaviors. IMS aims to catalyze a paradigm shift in the industry's perception of telematics and connected insurance. By pioneering new approaches to collision detection and claims management, the company opens doors to a future brimming with possibilities. IMS' commitment to innovation manifests in a suite of cutting-edge solutions meticulously designed to revolutionize the telematics claims market. The company

understands the transformative potential inherent in emerging technologies, driving itself to continuously push the boundaries of what is possible.

IMS One App™

The IMS One App™ is a groundbreaking mobile app framework engineered to redefine user engagement and experience in telematics insurance. This versatile platform allows insurers and mobility operators to craft highly customized mobile app experiences tailored to the unique needs of their customers. Alongside a highly configurable interface, the IMS One App™ integrates with various sensor types, including smartphones, on-board diagnostics, and proprietary hardware sensors such as the IMS Wedge. This unparalleled flexibility enables insurers to evolve their propositions over time, fostering deeper engagement and loyalty among policyholders.

IMS Wedge™

Complementing the IMS One App™ is the IMS Wedge™, an industry-leading hardware sensor designed to enhance data precision and functionality within connected claims and UBI programs. This patented mobile app data enhancer leverages Bluetooth technology to optimize trip detection, driver behavior monitoring, impact detection and claims data recording capabilities. By seamlessly integrating with smartphones, the IMS Wedge™ provides insurers with invaluable insights into driver behavior, enabling more accurate risk assessment and personalized premium pricing.

IMS DriveSync® Platform

Driving IMS' innovative acumen is the cloud-based IMS DriveSync® platform, a revolutionary ecosystem designed to transform driving downtime into a more rewarding and valued experience while prioritizing safety. Built upon a foundation of advanced soft-computing techniques and intuitive data analysis, IMS DriveSync® allows insurers, mobility providers, and government agencies to unlock a wealth of valuable services, including UBI, mileage-based pricing, connected claims, distracted driving detection, and dynamic road charging. Moreover, IMS DriveSync®'s data source-agnostic architecture, facilitated by the IMS Vehicle Data Exchange component, simplifies technology complexity by providing standardized access to complete vehicle data and insights from any source, fostering collaboration and innovation across the telematics ecosystem.

IMS Vehicle Data Exchange

IMS' in-house developed Vehicle Data Exchange is a pioneering data access solution for insurance carriers, mobility providers, and government entities. In response to the growing demand for cost-effective and streamlined access to vehicle and driving data, IMS engineered this exchange platform to provide live access to comprehensive vehicle insights from any data source. This unique feature future-proofs data collection investments by ensuring compatibility with various telematics programs and data sources, eliminating the need for multiple vendor relationships and bespoke data access partnerships. With the IMS Vehicle Data Exchange, the company empowers stakeholders to fuel their programs and access vehicle data seamlessly.

Beyond its technological expertise, IMS continually reimagines traditional claims management processes. Through the automation of first notice of loss procedures and the utilization of telematics data for real-time claims assessment, the company allows insurers to streamline claims processing, reduce operational costs, and enhance the overall customer experience. Whether through the intuitive interface of the IMS One App™ or the seamless integration of hardware sensors like the IMS Wedge™, IMS meticulously crafts every aspect of its solutions to resonate deeply with end-users, fostering a sense of trust, loyalty, and empowerment. By leveraging data-driven insights to expedite claims resolution and mitigate fraud risks, IMS is at the forefront of transforming the claims' landscape, ensuring insurers remain agile, efficient, and customer-centric in an increasingly digital world.

In a market inundated with cookie-cutter solutions, IMS stands out for its commitment to delivering highly tailored user experiences that cater to the diverse needs and preferences of insurers and policyholders. Frost & Sullivan applauds IMS for its innovative approach to telematics insurance, leveraging human-centric design philosophy and prioritizing user engagement, safety, and satisfaction above all else.

Leveraging Agile Approaches and Telematics Expertise to Deliver Value and Satisfaction

Leveraging insights from a decade-long stint operating a direct-to-consumer insurance business in the UK, IMS has honed its stage gate process to perfection, personifying a fusion of technology, strategy, and customer-centricity.

IMS' stage gate approach to product development is agile and marked by a keen emphasis on controlling the entire value chain. The company's journey from traditional black box technology to cutting-edge

digital solutions, including smartphone apps and a cloud-based platform, demonstrates its ability to harness telematics data's transformative power.

Furthermore, IMS' value-driven approach encompasses a holistic understanding of the telematics ecosystem's multifaceted components. By dissecting telematics data into three distinct layers, viz., data capture, behavioral analysis, and engagement, the company enables insurers to extract maximum value

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Best Practices Research Analyst

from their telematics investments. From trip capture and driver behavior scoring to automated intervention and communication through smartphone apps, IMS optimizes every aspect of the claims handling process for speed, accuracy, and customer satisfaction.

In today's fast-paced insurance landscape, where policyholders demand faster, fairer underwriting and claims experiences, IMS offers a suite of fully digital claim solutions that cater to the diverse needs of insurers and policyholders. With a data source-agnostic platform that supports various UBI and telematics-based programs, IMS empowers insurers to unlock the full potential of telematics data, enabling them

to stay ahead of the curve and deliver superior value to their customers.

Frost & Sullivan commends IMS for revolutionizing the telematics insurance landscape through agile product development and a holistic understanding of customer needs.

Propelling Growth with Strategic Partnerships and Telematics Innovations

IMS' approach to customer acquisition is characterized by a meticulous focus on value addition post-data ingestion, ensuring seamless onboarding and retention of new customers. By leveraging cutting-edge algorithms for driver scoring, configurable engagement toolsets encompassing rewards, coaching, and messaging, and sophisticated analytics for claims management, the company delivers unparalleled value throughout the customer journey.

IMS ensures customer success with its dedication to sensor agnosticism and innovative vehicle data exchange layer. This foundational layer allows the company to ingest telematics data from diverse sources, empowering insurers with a wealth of data streams for robust risk profiling and claims analytics. Strategic partnerships with industry giants such as LexisNexis® Risk Solutions and High Mobility further bolster IMS' customer acquisition capabilities, providing insurers access to cutting-edge solutions for enhanced customer engagement and retention.

In North America, IMS has forged a strategic partnership with LexisNexis® Risk Solutions, a prominent provider of data and analytics for the insurance and automotive industries. Through this collaboration, insurers utilizing the company's solutions can leverage a unified driving score derived from data collected by its DriveSync® platform and LexisNexis® Telematics OnDemand solution. This approach ensures consistency in scoring processes across various insurers, enhancing the appeal of UBI offerings and

reinforcing customer loyalty.²

Similarly, IMS has partnered with High Mobility, a European connected vehicle data processing specialist. High Mobility's expertise lies in ingesting, processing, and standardizing original equipment manufacturer (OEM) data, aligning perfectly with IMS' vision of delivering clean, uniform data streams for enhanced analytics and customer engagement. By combining OEM data from High Mobility with IMS's app-based driver data, insurers gain a comprehensive view of driver behavior and risk profiles, paving the way for more informed decision-making and personalized insurance offerings.³

Strategic alliances with industry leaders have been instrumental in expanding IMS' market reach and technological capabilities. Through these partnerships, the company extends its value proposition, offering insurers a comprehensive suite of solutions for customer engagement, risk management, and claims handling. By integrating OEM data, aftermarket telemetry, and app-based driver data, IMS enables insurers to gain holistic insights into driver behavior and risk profiles, driving operational efficiency and customer satisfaction.

These partnerships yield tangible results, with IMS cultivating over 600,000 live monetized connections, each linked to a live insurance policy.⁴ This impressive feat reflects IMS' ability to deliver value to insurers and customers, facilitating seamless customer acquisition and retention in the dynamic telematics insurance market. Likewise, the company's dedication to safeguarding insurers' telematics investments is evident through its portfolio of over 120 core patents.⁵ By leveraging its scalable and advanced DriveSync® platform and multifaceted connected claims and UBI solutions, IMS analyzes billions of miles and millions of potential impacts monthly, equipping insurers with actionable insights, enabling them to make informed decisions, and driving customer growth effectively.

Frost & Sullivan lauds IMS' robust focus on technology innovation and track record of delivering tangible value to customers, enabling the company to strengthen its brand reputation, foster customer loyalty, and ensure sustained growth and success in the telematics insurance market.

Empowering the Future of Insurance with People-powered Technology and Inclusivity

At IMS, a commitment to quality and customer-centricity permeates the company's culture, fostering a dynamic environment and prioritizing employee morale and retention. The company's ethos revolves around a shared passion for enhancing driving safety, intelligence, and fairness for all stakeholders.

Recognizing that its strength lies in its people, IMS champions a philosophy of "People-Powered Technology™" where human expertise intersects with cutting-edge technology to drive innovation and success. With a diverse and inclusive workforce, the company leverages a broad spectrum of perspectives to fuel creativity and drive better outcomes. Notably, IMS boasts impressive diversity metrics, with over 50% total ethnic and 33% total gender diversity, highlighting its commitment to inclusivity.⁶

² <https://risk.lexisnexis.com/about-us/press-room/press-release/20231030-ims>

³ <https://www.high-mobility.com/blog/high-mobility-and-ims-partner-to-unlock-the-power-of-connected-vehicles-for-insurers>

⁴ <https://ims.tech/about-us/>

⁵ Ibid.

⁶ <https://ims.tech/about-us/>

IMS' human capital strategy lies in its customer engagement culture, which the company ingrains in its DNA. Through initiatives like IMS Labs™, a suite of program optimization services, the company collaborates closely with insurers to ensure their programs align with strategic objectives and deliver maximum value. By acting as an extension of insurers' program teams, IMS provides invaluable insights and support across various facets, including refining program value propositions, enhancing customer onboarding experiences, and optimizing marketing strategies. Likewise, the company's engagement toolset addresses industry challenges such as customer engagement and behavior modification. Uniquely available to any insurer, the toolset integrates with existing telematics programs and provides full control over rewards distribution. With capabilities for tailored messaging, educational content distribution, and gamification elements like leagues, leaderboards, and milestones, IMS enables insurers to drive meaningful engagement and achieve desired outcomes efficiently.⁷

Drawing from its extensive experience in the direct-to-consumer digital insurance sector, IMS understands the importance of agility and adaptability in the ever-changing insurance landscape. By future-proofing its technology and fostering a culture of continuous improvement, IMS empowers its workforce to navigate industry challenges and seize opportunities for long-term success.

Frost & Sullivan admires IMS for fostering a culture of quality and customer-centricity. By prioritizing diversity, inclusivity, and continuous improvement, the company enables its workforce to deliver innovative solutions and exceptional service, ensuring sustained growth and excellence in the insurance industry.

Conclusion

IMS trailblazes the telematics insurance landscape, harnessing over a decade of global expertise to redefine mobility solutions. Alongside customer-centricity, the company demonstrates its innovative acumen with cutting-edge solutions designed to empower policyholders and insurers. From the pioneering IMS One App™ to the sophisticated IMS DriveSync® Platform, IMS continually pushes the boundaries of technology to enhance driving behavior, streamline claims processing, and elevate the overall customer experience. Moreover, the company's strategic partnerships with industry giants such as LexisNexis® Risk Solutions and High Mobility fortify its position as an industry leader, enabling access to innovative solutions and driving customer acquisition and retention.

IMS' success lies in its emphasis on human capital, championing a culture of inclusivity and continuous improvement where diverse perspectives converge to fuel innovation. Drawing from its extensive experience in the direct-to-consumer digital insurance sector, the company properly understands the importance of adaptability in navigating the ever-evolving insurance landscape. By future-proofing its technology and fostering a culture of agility, IMS positions itself for continued growth and success in shaping the future of telematics insurance.

With its strong overall performance, IMS earns the 2024 Frost & Sullivan Technology Innovation Leadership Award.

⁷ <https://ims.tech/engagement/>

What You Need to Know about the Technology Innovation Leadership Recognition

Frost & Sullivan's Technology Innovation Leadership Award recognizes the company that has introduced the best underlying technology for achieving remarkable product and customer success while driving future business value.

Best Practices Award Analysis

For the Technology Innovation Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Technology Leverage

Commitment to Innovation: Continuous emerging technology adoption and creation enables new product development and enhances product performance

Commitment to Creativity: Company leverages technology advancements to push the limits of form and function in the pursuit of white space innovation

Stage Gate Efficiency: Technology adoption enhances the stage gate process for launching new products and solutions

Commercialization Success: Company displays a proven track record of taking new technologies to market with a high success rate

Application Diversity: Company develops and/or integrates technology that serves multiple applications and multiple environments

Business Impact

Financial Performance: Strong overall financial performance is achieved in terms of revenues, revenue growth, operating margin, and other key financial metrics

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

