From

Risk Protection to Vehicle Ownership Partner

The Next Evolution of Auto Insurance Customer Experience

A perspective for auto insurance carriers and agencies on closing the engagement gap

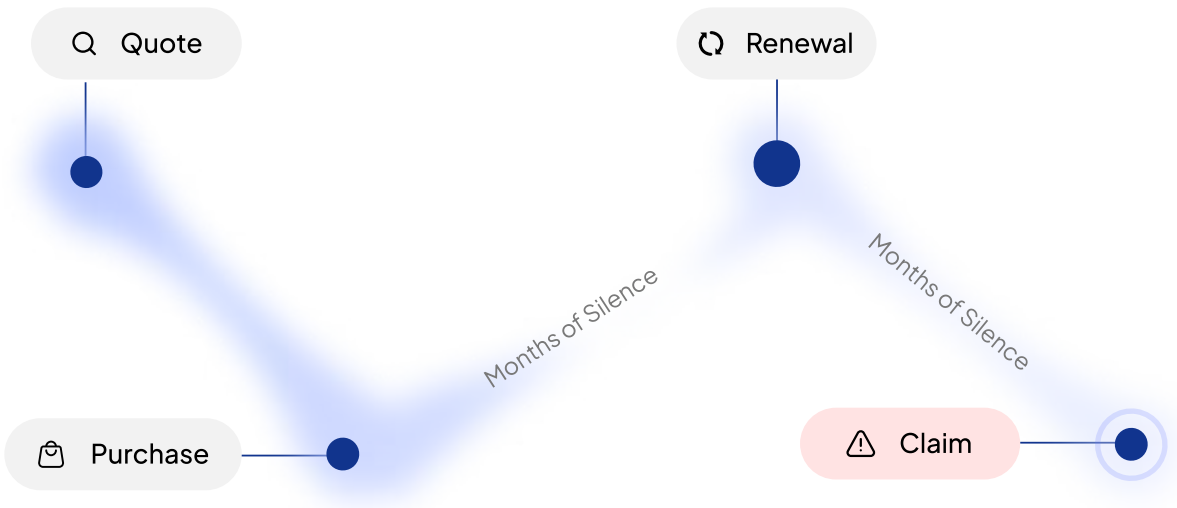


The carriers that win the next decade won't be the ones with the best claims experience. They'll be the ones who are present even when nothing is wrong.

Here's a question the auto insurance industry needs to ask itself. Why does the brand responsible for protecting a vehicle play almost no role in owning it?

Think about what a typical policy relationship looks like. Your customers buy the policy. For most of the year, nothing happens. They renew, and nothing happens again.

That's the entire relationship. Purchase, silence, renewal, silence, claim (if they're unlucky).



The average American spends $1,694 a year on auto insurance, yet their insurer plays no role in owning or maintaining that vehicle. Meanwhile, the same driver may spend another $1,300 to $1,650 annually on maintenance, tires, oil changes, and unexpected repairs (according to AAA's 2025 "Your Driving Costs" study), transactions that happen entirely outside the insurance relationship.

So you, the party with the most financial interest in that vehicle staying safe and well-maintained, are the party least involved in making that happen.

That's the paradox at the center of this paper. It's also where the opportunity begins.

This white paper makes the case that the next era of competitive advantage in auto insurance won't be won through better claims processing or sharper pricing.

It will be won in the space between renewals, through what we call The Vehicle Ownership Platform, and the carriers building toward it are already seeing what separation from the pack looks like.

We'll walk through why this shift is happening, what it looks like in practice, and what it could mean for retention, differentiation, and the long-term value of every policy on the books.

*AAA's 2025 "Your Driving Costs" study

CHAPTER 2

The Commoditization Threat Facing Auto Insurance

3 minutes. That's how long it now takes a policyholder to get five competing quotes.

Now we focus on what happens in the silence between renewals. Increasingly, it's not nothing. In that silence, your competitors are building a case.

Digital shopping tools have made switching nearly effortless. What once required phone calls, paperwork, and back-and-forth now takes just a few taps. You can get five competing quotes in under three minutes with no human involvement. As a result, the hassle that once protected incumbent carriers has largely disappeared.

Aggregators have accelerated this. When every carrier's offering appears side by side on the same screen, reduced to the same handful of comparison points (price, coverage limits, deductible), there is little room to look different. When everything looks the same, the only variable left to compete on is price.

Price comparison tools haven't just made shopping easier; they've made pricing very transparent. Policyholders now know almost instantly whether they're getting a "good deal" relative to the market. That transparency cuts margins and shortens the runway for retention strategies that rely on policyholders not noticing better offers elsewhere.

All of this raises the cost of acquisition.

Every carrier in the market is now fishing in the same pond, with the same lures, and customer acquisition costs continue climbing as a result.

In this environment, loyalty must be earned continuously. If policyholders only recognize their carrier's value at renewal, when they are also presented with competing offers, this does not constitute true loyalty. It is a temporary advantage that may not persist.

The math on that "until it doesn't" moment is unforgiving. A carrier that loses even 5% more customers annually than the industry average doesn't just lose those customers. It inherits a steeper growth burden, just as new entrants are pouring money into acquisition to fill the gap.

Churn doesn't just cost you a customer. It costs you the growth you'd need to replace them, at a moment when replacing them has never been more expensive.

This is the commoditization threat in plain terms: when the product looks the same everywhere, and the relationship only shows up twice a year, price wins. Every time.

That silence between renewals isn't neutral. It's the window your competitors are already walking through.

CHAPTER 3

Every Other Industry Already Figured This Out

Auto insurance is not the first industry to face this problem. It is just one of the last to solve it.

Banking

Consider what happened in **banking**. For most of its history, the bank-customer relationship was purely transactional: deposits, loans, statements, and the occasional branch visit. Then, the leading banks began building platforms. Budgeting tools, fraud alerts, cashback rewards, and personalized financial insights delivered in real time.

Today, customers don't just store money with their bank; they live inside the ecosystem banks have built.

The result was higher retention and a larger share of wallet. The bank stopped being a place you went when you needed something and became something you checked every day.

Travel brands

Travel brands ran the same play. Airlines and hotel chains moved beyond the ticket and the room to own the entire journey: booking tools, rental cars, airport lounges, loyalty programs that reward frequency with access. The relationship stopped ending at checkout. It now stretches across the whole trip, sometimes the whole year.



Retail

Amazon Prime is the clearest illustration of what consistent, year-round value does to a customer relationship. Prime members spend an estimated 2.5 times more than non-members and renew at rates above 90%. Deliver value all year, and customers stop questioning whether the relationship is worth keeping.

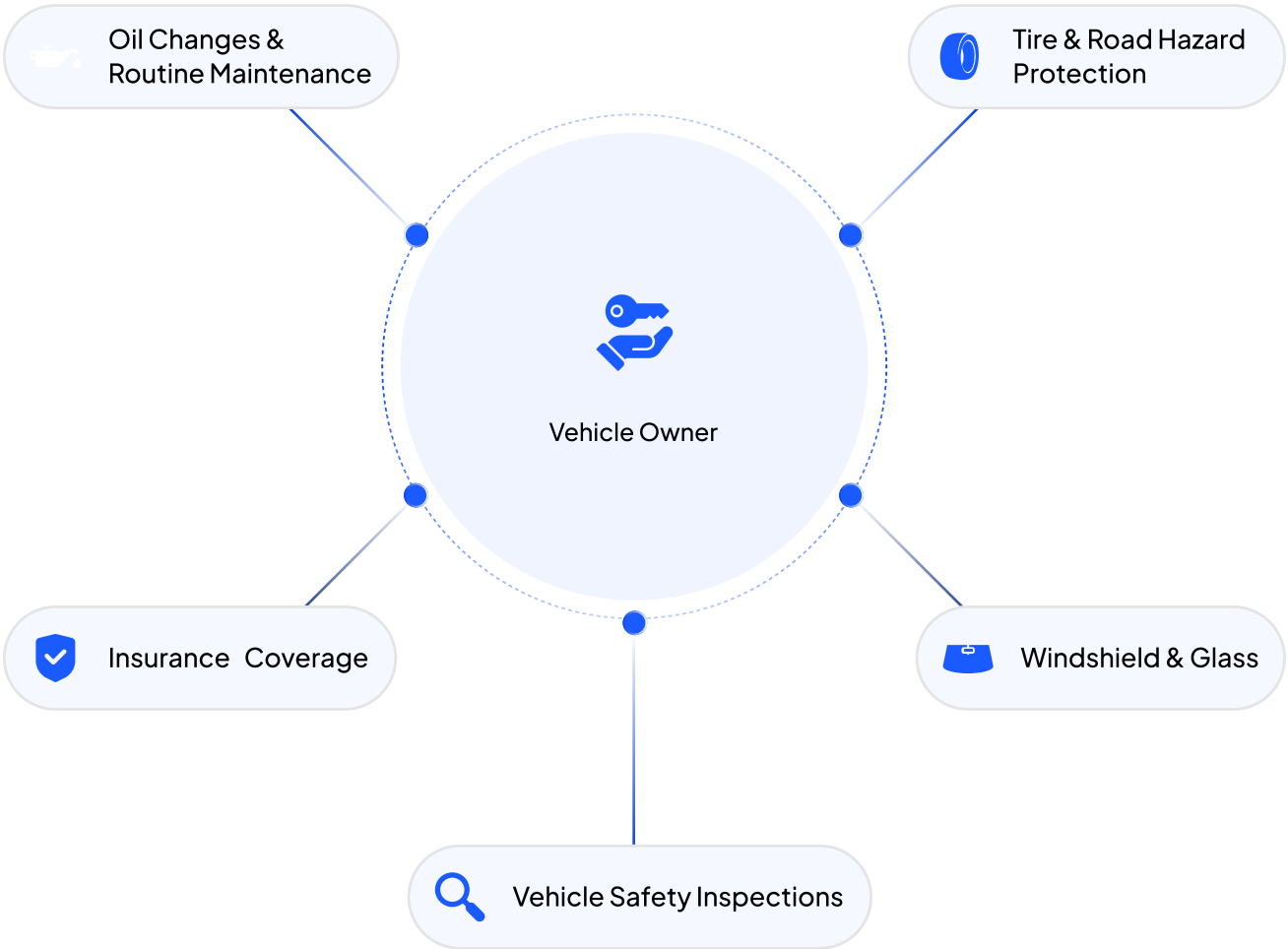
Each of these industries had the same problem: a relationship that only came to life during transactions. Each solved it by building infrastructure that stayed useful in between.

Banking, travel, and retail didn't close this gap by adding loyalty programs. They closed it by building infrastructure that made them useful in the ordinary moments between transactions. Auto insurance has the same opportunity in front of it, unused. All they need to do is make use of it.

A policyholder who files zero claims, contacts their carrier zero times, and receives zero value between renewals has still paid hundreds of dollars for the privilege.

CHAPTER 4

The Rise of the Vehicle Ownership Platform



Less a perk than a structural shift in how the insurer-customer relationship is defined.

Vehicle ownership, in practice, looks like this:

- Oil changes three to five times a year.
- A nail in a tire on a random Tuesday.
- A stone chip on the highway that becomes a full windshield replacement by Friday.
- An inspection that discovered a brake issue, the driver had no idea was coming.

These aren't edge cases. They're a predictable part of owning a vehicle, and they happen to every policyholder on every carrier's books, every year.

The insurer is present for none of it.

A Vehicle Ownership Platform changes this not by offering a loyalty program or extra perks but by making the insurer part of everyday moments like oil changes, flat tires, windshield repairs, and brake checks. These are what owning a car actually costs and feels like.

Protection now becomes one layer of a larger relationship. The carrier stops being the brand a policyholder thinks about at renewal and starts being the one they actually rely on.

3–5

Oil changes needed per year, per vehicle

11,000

Annual crashes linked to tire-related issues (NHTSA)

14 million

Windshields replaced annually in the U.S.

$1,694

Average annual insurance premium (AAA 2025)

The data above describes the ownership experience as it exists today: frequent and entirely disconnected from the insurance relationship.

A Vehicle Ownership Platform is the infrastructure that closes that gap.

The carriers who build it, or partner to access it, stop competing on price alone. Because you cannot comparison-shop a relationship that shows up when it matters.

The Business Case for Continuous Engagement

The engagement gap isn't just a customer experience problem. It's a revenue problem, a retention problem, and a competitive positioning problem. Carriers that close it won't just help their policyholders; they'll perform better.

Retention

When policyholders see consistent value, they are less likely to seek other options. Three to five ownership touchpoints each year shift their thinking from "Is this still the best price?" to "Do I really want to give this up?"

Differentiation

Benefits like oil changes, tire and glass protection, and free inspections don't appear on comparison sites. These ownership perks are part of the customer relationship, beyond what price-matching offers.

Cross-Sell

Drivers who use ownership benefits are more open to umbrella coverage, roadside upgrades, or other policies. More touchpoints lead to better conversations without extra acquisition costs.

First-Party Data

Each service visit, glass claim, and inspection provides insight into vehicle condition, driver habits, and risk. These details are not available from a standard policy. As third-party data becomes harder to find, these interactions become valuable first-party assets that accumulate over time.

Customer Lifetime Value

If retention rises by three points in a group of 100,000 policyholders, that means keeping 3,000 customers who would have left without extra acquisition costs.

CHAPTER 6

The Engagement Gap Has an Answer.

In practice, it looks like this.

- Oil Changes
- Tire Rotation
- Brake Check
- Safety Inspection



Scheduled. Predictable. Yours to Own.

Most vehicle problems don't announce themselves. A carrier that's present at every maintenance moment and inspection catches the problem before it becomes a claim, often before the policyholder even knows there's a reason to call.

3–5 times

The number of oil changes the average driver needs every year. Add inspections, and there's a reason for a carrier to be present before anything goes wrong.

Source: Vehicle manufacturer guidelines / AAA

"Showing up before the problem is not just good service. It is a fundamentally different kind of relationship."



Every Day. Not Just Renewal Day.

Gas, parking, car washes; these aren't occasional interactions. They are routine vehicle ownership expenses, and a carrier who's present for these stops being a background expense and becomes a brand the policyholder notices.

$501.75 to $698.25

Estimated annual routine expense savings for Way Advantage members across gas, parking, and car wash.

**Source: Way Advantage savings calculator*

"The carrier that saves a policyholder $21 on parking this month is more real to them than the one that processed their renewal six months ago."



They Did Not See It Coming. You Already Had Them Covered.

Road hazard protection does not wait for a crisis. It removes the moment of “now what?” and replaces it with “my carrier already has this.” That is not a perk; it is the difference between a transaction and a relationship.

14 million

Tire and glass damage is the most common vehicle problem drivers never plan for.

Source: Industry estimates

“The best time to prove your value is before the policyholder starts looking for someone else.”

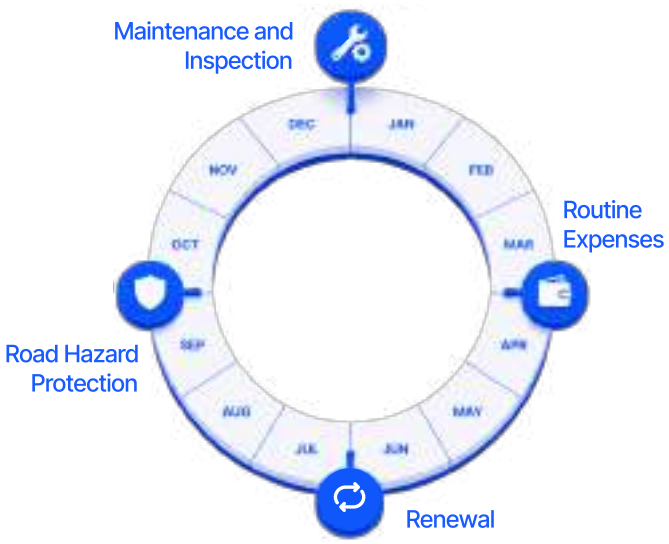
A Better Maintained Vehicle Is a Better Risk

There's an underwriting argument beneath the retention argument. A policyholder whose oil is changed on schedule, whose tires are in good shape, whose glass is intact, and whose safety systems have been inspected is operating a more reliable vehicle. Way Advantage does more than improve how



policyholders feel about their carrier. It also works on the underlying risk profile of the book.

A policyholder who uses a Way Advantage maintenance benefit in February, completes a free vehicle inspection in May, and files a glass claim in September has had three meaningful, positive brand interactions before their renewal notice even arrives.



The maintenance benefits, road hazard protections, and vehicle inspections that Way Advantage delivers are not add-ons. They are the connective tissue between the insurer and the vehicle owner across all 365 days of the year.

CHAPTER 7

Conclusion

The Next Decade of Auto Insurance Will Not Be Won at Renewal.

The carriers that define the next decade won't be the ones that write the most policies today. They'll be the ones that build the deepest, most continuous relationships with the people and vehicles they protect because the market no longer leaves room for anything less.

Price transparency is near total, switching friction is near zero, and customer acquisition costs are climbing. And a relationship that only activates twice a year is not a relationship. It is a bet the carrier keeps winning right up until the year it doesn't.

The good news is that the raw material for a better model already exists. Every vehicle on the road needs maintenance. Every driver has a windshield. Every policyholder benefits from knowing their vehicle is safe and road-ready.

These are not manufactured touchpoints. They are the natural, recurring demands of vehicle ownership and represent the most credible opportunity in the industry to close the engagement gap without building something from scratch.

The carriers that move first won't just feel different to policyholders. They'll retain more, know more, and underwrite better risk. Comparison shopping stops mattering, because there's nothing left to compare.

The insurance industry is at an inflection point. And it is not arriving; it is already here.

01

Coverage and car care converge.

Insurance and ownership benefits stop being separate categories and are all just service.

02

Engagement metrics join the scorecard.

Carriers track benefit utilization and ownership interaction frequency alongside loss ratios & combined ratios.

03

Experience becomes the competitive battleground.

Carriers stop competing for attention only at renewal and start competing for it every time a policyholder needs an oil change, a tire checked, or a windshield replaced.

04

Industry boundaries blur.

Insurer, mobility platform, and vehicle services provider start overlapping. Embedded benefit partnerships become standard, not novel.

05

Engagement becomes a risk signal.

Maintenance and inspection activity stops being just a retention tactic and starts being read as a proxy for risk. The best-engaged policyholders quietly become the best-priced ones.

The engagement gap is real.
The cost of inaction is rising.
The path to closing it already exists.

See how Way Advantage can work for you

way