

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

2024

MARKET  
LEADER

*IN THE NORTH  
AMERICAN TELEMATICS  
INSURANCE AND  
CONNECTED CLAIMS  
INDUSTRY*

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

BEST

2024 PRACTICES

AWARD



## 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. Cambridge Mobile Telematics excels in many of the criteria in the telematics insurance and connected claims space.

AWARD CRITERIA	
Growth Strategy Excellence	Technology Leverage
Implementation Excellence	Price/Performance Value
Brand Strength	Customer Purchase Experience
Product Quality	Customer Ownership Experience
Product Differentiation	Customer Service Experience

### A Market Snapshot

Insurance is a vital safety net that protects individuals against the financial blowback from accidents by covering vehicle repairs, medical expenses, and potential liabilities. Specifically, the telematics insurance and collected claims market is undergoing a significant transformation driven by digitalization, regulatory compliance, and innovation. Traditional solutions often cause reporting delays due to ineffectual/missing subjective data collection and manual claims handling, leading to longer cycle times and increased administrative costs. These issues also result in higher storage and towing fees, further exacerbating claim costs.

Digitized accident reporting expedites the claims process and facilitates real-time data collection, enabling insurers to make informed decisions and customize policies based on individual driving behaviors. Integrating technology into the first notice of loss and digital accident reporting increases operational efficiency, leading to faster auto damage repairs and more personalized insurance models. This adoption of digital technologies is propelling the market by improving consumer experiences and reducing claims expenses. Moreover, continuous innovation in telematics technology streamlines the claims process through automation and analytics.

*“The rising adoption of sensors in phones, IoT devices, and connected vehicles, advancements in signal processing and AI, digital transformation, and a heightened safety awareness has driven demand for customized insurance solutions in North America. CMT’s technological expertise and vast customer base make it an invaluable partner for insurers aiming to implement effective telematics insurance programs.”*

**- Parduman Mehra**  
**Senior Research Analyst, Mobility**

However, the market also faces significant challenges, particularly in ensuring the security and privacy of sensitive consumer data, which is critical for maintaining customer trust and protecting against potential breaches. Advanced telematics technology requires sophisticated software capabilities, including artificial intelligence (AI), machine learning (ML) frameworks, data-driven analysis, and real-time data gathering, necessitating substantial investment and development by insurers. Additionally, integrating novel technology into existing insurance frameworks is complex due to several factors, including legacy systems, data silos, interoperability challenges, and regulatory compliance requirements. Overcoming these hurdles is essential for

insurers to fully harness the benefits of telematics, such as improved risk assessment, personalized insurance policies, fraud detection and streamlined claims processes, ultimately leading to enhanced operational efficiency and improved customer experiences.

Digitizing the accident detection and claims process presents a significant opportunity to reduce insurers’ overall claims costs. For example, in the United States (US) alone, over \$200 billion in claims were dispersed in 2022.<sup>1</sup>

### **Best Practices Excellence: Cambridge Mobile Telematics**

Founded in 2010 and headquartered in Cambridge, Massachusetts, Cambridge Mobile Telematics (CMT) offers a range of services for incident reporting, emergency response, and claims settlement that focus on consumer satisfaction. The company currently reports 40 million telematics users, with aggressive plans for global growth in 2025 from a growing customer base and the adoption of its crash and claims solutions. CMT’s global reach includes North America, Europe, Asia, South Africa, South America, and the Middle East.

### **A Leading Position**

Continuous innovation in mobile telematics technology, such as real-time, automated intake and processes, claims routing, and analytics, increases efficiency, reduces cycle times, and enhances consumer satisfaction. Thus, CMT excels in the telematics industry with its innovative products designed to improve road safety and streamline the insurance claims process. The company distinguishes itself in crash and claims with the most crash and claims data and scale in telematics, sensor data from multiple sources to improve accuracy for each data source, the largest insurance claims ground truth dataset, and multiple foundational patents on mobile crash detection and reconstruction. CMT was also the first to market with an end-to-end solution for crash detection and emergency response, alerting dedicated agents and emergency responders within seconds of a crash who can offer lifesaving help. CMT’s advanced, AI-driven DriveWell Fusion® platform leverages sensor data from millions of IoT devices, including smartphones,

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<sup>1</sup> Frost & Sullivan Research

proprietary tags, connected vehicles, dashcams (DriveScape), and third-party devices, to provide a unified view of vehicle and driver behavior.

DriveWell® Crash and DriveWell® Claims are advanced solutions designed to enhance automotive safety and streamline insurance efficiency through real-time data and proactive management.

- **DriveWell Crash** utilizes advanced sensor data from smartphones and/or IoT devices to detect accidents in real time. DriveWell Crash's sophisticated on-phone algorithms analyze and verify the details upon detecting a crash, providing accurate and immediate application performance indicators (API) like crash location, time, intensity, gravitational force, and speed. These APIs are crucial for promptly alerting emergency services, enabling timely assistance, and offering peace of mind to those involved. DriveWell Crash detects crashes at all speeds.
- **DriveWell Claims** leverages telematics data to reduce claims cycle time, notifying insurers of a loss within minutes and enabling proactive customer contact. The solution leverages DriveWell® Tag and/or phone sensors to detect crashes as they occur, triggering an automated process that generates a comprehensive incident report. This report includes critical details, such as crash severity, GPS location, weather conditions, time, and hit locations, among others. The information is seamlessly integrated into the insurer's claims management system, expediting the process with accurate data.

Large auto insurers, such as Progressive, are adopting CMT's technology to integrate the company's crash and claims solution into their flagship applications (app). These solutions include real-time emergency services response, digital claims, prefill, automated claims processes, and streamlining and validating claims requiring police reports. Given the sizeable automotive insurance customer base in the US, this integration is crucial for providing comprehensive support and efficiency in the claims process.

Frost & Sullivan commends CMT's multifaceted approach to the mobile telematics insurance and connected claims industry, well-positioning the company as the leader in the rapidly evolving telematics insurance industry.

### ***Upping the Ante in Technology***

Technology catalyzes innovative insurance models. Thus, the automotive insurance industry is focused on safety solutions, emphasizing accident prevention and faster claim processing. Advancing technology can enable insurance providers to receive immediate notifications of incidents through digital channels. This technology can help carriers make decisions faster with the same or higher levels of accuracy. Telematics enables them to be proactive instead of reactive after a crash. Claims economics and customer satisfaction are deeply embedded in crash and claim speed and proactivity. CMT incorporates leading-edge technologies to enhance overall performance and value in its portfolio. AI and ML are critical focuses for the company, with numerous applications enhancing its operation.

CMT leverages AI extensively on the claims side, using it to expedite the process from accident detection to claim settlement. The company streamlines this process using this advanced technology to provide more efficient and user-friendly digital apps. AI's ability to process and analyze vast volumes of data enables CMT to continuously improve accuracy and efficiency in claims handling.

## Mobile Sensing and IoT Devices = High Data Accuracy

Source: CMT

Moreover, the company emphasizes that its technology is grounded in real-world data rather than controlled crash tests. Unlike many competitors who rely on idealized scenarios in crash facilities, CMT utilizes a robust dataset from over one million real-world claims. This comprehensive dataset enables the company to refine its models to detect a wide range of crash scenarios accurately, including low-speed impacts and complex collisions.

A significant challenge in telematics is low-speed accident detection, which accounts for over 50% of



incidents and are often difficult to identify accurately due to their subtle nature. CMT offers robust capabilities to detect crashes across all severity levels, from high-severity crashes (where most claims costs go) to low-speed collisions. This approach ensures high precision and recall in crash detection. For example, the company's platform successfully detected a low-speed crash where a driver in Tennessee had a heart attack and drove into a tree at 17 miles per hour. The system promptly alerted emergency services, who revived the driver and provided necessary medical care. This incident demonstrates the platform's effectiveness in accurately reporting and addressing critical incidents (even minor ones), underscoring CMT's efficacy at addressing real-world conditions.

### **Continuous Enhancement and Optimization**

The rising adoption of connected vehicles, advancements in in-car services, digital transformation, and heightened safety awareness have driven demand for customized insurance solutions in North America. CMT's technological expertise and vast customer base make it an invaluable partner for insurers aiming to implement effective telematics insurance programs.

CMT consistently upgrades and enhances its solutions, ensuring optimal performance and maintaining accuracy and reliability. The company's continuous algorithm updates operate silently in the background, comparing performance to real claims and crashes. This ongoing monitoring allows CMT to fine-tune its models based on real-world data, ensuring that estimations for damage reports are as accurate as

*“CMT’s continuous technological innovation and customer-centric approach solidify its position as a market leader, capturing significant market share. Its comprehensive product offerings make the company the go-to solution for all telematics insurance needs, showcasing its unmatched expertise and dominance in the industry.”*

**- Samantha Fisher**  
**Best Practices Research Analyst**

possible. CMT builds confidence in its system’s performance by testing new algorithms behind the scenes and demonstrating their effectiveness using actual data from customers.

CMT’s platform emphasizes scalability and ease of integration, offering a white-label app for localization and an SDK for direct integration into partners’ apps, ensuring accessibility even for those with limited technological infrastructure. Additionally, the company’s technology enhances digital claims processes, fraud detection, and efficient claims handling, providing significant cost savings and

improving overall efficiency.

CMT’s continuous technological innovation and customer-centric approach solidify its position as a market leader, capturing 21 of the top 25 auto insurers in the US and top insurers around the world. Its comprehensive product offerings make the company the go-to solution for all telematics insurance needs, showcasing its unmatched expertise and dominance in the industry.

### ***A Customer-centric Approach Driving Unmatched Client Experience***

CMT’s approach to the customer experience goes beyond its extensive expertise and best-in-class capabilities, with customer value as a strategic imperative. The company has earned a sterling reputation over the years, supporting its customers’ path toward efficient crash and claims processes.

CMT strongly emphasizes the customer experience, ensuring a fluid, streamlined journey from initial interest to full solutions deployment. For a white-label app, the timeline typically spans a few months and includes several key milestones. The process begins with defining the program specifics, including name and enrollment criteria. The branding phase follows, with CMT collaborating with the customer to integrate company branding elements into the app. Once finished, the app undergoes testing before submission to an app store, where it must pass Apple’s or Google’s review process. After approval and availability in the store, CMT works with the customer on rollout strategies, including announcements and marketing efforts. A pilot phase is often conducted for crash and claims programs to ensure the program’s performance meets expectations. The company provides guidance and support throughout this process, leveraging its extensive experience to streamline onboarding and maximize customer satisfaction.

CMT’s comprehensive customer support strategy combines reactive and proactive elements to ensure a seamless user experience. Reactively, the company provides full technology support through customer support tickets, with dedicated teams offering tiered support levels to address issues or bugs promptly. Proactively, CMT monitors all its programs using advanced tools to detect and resolve anomalies before they escalate, keeping customers informed and minimizing disruptions. Moreover, the company’s Return on Investment Calculators and success metrics further demonstrate the value of its platform, while a consent-based approach to program participation builds trust and engagement. Actively listening to customer feedback, CMT employs AI technologies to extract valuable insights, driving continuous product

improvement. Preventative measures, such as thorough user research and testing by the product design team, ensure intuitive and user-friendly designs. By integrating reactive support, proactive monitoring, customer feedback analysis, and preventative measures, CMT consistently delivers a seamless and satisfying customer experience.

### ***Building Upon a Strong Foundation***

CMT has participated in the telematics insurance and connected claims industry for over 10 years. Over this time, the company has collaborated with numerous well-recognized industry players, evolving into one of the top North American companies in the mobile telematics industry. Operating within a burgeoning market and boasting 40 million telematics devices for its customers, CMT's platform is pivotal in aggregating data from various sources. This data integration is instrumental in furnishing insurance carriers and customers with holistic and accurate insights. Upholding customer trust is paramount, which is why CMT maintains stringent policies against selling customer data and prioritizes transparency regarding data usage through detailed onboarding processes with its apps.

In addition to its crash and claims business, the company's growth strategy encompasses risk and engagement initiatives within the telematics and usage-based insurance sectors, aiming to boost customer engagement and retention while delivering more competitive pricing through discounts.

CMT successfully scales its operations across various global markets, including North America, Europe, South Africa, Asia, South America, and the Middle East. The company reports rapid international growth, expanding into new markets and solidifying its presence in existing ones.

### ***HUK-COBURG<sup>2</sup>***

European telematics insurers are implementing innovative measures to enhance customer benefits and operational efficiency. Specifically, in 2022, HUK-COBURG, Germany's largest insurer for private households, partnered with CMT to integrate the DriveWell Platform into their Mein Auto app, bringing automated, AI-driven crash and claims solutions to its large customer base. The insurer's pricing model allows drivers to reduce premiums by up to 30% by rewarding safe driving based on actual driving risk rather than proxies like address. In addition to the significant savings opportunities for drivers, insurers can build profitable portfolios, with highly predictable telematics factors resulting in 20% to 60% lower loss costs.

*"With help from partners like [CMT], we have developed a system that optimally supports our customers in the event of a traffic accident, including notifying an accident reporting service provider to organize rescue if needed. [...] We now offer our customers not only cheaper insurance, but faster claims resolution with digital damage reporting as well."*

- Dr. Jörg Rheinländer, Board member of HUK-COBURG

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<sup>2</sup> Peverlli, Roger; Reggy de Feniks. "How insurers can make driving cheaper, safer, and more sustainable." *ITC Europe*. 29 August 2023. Web. Accessed 24 May 2024. <https://www.itcdiaeuropa.com/thought-leadership/cambridge-mobile-telematics-how-insurers-can-make-driving-cheaper-safer-and-more-sustainable/>

**1ST CENTRAL<sup>3</sup>**

In June 2022, CMT partnered with 1st CENTRAL, a leading provider of technology-enabled insurance services to launch 1st CENTRAL Connect, a telematics-based insurance solution. The product offers safe driving discounts at renewal and provides guidance on claiming if a crash is detected. Customers with higher scores can receive significant discounts at renewal. Unlike traditional black box devices that require professional installation, customers can set up 1st CENTRAL Connect themselves by attaching a sensor to their windscreen and linking it to a smartphone in less than five minutes. Beyond the renewals, the product gives consumers driving feedback and in-app incentives to improve. 1st CENTRAL also identifies dangerous behaviors, such as speeding, phone distraction, and harsh braking, providing tips to reduce risky driving.

*“1st CENTRAL Connect uses technology to simplify lives and encourage safer driving through incentives like badges and renewal discounts. With our crash detection feature, our customers can quickly get assistance when needed.”*

- Ben Tomasetti, Managing Director of 1st CENTRAL

**ADT**

In August 2021, CMT partnered with ADT to create SoSecure by ADT (SoSecure), a personal safety app available on iOS and Android. Using CMT’s sensors and AI-driven solution, the app detects crashes instantly and sends alerts to professional monitoring agents for real-time support, from reassurance to dispatching emergency services. Alerts include the user’s last reported location, time, customer identification, and accident severity. Upon detection, users receive a notification in the app asking if they need help, allowing them to tap “Send Help” or “I’m OK.” This feature enhances protection by offering immediate assistance and collecting critical data to expedite help, regardless of the vehicle. Integrated technology allows 24/7 protection and streamlined accident management, with responses tailored to the crash severity. For low-severity crashes, agents confirm the user’s condition and provide support, while for severe accidents, they alert first responders immediately.

Moreover, Frost & Sullivan research finds that the US processed around \$200 billion in insurance claims in 2022.<sup>4</sup> Advanced technology can save on average 10% to 20% per claim, which corresponds to almost \$20 billion.<sup>5</sup> Thus, CMT is well-positioned to capture this market by leveraging its technological advancements and best-in-class collaboration.

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<sup>3</sup> “1st CENTRAL and Cambridge Mobile Telematics partner to incentivize safe driving and provide crash detection technology.” *Cambridge Mobile Telematics*. Press release. 7 June 2022. Web. <https://www.cmt telematics.com/news/1st-central-and-cambridge-mobile-telematics-partner-to-incentivize-safe-driving-and-provide-crash-detection-technology/> Accessed 24 May 2024.

<sup>4</sup> *Frost & Sullivan Research*

<sup>5</sup> *Ibid*



## Conclusion

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A company does not become a market leader overnight. It takes dedication to develop growth strategies paired with excellent implementation. A market leader must earn and maintain customers' trust while impacting and improving the overall market. Cambridge Mobile Telematics (CMT) embodies Frost & Sullivan's definition of a market leader by delivering best-in-class technology and invigorating the market. The company excels in the telematics industry with its innovative product designed to improve road safety and streamline the insurance claims process. CMT leverages technologies such as artificial intelligence and machine learning to transform crash and claims processes to provide a more efficient and user-friendly experience. Moreover, the company bases its solutions on real-world datasets from over one million real-world claims, differentiating it from competing vendors who only use idealized scenarios in crash facilities. Due to these reasons and more, the company is respected, recognized, and remembered, elevating it to a market leader position in the telematics insurance and connected claims space, with its customers representing 83% of all drivers on US roads .

With its strong overall performance, CMT earns Frost & Sullivan's 2024 North America Market Leadership Award in the telematics insurance and connected claims industry.

## What You Need to Know about the Market Leadership Recognition

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Frost & Sullivan's Market Leadership Award recognizes the company that achieved the greatest market share resulting from outstanding performance, products, and services.

### Best Practices Award Analysis

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

**Growth Strategy Excellence:** Company demonstrates an ability to consistently identify, prioritize, and pursue emerging growth opportunities

**Implementation Excellence:** Company processes support efficient and consistent implementation of tactics designed to support the strategy

**Brand Strength:** Company is respected, recognized, and remembered

**Product Quality:** Products or services receive high marks for performance, functionality, and reliability at every stage of the life cycle

**Product Differentiation:** Products or services carve out a market niche based on price, quality, or uniqueness (or some combination of the three) that other companies cannot easily replicate

**Technology Leverage:** Company is committed to incorporating leading-edge technologies into product offerings to enhance product performance and value

**Price/Performance Value:** Products or services provide the best value for the price compared to similar market offerings

**Customer Purchase Experience:** Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

**Customer Ownership Experience:** Customers are proud to own the company's product or service, and have a positive experience throughout the life of the product or service

**Customer Service Experience:** Customer service is accessible, fast, stress-free, and of high quality

## About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

### The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fueled by the Innovation Generator™.

[Learn more.](#)

#### Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



### The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

#### Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

