

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

2024 COMPANY OF THE YEAR

*IN THE NORTH
AMERICAN DIGITALIZED
ROADSIDE ASSISTANCE
SERVICES 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. Agero excels in many of the criteria in the digitalized roadside assistance services space.

| AWARD CRITERIA | |
|---|-------------------------------|
| Visionary Innovation & Performance | Customer Impact |
| Addressing Unmet Needs | Price/Performance Value |
| Visionary Scenarios Through Mega Trends | Customer Purchase Experience |
| Implementation of Best Practices | Customer Ownership Experience |
| Leadership Focus | Customer Service Experience |
| Financial Performance | Brand Equity |

A Market Snapshot

The integration of technology and mobile applications (apps) has led to rapid growth in the digital roadside assistance market in North America. The use of advanced global positioning systems and mapping

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- Vishwas Shankar
Research Director: Mobility

technology has significantly improved response times and precise vehicle location, enabling on-demand services such as vehicle lockout assistance, fuel delivery, tire changes, and towing through digital platforms. The adoption of telematics in connected cars, artificial intelligence, and machine learning is also positively impacting the market, enabling more diverse revenue streams than smartphone-based technology (despite the latter’s cost-effectiveness). In addition, consumers’ willingness to share their data increases as data privacy and cybersecurity regulations evolve, which further drives the

adoption of these services.

Connected, autonomous, shared, and electric mobility models require customized insurance solutions. These models include connected and safety features that enable instant accident detection and reporting, leading to the development of new business frameworks and growth opportunities. Advanced technologies allow insurance providers to receive immediate notifications of incidents through digital channels, making the first notice of loss (FNOL) process more efficient. Digitized accident reporting expedites the claims process, facilitates real-time data and intelligence collection, and informs insurers' decisions based on individual user behavior. Also, connected systems support seamless communication between stakeholders, including drivers, insurance companies, law enforcement, and repair services. This interconnectedness accelerates the accident detection and response (ADR) process, from incident reporting to claims settlement and vehicle repairs. As insurance premiums can link directly to individual driving behavior, FNOL, and ADR processes are crucial in gathering the required data for such models. Moreover, real-time data can help insurers verify the circumstances of incidents, reducing fraudulent claims. Consequently, insurers without software capabilities are seeking strategic partnerships with technology providers and data analytics firms to leverage their services and remain competitive.

Frost & Sullivan expects North America's FNOL and ADR market to increase at a robust compound annual growth rate of 47.1% from 2023 to 2030, reaching \$751.8 million in revenue. Furthermore, Frost & Sullivan analysts estimate that FNOL and ADR will achieve penetration rates of 6% and 3%, respectively, of the total vehicles in operation.¹

Agero Transforms the Vehicle Ownership Experience

Founded in 1972 and headquartered in Medford, Massachusetts, Agero is a forward-looking white-label roadside assistance and accident management service provider powered by its proprietary software platform, Swoop. The organization operates as a business-to-business provider, offering a leading dispatch management platform, extensive accident management services, connected vehicle capabilities, and an expanding marketplace that provides services, discounts, and support through a dynamic partner ecosystem. By managing a competitive network of third-party service providers covering 100% of United States (US) zip codes, Agero combines platform intelligence and human-powered solutions to enhance overall road safety. The company renders timely assistance to drivers in distress while enabling service providers to facilitate the accident management process seamlessly. Agero covers 150 million vehicles annually and responds to approximately 12 million events.² Its Swoop platform leverages data from those 12 million annual events to support original equipment manufacturers (OEMs) and insurance carriers in optimizing service quality and cost efficiency, assisting them in building strong customer relationships, improving operational efficiencies, and achieving financial objectives. Renowned for its reliability and best-in-class data security protection capabilities, Agero has established itself as a preferred partner in the digitalized roadside assistance space, transforming the vehicle ownership experience.

Real-world Scenarios Driving Continual Services Enhancements

Agero develops groundbreaking solutions by investing in technology and innovation. Over more than five decades, the company has transitioned from relying on phone calls to operating on a technology platform

¹ *Growth Opportunities in the Automotive Insurance First Notice of Loss and Accident Detection and Response Industry, 2024–2030* (Frost & Sullivan, May 2024)

² Frost & Sullivan interview with Agero (29 August 2024)

used by its clients, service providers, drivers, dealers, and insurance agents. It offers a comprehensive and reliable roadside assistance service portfolio, from fuel delivery and flat tire change to locksmith, battery boost, and towing. Moreover, Agero's crash response technology enables swift medical care on accident scenes, potentially saving lives. As soon as a crash occurs, the platform receives notifications from partnering telematics technology providers. It facilitates promptly contacting the driver, assessing the situation, and determining the necessary level of support. In addition, by sharing accident details with the insurer, Agero accelerates the claims process to significantly reduce secondary costs (such as extra storage, tows, and rental days).

From a driver's perspective, the platform offers easy access to the most suitable service provider and contributes to a seamless experience. Drivers can request assistance through their insurance or OEM app, call a number, or submit their information online. In addition, Agero's real-time data about service providers keep all involved parties well-informed, creating transparency. It captures comprehensive details on incidents and uses dashboards to provide instant updates, briefing both dealers and insurance agents about the status of the service event and the customer's satisfaction.

Unlike competitors who own service providers, Agero has built an independent network of partnerships. It intentionally created a competitive marketplace for service providers, ensuring that it dispatches the best-equipped provider to meet each driver's unique needs. The platform technology creates algorithms that enable the selection of service providers based on various attributes (e.g., location, cost, and quality) programmed to fit a client's preferences, priorities, or customer base. Furthermore, its recently launched service provider insights dashboard enables participating partners to view the number of jobs offered and accepted, comparing their performance to those of other providers. The feature assists service providers in making improvements to enhance their competitiveness and win more business with Agero.

Frost & Sullivan recognizes the company for using platform intelligence to benefit all stakeholders and overall performance. This strategic approach enhances Agero's ability to effectively address customer and client needs, thereby strengthening its leadership position in the digitalized roadside assistance space.

A Customer-centric Approach Advancing Unmatched Client Experience

With its customer-centric corporate philosophy, Agero operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices. Specifically, the family-owned organization nurtures a company culture rooted in data-driven decisions, alignment, and collaboration, all aimed at enhancing client satisfaction. One unique practice endorsed by its leadership is when new employees ride along with the service providers. This hands-on experience allows them to witness service providers' dedication, fostering a deep appreciation for the human element of the business.

In addition, the executive team's use of a goal-setting framework promotes alignment and engagement around measurable goals, helps employees focus on key objectives, and transparently tracks progress while encouraging teamwork across functions. As a result, Agero reports a world-class Net Promoter Score of 85% and an employee engagement rate of 80%.³

³ Frost & Sullivan interview with Agero (29 August 2024)

Frost & Sullivan’s research analysts find that the company culture supports employee happiness, and happy employees translate to satisfied customers, which facilitates customer loyalty and revenue growth. Consequently, Agero’s average client tenure is more than 20 years, showing the company’s ability to build trusting relationships throughout the service lifecycle.⁴ By blending scale with cutting-edge technology and excellence in client service, Agero positions itself as a partner of choice.

Positioned for Growth

Agero is at the forefront of the fiercely competitive digitalized roadside assistance market. With a deep-rooted history of purpose-fit innovation, the company shapes the industry’s trends, impacting its role in the space. It primarily caters to the light-duty market (cars, sport utility vehicles, pickups, and minivans) and attends to the needs of fleet clients. Notably, Agero does not distinguish between commercial and consumer vehicles but determines whether the type of vehicle aligns with its core capabilities. (For example, heavy-duty trucks require an alternative service provider network than those of light-duty cars.) The organization upholds its laser-sharp focus and aims to excel in areas where it has a competitive advantage, ensuring alignment across its operations.

Currently, the company covers all zip codes in the United States, and its growth closely corresponds to population trends across different parts of the country. It provides for approximately 55% of the auto

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- Riana Barnard
Best Practices Research Analyst

insurance market, including seven of the top 10 insurance providers.⁵ Agero also collaborates with leading OEMs to support auto warranty programs and extended service contracts.

The company evaluates potential growth areas to the extent to which it strengthens its three core assets: platform technology, scaled client relationships, and its service provider network. One focus area is its accident management solution for insurance clients, which minimizes the rising costs of managing

accidents. It addresses a critical client concern and takes advantage of Agero’s capabilities.

Based on its analysis, Frost & Sullivan reckons Agero, a billion-dollar revenue company, is well-positioned to drive the digitalized roadside assistance space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

⁴ Ibid.

⁵ Ibid.

Conclusion

The integration of advanced technologies, such as global positioning systems, mapping technology, and telematics, is reshaping the digital roadside assistance services market in North America. Digital platforms have transformed the process of reporting incidents and facilitating on-demand services such as towing and fuel delivery; they also have the potential to transform the process of settling claims and conducting vehicle repairs. Agero stands out by combining cutting-edge technologies with scale, leveraging a dynamic ecosystem of independent partnerships to deliver excellence in roadside assistance and accident management services. With a strong leadership focus, prioritizing data-driven decisions, alignment, and collaboration, the company develops client-centric strategies that add value for all stakeholders. For example, the platform technology allows clients to tailor their services to fit each one's unique customer base or program. Agero's best-in-class crash response technology enables swift medical care on accident scenes, potentially saving lives. In addition, its accident management capabilities assist insurance carriers in accelerating the claims process to reduce costs significantly. Moreover, its service provider insights dashboard creates transparency, enabling participating partners to compare their performance with others and make improvements to enhance their competitiveness and grow their business. With a world-class Net Promoter Score of 85%, the company remains a trusted partner and boasts a reputation for offering the overall best in the digitalized roadside assistance services space.

With its strong overall performance, Agero earns Frost & Sullivan's 2024 North American Company of the Year Award in the digitalized roadside assistance services industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

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

Customer Impact

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 proudly 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 high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

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 fuelled 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)**

