

Telematics holds the key to assessing future insurance risk

The recent ruling (see Editor's note) by the European Union Court of Justice that taking the gender of an individual into account as a risk factor in insurance contracts constitutes discrimination paves the way for new and innovative methods of assessing insurance risk to be introduced. In particular, the data gathered by telematics systems enables driver behaviour and risk to be evaluated regardless of gender, age or any other personal attributes.

"The solutions we offer are designed to monitor, measure and compare driver performance across a broad range of parameters," explains Steve Coffin, Marketing & Operations Director for MiX Telematics, the global provider of telematics products and services. "These include many factors which have a direct bearing on risk, such as excessive speed, rapid acceleration and harsh braking.

"The extensive knowledge we have in this field is already being put to good use by our customers. Our solutions are used by companies looking to improve the overall performance of their vehicle fleets and help reduce accident rates. Maximising driver performance is key to this and our systems enable users to easily and quickly identify which of their drivers require additional or remedial training, which in turn allows them to proactively manage their risk.

"Thereafter, when used in conjunction with driver training and mentoring schemes, significant gains and benefits are realised. Our experience shows that customers typically achieve reductions in their accident and incident rates of 30-60 percent while reducing vehicle wear and tear and securing fuel economy improvements up to, or in some cases in excess of, 15 percent."

Editor's note: The ruling refers to the judgment of the EU Court (Grand Chamber) in case C-236/09, dated 1 March 2011. The terms of the ruling dictate that from December 2012, insurers will be unable to use gender as a factor when setting premiums for motoring and medical insurance and pension schemes.

Photograph: A high resolution image to accompany this release is attached.

MiX Telematics

Founded in 1996, MiX Telematics is a global provider of vehicle tracking and fleet management products and services to consumers and companies of all sizes in over 75 countries on six continents. The company's commercial product range – formerly marketed under the VDO brand and sold by Siemens VDO for 10 years – helps fleet owners ensure driver and passenger safety, reduce fleet running and fuel costs, comply with selected industry regulations, and track and protect vehicles and drivers. Commercial customers include Parmalat, Schlumberger, Chevron, Greyhound, Spar, and Scania. MiX Telematics has offices in South Africa, Germany and the United Kingdom and an extensive global distribution network.