

Usage-Based Insurance Global Market Insights 2025, Analysis and Forecast to 2030, by Market Participants, Regions, Technology, Application, Product Type

<https://marketpublishers.com/r/UA42E69A5F3EEN.html>

Date: August 2025

Pages: 90

Price: US\$ 3,200.00 (Single User License)

ID: UA42E69A5F3EEN

Abstracts

Usage-Based Insurance Market Summary

Introduction

Usage-Based Insurance (UBI) represents a transformative approach to automotive insurance that leverages telematics technology and real-time data analytics to create personalized premium structures based on actual driving behavior and vehicle usage patterns. Unlike traditional insurance models that rely primarily on demographic factors and historical claims data, UBI systems collect comprehensive driving metrics including mileage, speed patterns, acceleration and braking behaviors, time of day usage, and route characteristics to assess individual risk profiles. This data-driven approach enables insurers to offer more accurate pricing while incentivizing safer driving behaviors through direct premium adjustments.

The technology foundation encompasses multiple data collection methods, including smartphone applications that utilize built-in sensors, dedicated embedded telematics devices installed directly in vehicles, and On-Board Diagnostics (OBD-II) port devices that provide comprehensive vehicle performance data. Modern UBI programs integrate artificial intelligence and machine learning algorithms to analyze driving patterns, predict risk scenarios, and provide real-time feedback to drivers. The market's evolution reflects broader trends toward personalized financial services, environmental consciousness through reduced driving incentives, and the growing acceptance of data sharing for tangible benefits.

Market growth is driven by several key factors including consumer demand for

personalized pricing, regulatory support for safer driving initiatives, technological advancement in telematics hardware and software, and insurance companies' need to improve risk assessment accuracy while reducing claims costs. Additionally, younger consumers demonstrate higher acceptance of technology-based insurance solutions, while environmental concerns create demand for programs that reward reduced vehicle usage.

Market Size and Growth Forecast

The global usage-based insurance market is projected to reach between USD 30 billion and USD 50 billion in 2025, representing significant penetration across major automotive insurance markets. The market is expected to maintain steady growth with a compound annual growth rate (CAGR) of 5% to 11% through 2030, reflecting mature market adoption in developed regions and emerging opportunities in developing automotive markets.

Regional Analysis

North America: The United States leads global UBI adoption with established programs from major insurers and strong consumer acceptance of telematics-based pricing. Progressive Insurance pioneered mainstream UBI adoption, while State Farm, Allstate, and other major carriers have developed comprehensive programs. Canada demonstrates growing adoption particularly in urban markets where usage-based models provide significant cost advantages for low-mileage drivers.

Europe: European markets show diverse adoption patterns with the United Kingdom, Germany, and Italy leading in program sophistication and consumer participation. EU privacy regulations influence data collection and usage practices, while government initiatives supporting road safety create favorable regulatory environments for UBI expansion.

Asia Pacific: Markets led by Japan and South Korea demonstrate advanced telematics integration with automotive manufacturing, while emerging markets including India and Southeast Asian countries present significant growth opportunities driven by expanding middle-class car ownership and smartphone penetration.

Rest of the World: Latin American markets, particularly Brazil and Mexico, show increasing interest in UBI solutions as automotive markets mature and insurance penetration increases, while Middle Eastern countries explore UBI as part of broader

smart city and transportation initiatives.

Application Analysis

Smart Phone: Expected growth of 6.0-12.0%, driven by widespread smartphone adoption and improved sensor accuracy. Trends focus on enhanced user interfaces, gamification features for engagement, and integration with broader mobility platforms including ride-sharing and public transportation options.

Embedded Telematics Device: Projected growth of 4.5-10.5%, linked to automotive manufacturer integration and comprehensive data collection capabilities. Developments emphasize seamless vehicle integration, enhanced security features, and expanded functionality beyond insurance applications including vehicle diagnostics and maintenance scheduling.

OBD-II Device: Anticipated growth of 5.5-11.5%, valued for aftermarket flexibility and comprehensive vehicle data access. Advances prioritize plug-and-play installation, multi-vehicle household support, and enhanced data privacy features addressing consumer concerns about vehicle monitoring.

Type Analysis

Pay-As-You-Drive (PAYD): Expected growth of 5.0-10.0%, emphasizing mileage-based pricing models that provide clear value propositions for low-mileage drivers. Trends focus on accurate mileage tracking, flexible billing cycles, and integration with vehicle sharing and remote work lifestyle changes that reduce daily commuting requirements.

Pay-How-You-Drive (PHYD): Projected growth of 5.5-11.5%, utilizing comprehensive behavior analysis including acceleration patterns, braking intensity, speed compliance, and cornering behaviors. Advances highlight sophisticated risk modeling, real-time coaching applications, and family plan features that encourage safe driving across multiple household members.

Manage-How-You-Drive (MHYD): Anticipated growth of 4.0-9.0%, providing active driver coaching and behavior modification programs beyond pricing adjustments. Developments prioritize personalized feedback systems, progressive improvement tracking, and integration with fleet management solutions for commercial applications.

Key Market Players

Leading companies include Octo Group, specializing in advanced telematics platforms and data analytics solutions for major insurance carriers worldwide; Cambridge Mobile Telematics, focusing on smartphone-based UBI solutions and comprehensive risk assessment algorithms; LexisNexis, providing data analytics and risk modeling expertise supporting UBI program development. The Floow offers innovative telematics technology and driver scoring systems, while major insurance carriers including Allianz, AXA, and Zurich integrate UBI programs into comprehensive automotive insurance offerings. Liberty Mutual Insurance and Allstate Insurance Company lead North American UBI adoption with established customer bases and proven program effectiveness. Farmers Insurance emphasizes rural and suburban market penetration, while Tesla represents the integration of manufacturer telematics with insurance services, demonstrating vertical integration possibilities in the evolving automotive landscape.

Porter's Five Forces Analysis

Threat of New Entrants: Moderate, as technology barriers decrease through cloud-based platforms and API integration, enabling insurtech startups to develop specialized UBI solutions, though regulatory requirements and capital reserves create obstacles for full-scale insurance operations.

Threat of Substitutes: Low to moderate, as traditional insurance models remain available though increasingly less competitive for good drivers, while emerging mobility solutions including autonomous vehicles and mobility-as-a-service models may reduce individual insurance demand over time.

Bargaining Power of Buyers: Moderate to high, with increased transparency enabling consumers to compare UBI programs across providers, while younger consumers demonstrate willingness to switch insurers for better technology experiences and pricing advantages.

Bargaining Power of Suppliers: Moderate, with telematics hardware vendors and software platform providers holding some influence, though multiple technology options and in-house development capabilities limit supplier dependence for major insurance carriers.

Competitive Rivalry: High, with traditional insurers competing to retain customers through UBI programs while new entrants challenge established market positions

through superior technology experiences and more aggressive pricing based on accurate risk assessment.

Market Opportunities and Challenges

Opportunities:

Expanding electric vehicle adoption creates opportunities for specialized UBI programs that account for different driving patterns and charging behaviors. Integration with smart city infrastructure enables enhanced risk assessment through traffic and weather data incorporation. Climate change awareness drives demand for programs that reward reduced driving, while remote work trends create opportunities for more dramatic mileage-based savings. Artificial intelligence advancement enables more sophisticated behavior analysis and predictive risk modeling, while partnerships with automotive manufacturers facilitate seamless integration of insurance with vehicle purchase and operation.

Challenges:

Consumer privacy concerns regarding continuous vehicle monitoring and data usage require careful management and transparent communication strategies. Regulatory variations across jurisdictions complicate standardized program development and data sharing practices. Technology reliability and accuracy issues can undermine consumer confidence and program effectiveness. Traditional actuarial practices and regulatory approval processes may slow innovation and competitive responses. Additionally, adverse selection risks arise when primarily good drivers adopt UBI programs, potentially leaving traditional insurance pools with higher-risk participants and creating cross-subsidization challenges.

Contents

CHAPTER 1 EXECUTIVE SUMMARY

CHAPTER 2 ABBREVIATION AND ACRONYMS

CHAPTER 3 PREFACE

3.1 Research Scope

3.2 Research Sources

3.2.1 Data Sources

3.2.2 Assumptions

3.3 Research Method

Chapter Four Market Landscape

4.1 Market Overview

4.2 Classification/Types

4.3 Application/End Users

CHAPTER 5 MARKET TREND ANALYSIS

5.1 Introduction

5.2 Drivers

5.3 Restraints

5.4 Opportunities

5.5 Threats

CHAPTER 6 INDUSTRY CHAIN ANALYSIS

6.1 Upstream/Suppliers Analysis

6.2 Usage-Based Insurance Analysis

6.2.1 Technology Analysis

6.2.2 Cost Analysis

6.2.3 Market Channel Analysis

6.3 Downstream Buyers/End Users

CHAPTER 7 LATEST MARKET DYNAMICS

7.1 Latest News

7.2 Merger and Acquisition

- 7.3 Planned/Future Project
- 7.4 Policy Dynamics

CHAPTER 8 HISTORICAL AND FORECAST USAGE-BASED INSURANCE MARKET IN NORTH AMERICA (2020-2030)

- 8.1 Usage-Based Insurance Market Size
- 8.2 Usage-Based Insurance Market by End Use
- 8.3 Competition by Players/Suppliers
- 8.4 Usage-Based Insurance Market Size by Type
- 8.5 Key Countries Analysis
 - 8.5.1 United States
 - 8.5.2 Canada
 - 8.5.3 Mexico

CHAPTER 9 HISTORICAL AND FORECAST USAGE-BASED INSURANCE MARKET IN SOUTH AMERICA (2020-2030)

- 9.1 Usage-Based Insurance Market Size
- 9.2 Usage-Based Insurance Market by End Use
- 9.3 Competition by Players/Suppliers
- 9.4 Usage-Based Insurance Market Size by Type
- 9.5 Key Countries Analysis
 - 9.5.1 Brazil
 - 9.5.2 Argentina
 - 9.5.3 Chile
 - 9.5.4 Peru

CHAPTER 10 HISTORICAL AND FORECAST USAGE-BASED INSURANCE MARKET IN ASIA & PACIFIC (2020-2030)

- 10.1 Usage-Based Insurance Market Size
- 10.2 Usage-Based Insurance Market by End Use
- 10.3 Competition by Players/Suppliers
- 10.4 Usage-Based Insurance Market Size by Type
- 10.5 Key Countries Analysis
 - 10.5.1 China
 - 10.5.2 India
 - 10.5.3 Japan

- 10.5.4 South Korea
- 10.5.5 Southeast Asia
- 10.5.6 Australia

CHAPTER 11 HISTORICAL AND FORECAST USAGE-BASED INSURANCE MARKET IN EUROPE (2020-2030)

- 11.1 Usage-Based Insurance Market Size
- 11.2 Usage-Based Insurance Market by End Use
- 11.3 Competition by Players/Suppliers
- 11.4 Usage-Based Insurance Market Size by Type
- 11.5 Key Countries Analysis
 - 11.5.1 Germany
 - 11.5.2 France
 - 11.5.3 United Kingdom
 - 11.5.4 Italy
 - 11.5.5 Spain
 - 11.5.6 Belgium
 - 11.5.7 Netherlands
 - 11.5.8 Austria
 - 11.5.9 Poland
 - 11.5.10 Russia

CHAPTER 12 HISTORICAL AND FORECAST USAGE-BASED INSURANCE MARKET IN MEA (2020-2030)

- 12.1 Usage-Based Insurance Market Size
- 12.2 Usage-Based Insurance Market by End Use
- 12.3 Competition by Players/Suppliers
- 12.4 Usage-Based Insurance Market Size by Type
- 12.5 Key Countries Analysis
 - 12.5.1 Egypt
 - 12.5.2 Israel
 - 12.5.3 South Africa
 - 12.5.4 Gulf Cooperation Council Countries
 - 12.5.5 Turkey

CHAPTER 13 SUMMARY FOR GLOBAL USAGE-BASED INSURANCE MARKET (2020-2025)

- 13.1 Usage-Based Insurance Market Size
- 13.2 Usage-Based Insurance Market by End Use
- 13.3 Competition by Players/Suppliers
- 13.4 Usage-Based Insurance Market Size by Type

CHAPTER 14 GLOBAL USAGE-BASED INSURANCE MARKET FORECAST (2025-2030)

- 14.1 Usage-Based Insurance Market Size Forecast
- 14.2 Usage-Based Insurance Application Forecast
- 14.3 Competition by Players/Suppliers
- 14.4 Usage-Based Insurance Type Forecast

CHAPTER 15 ANALYSIS OF GLOBAL KEY VENDORS

- 15.1 Octo Group
 - 15.1.1 Company Profile
 - 15.1.2 Main Business and Usage-Based Insurance Information
 - 15.1.3 SWOT Analysis of Octo Group
 - 15.1.4 Octo Group Usage-Based Insurance Revenue, Gross Margin and Market Share (2020-2025)
- 15.2 Cambridge Mobile Telematics
 - 15.2.1 Company Profile
 - 15.2.2 Main Business and Usage-Based Insurance Information
 - 15.2.3 SWOT Analysis of Cambridge Mobile Telematics
 - 15.2.4 Cambridge Mobile Telematics Usage-Based Insurance Revenue, Gross Margin and Market Share (2020-2025)
- 15.3 Lexis Nexis
 - 15.3.1 Company Profile
 - 15.3.2 Main Business and Usage-Based Insurance Information
 - 15.3.3 SWOT Analysis of Lexis Nexis
 - 15.3.4 Lexis Nexis Usage-Based Insurance Revenue, Gross Margin and Market Share (2020-2025)
- 15.4 The Flow
 - 15.4.1 Company Profile
 - 15.4.2 Main Business and Usage-Based Insurance Information
 - 15.4.3 SWOT Analysis of The Flow
 - 15.4.4 The Flow Usage-Based Insurance Revenue, Gross Margin and Market Share

(2020-2025)

15.5 Allianz

15.5.1 Company Profile

15.5.2 Main Business and Usage-Based Insurance Information

15.5.3 SWOT Analysis of Allianz

15.5.4 Allianz Usage-Based Insurance Revenue, Gross Margin and Market Share

(2020-2025)

15.6 AXA

15.6.1 Company Profile

15.6.2 Main Business and Usage-Based Insurance Information

15.6.3 SWOT Analysis of AXA

15.6.4 AXA Usage-Based Insurance Revenue, Gross Margin and Market Share

(2020-2025)

Please ask for sample pages for full companies list

Tables & Figures

TABLES AND FIGURES

Table Abbreviation and Acronyms

Table Research Scope of Usage-Based Insurance Report

Table Data Sources of Usage-Based Insurance Report

Table Major Assumptions of Usage-Based Insurance Report

Figure Market Size Estimated Method

Figure Major Forecasting Factors

Figure Usage-Based Insurance Picture

Table Usage-Based Insurance Classification

Table Usage-Based Insurance Applications

Table Drivers of Usage-Based Insurance Market

Table Restraints of Usage-Based Insurance Market

Table Opportunities of Usage-Based Insurance Market

Table Threats of Usage-Based Insurance Market

Table Covid-19 Impact For Usage-Based Insurance Market

Table Raw Materials Suppliers

Table Different Production Methods of Usage-Based Insurance

Table Cost Structure Analysis of Usage-Based Insurance

Table Key End Users

Table Latest News of Usage-Based Insurance Market

Table Merger and Acquisition

Table Planned/Future Project of Usage-Based Insurance Market

Table Policy of Usage-Based Insurance Market

Table 2020-2030 North America Usage-Based Insurance Market Size

Figure 2020-2030 North America Usage-Based Insurance Market Size and CAGR

Table 2020-2030 North America Usage-Based Insurance Market Size by Application

Table 2020-2025 North America Usage-Based Insurance Key Players Revenue

Table 2020-2025 North America Usage-Based Insurance Key Players Market Share

Table 2020-2030 North America Usage-Based Insurance Market Size by Type

Table 2020-2030 United States Usage-Based Insurance Market Size

Table 2020-2030 Canada Usage-Based Insurance Market Size

Table 2020-2030 Mexico Usage-Based Insurance Market Size

Table 2020-2030 South America Usage-Based Insurance Market Size

Figure 2020-2030 South America Usage-Based Insurance Market Size and CAGR

Table 2020-2030 South America Usage-Based Insurance Market Size by Application

Table 2020-2025 South America Usage-Based Insurance Key Players Revenue

Table 2020-2025 South America Usage-Based Insurance Key Players Market Share

Table 2020-2030 South America Usage-Based Insurance Market Size by Type

Table 2020-2030 Brazil Usage-Based Insurance Market Size

Table 2020-2030 Argentina Usage-Based Insurance Market Size

Table 2020-2030 Chile Usage-Based Insurance Market Size

Table 2020-2030 Peru Usage-Based Insurance Market Size

Table 2020-2030 Asia & Pacific Usage-Based Insurance Market Size

Figure 2020-2030 Asia & Pacific Usage-Based Insurance Market Size and CAGR

Table 2020-2030 Asia & Pacific Usage-Based Insurance Market Size by Application

Table 2020-2025 Asia & Pacific Usage-Based Insurance Key Players Revenue

Table 2020-2025 Asia & Pacific Usage-Based Insurance Key Players Market Share

Table 2020-2030 Asia & Pacific Usage-Based Insurance Market Size by Type

Table 2020-2030 China Usage-Based Insurance Market Size

Table 2020-2030 India Usage-Based Insurance Market Size

Table 2020-2030 Japan Usage-Based Insurance Market Size

Table 2020-2030 South Korea Usage-Based Insurance Market Size

Table 2020-2030 Southeast Asia Usage-Based Insurance Market Size

Table 2020-2030 Australia Usage-Based Insurance Market Size

Table 2020-2030 Europe Usage-Based Insurance Market Size

Figure 2020-2030 Europe Usage-Based Insurance Market Size and CAGR

Table 2020-2030 Europe Usage-Based Insurance Market Size by Application

Table 2020-2025 Europe Usage-Based Insurance Key Players Revenue

Table 2020-2025 Europe Usage-Based Insurance Key Players Market Share

Table 2020-2030 Europe Usage-Based Insurance Market Size by Type

Table 2020-2030 Germany Usage-Based Insurance Market Size

Table 2020-2030 France Usage-Based Insurance Market Size

Table 2020-2030 United Kingdom Usage-Based Insurance Market Size

Table 2020-2030 Italy Usage-Based Insurance Market Size

Table 2020-2030 Spain Usage-Based Insurance Market Size

Table 2020-2030 Belgium Usage-Based Insurance Market Size

Table 2020-2030 Netherlands Usage-Based Insurance Market Size

Table 2020-2030 Austria Usage-Based Insurance Market Size

Table 2020-2030 Poland Usage-Based Insurance Market Size

Table 2020-2030 Russia Usage-Based Insurance Market Size

Table 2020-2030 MEA Usage-Based Insurance Market Size

Figure 2020-2030 MEA Usage-Based Insurance Market Size and CAGR

Table 2020-2030 MEA Usage-Based Insurance Market Size by Application

Table 2020-2025 MEA Usage-Based Insurance Key Players Revenue

Table 2020-2025 MEA Usage-Based Insurance Key Players Market Share

Table 2020-2030 MEA Usage-Based Insurance Market Size by Type

Table 2020-2030 Egypt Usage-Based Insurance Market Size
Table 2020-2030 Israel Usage-Based Insurance Market Size
Table 2020-2030 South Africa Usage-Based Insurance Market Size
Table 2020-2030 Gulf Cooperation Council Countries Usage-Based Insurance Market Size
Table 2020-2030 Turkey Usage-Based Insurance Market Size
Table 2020-2025 Global Usage-Based Insurance Market Size by Region
Table 2020-2025 Global Usage-Based Insurance Market Size Share by Region
Table 2020-2025 Global Usage-Based Insurance Market Size by Application
Table 2020-2025 Global Usage-Based Insurance Market Share by Application
Table 2020-2025 Global Usage-Based Insurance Key Vendors Revenue
Figure 2020-2025 Global Usage-Based Insurance Market Size and Growth Rate
Table 2020-2025 Global Usage-Based Insurance Key Vendors Market Share
Table 2020-2025 Global Usage-Based Insurance Market Size by Type
Table 2020-2025 Global Usage-Based Insurance Market Share by Type
Table 2025-2030 Global Usage-Based Insurance Market Size by Region
Table 2025-2030 Global Usage-Based Insurance Market Size Share by Region
Table 2025-2030 Global Usage-Based Insurance Market Size by Application
Table 2025-2030 Global Usage-Based Insurance Market Share by Application
Table 2025-2030 Global Usage-Based Insurance Key Vendors Revenue
Figure 2025-2030 Global Usage-Based Insurance Market Size and Growth Rate
Table 2025-2030 Global Usage-Based Insurance Key Vendors Market Share
Table 2025-2030 Global Usage-Based Insurance Market Size by Type
Table 2025-2030 Usage-Based Insurance Global Market Share by Type

I would like to order

Product name: Usage-Based Insurance Global Market Insights 2025, Analysis and Forecast to 2030, by Market Participants, Regions, Technology, Application, Product Type

Product link: <https://marketpublishers.com/r/UA42E69A5F3EEN.html>

Price: US\$ 3,200.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:

info@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page <https://marketpublishers.com/r/UA42E69A5F3EEN.html>