

Six Tips For Taking The Wheel When It Comes To Shopping For Car Insurance

With Auto Insurance Costs On The Rise, Know How To Get The Best Policy At The Best Rate

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NEW YORK, July 25, 2016 — If your last auto insurance bill came with a little sticker shock, it may be time to take advantage of a highly competitive insurance marketplace and do some smart shopping for a new policy, according to the [Insurance Information Institute \(I.I.I.\)](#).

Over the last two years, auto insurance costs have risen on average about 10 percent, according to the I.I.I. Why?

- **A better job market:** More people working means more people driving—and that means

more accidents. Indeed, motor vehicle crash fatalities rose 8 percent from 2014 to 2015 according to the [National Safety Council](#), the largest year-over-year percent increase in 50 years.

- **Higher speed limits:** Since 2012, 12 states have raised their speed limits to 70 or 80 mph—and as high as 85 mph in the case of Texas. In just one of those states, Ohio, a study found that crashes jumped by 19 percent in the two years following the change.
- **More expensive claims and insurance related costs:** Quite simply, people are driving more expensive cars. In addition, medical costs, litigation costs and the cost of auto repair work continue to rise faster than prices overall.

“Don’t be one of those statistics,” said Jeanne M. Salvatore, senior vice president and chief communications officer at the I.I.I. “It’s very important to take driving seriously—not only will it keep you and your passengers safer, it can also help keep down the cost of your auto insurance.”

Your insurance premium is based on [a variety of factors](#), including your driving record; how much you use your car; where it is parked and where you live; the type of car you drive; your age and gender; your credit score; and the type and amount of coverage. Understanding these factors can help you get a better deal on your policy.

The I.I.I. offers these tips for finding the best auto insurance policy for your needs and budget:

1. Shop Around

Prices and coverage levels vary from company to company, so it pays to [shop around](#). But don’t shop price alone; look for a [financially sound](#) insurance company with a reputation for [good customer service](#).

2. Check Insurance Costs *Before* Buying A Car

The price of the vehicle, the cost to repair it, its overall safety record and the likelihood of theft can all affect the price of your coverage, so check with your insurance professional before deciding which car to buy.

3. Increase Your Deductible

When you file a claim, the **deductible** is the amount you pay before your insurance kicks in. With a higher deductible, you can lower your premium significantly—but be sure you have enough money set aside to pay it if you have a claim.

4. Reduce Coverage On Older Cars

If the market value of your car is less than 10 times the auto insurance premium you are paying, purchasing comprehensive and/or collision coverage may not be cost-effective.

5. Maintain Good Credit

Many insurers use **credit information** to price auto insurance policies, so a solid credit history can lower your premium.

6. Ask About Discounts

Insurance companies offer a wide variety of discounts—here are some you can ask about:

- Antitheft devices
- Multiple policies with the same company
- College students living away from home
- Defensive driving courses
- Drivers ed courses
- Low annual mileage
- Long-time customer

- More than one car
- No accidents in three years
- No moving violations in three years
- Student drivers with good grades

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- [8 Questions To Ask Before Buying Auto Insurance](#)
- [Auto Insurance Basics—Understanding Your Coverage](#)
- [The I's On Insurance: Auto Coverage](#)

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