

# Credit scoring in car insurance

At Root, we believe that your price should be determined by how well you drive, not who you are. That's why we're committed to removing credit scoring from our pricing models by 2025. It's time to make car insurance more fair. It's time to drop the score.

## KEY FINDINGS

1 **85%** agree that having a car is essential

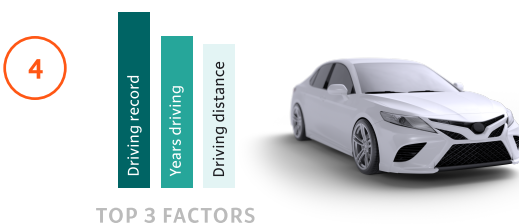
Most people consider a car to be **extremely important to their everyday lives**. The vast majority agree that having a car is essential to their personal well-being (85%), meeting their basic daily needs (85%), and sustaining the local economies (80%).

2 **77%** agree that car insurance is a burden

Yet, **77% of people agree that car insurance is a burden**. 35% say they can't afford to buy essential items because their car insurance rate is too expensive, and 39% have considered getting rid of their car insurance to save money.

3 **66%** don't know that credit score is a factor

**66% of people don't know that credit score is a factor** in determining car insurance price. Driving record, age, and years driving are the most commonly known factors in pricing.



In fact, **driving record, years driving, and driving distance** are ranked most often as the top 3 most important factors in calculating car insurance pricing. Only 6% think that credit scores should be included in the top 3 most important factors.

5 **63%** think using credit scores for insurance pricing is unfair

**63% of people agree that it's completely unfair** for insurance companies to use credit scores to determine insurance premiums. 68% think that this leads to good drivers paying more for car insurance, and 80% feel that credit scoring is biased against historically under-resourced communities, young people, and recent immigrants.

6 **93%** agree that it's important to remove bias from pricing

**93% of people agree that it's important** for the insurance industry to remove bias and discrimination from pricing.