MOTOR VEHICLES INSURANCE PRICE INDEX
NEW DATA SOURCE AND METHODOLOGICAL INNOVATION

INTRODUCTION

From January 2024, Italian Institute of Statistics (Istat) started to spread the results of a completely renewed version of car insurance survey.
The **new data source** is administrative but not in the usual terms as the information is collected through a survey (IPER) conducted by the Italian Authority in charge of regulating the insurance market (IVASS). The availability of the **new data source** allowed to introduce several **methodological innovations,** particularly remarkable is the transition from model to transaction prices.

COMPARISON BETWEEN OLD AND CURRENT SURVEY

	PREVIOUS SURVEY	CURRENT SURVEY
Available data per month	1,500 prices	600,000 prices
Data collection method	Field interviews	Administrative data
Territorial coverage	79 provinces (Nuts-3)	All 107 provinces (Nuts-3)
Price definition	Model price	Transaction price

PREVIOUS SURVEY was based on four predefined consumption profiles, defined on a set of variable related to insurance geographical area, age of the owner, owner driving experience, vehicle's technical characteristics.

CURRENT SURVEY is based on **actual** transaction prices. It includes more than one third out of all insurance contracts. Therefore it is no more necessary to predefine specific consumption profiles.

PREVIOUS APPROACH: CONSUMPTION PROFILES

	Profile A	Profile B	Profile C	Profile D
Displacement	1201-1350	1201-1350	1851-2000	1201-1350
Power supply	Petrol	Petrol	Diesel	Petrol
Car's age	2 years	4 years	2 years	4 years
Owner's age	20 years old	30 years old	40 years old	36 years old
Risk profile (18 classes)	Class 1st (low risk)	Class 14th (medium-high risk)	Class 1st (low risk)	Class 1st (low risk)

CURRENT APPROACH: ALL ACTUAL CONTRACTS

Actual transaction data are stratified on four stratum variables: province, risk profile, owner age, type of vehicle. It results in **4,200 stratum**.

For each stratum **frequency** and **average price** are computed starting from the 600,000 transaction prices collected.

Current survey ensure a considerable improvement in quality, since:
- includes every actual consumption profile;
- covers the whole national territory;
- is based on actual price considering for each month both the new and the existing contracts.

INCREASE IN TERRITORIAL COVERAGE

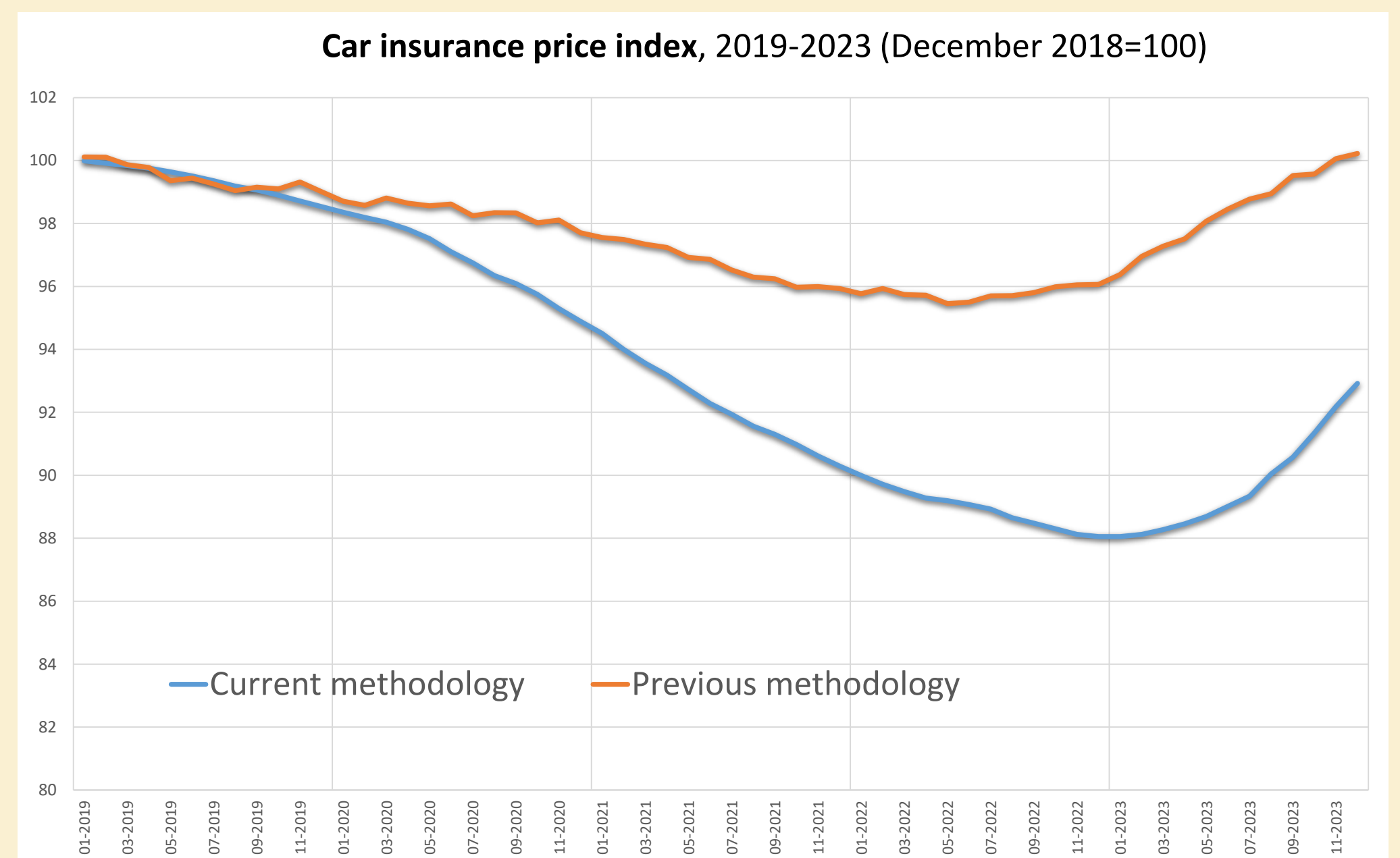**Territorial coverage**: provinces (Nuts-3) in previous survey

Represented
Not represented
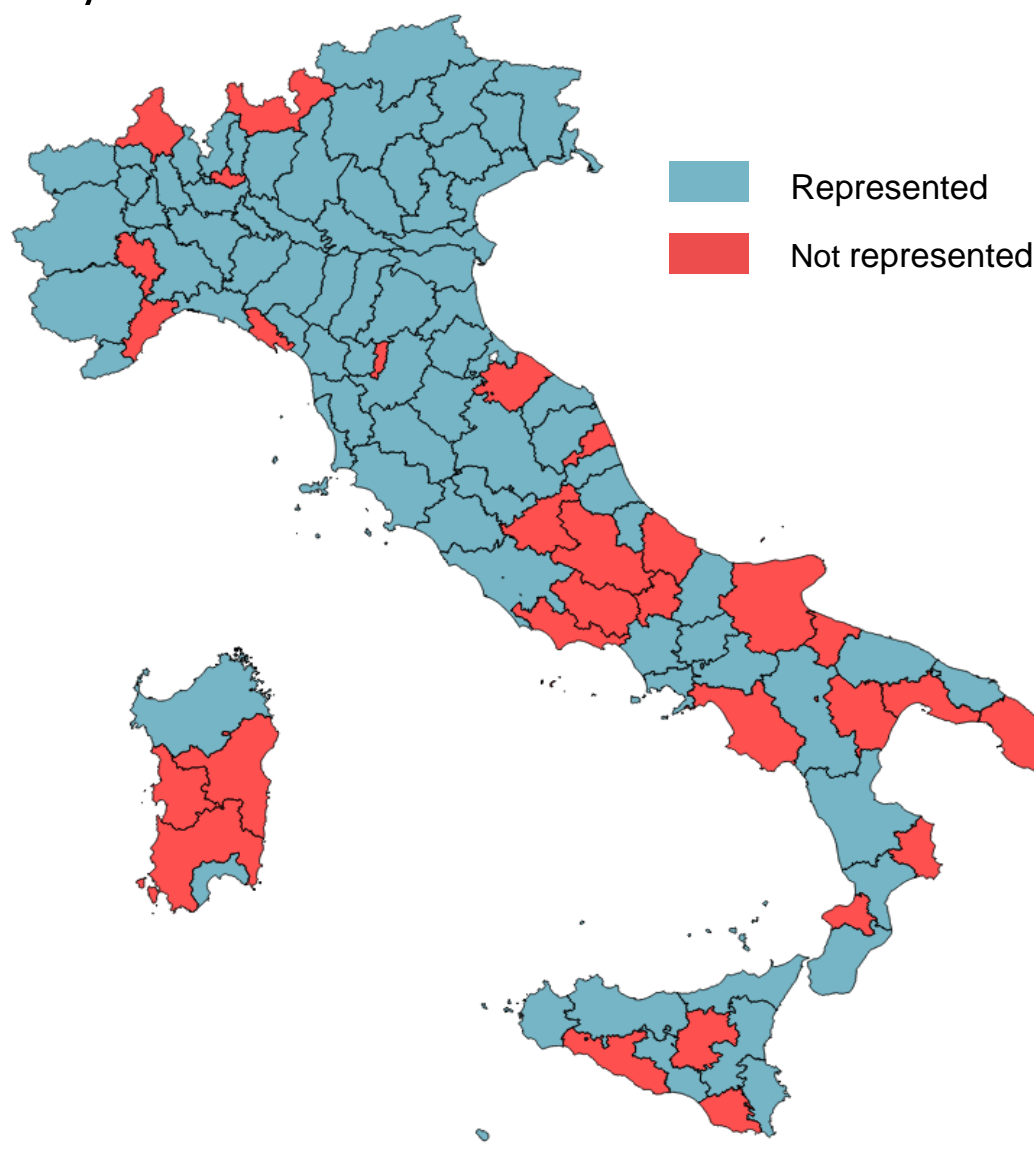
In the previous survey were represented 79 Nuts-3 out of 107.

	not represented provinces	
Geographical area (NUTS1)	in geographical area	in terms of population
South	45.8%	30.1%
Center	27.3%	16.7%
Island	42.9%	28.5%
North-West	24.0%	12.0%
North-East	0.0%	0.0%
Italy	27.1%	16.5%

COMPARISON BETWEEN CURRENT AND PREVIOUS METHODOLOGY

Car insurance price index, 2019-2023 (December 2018=100)

— Current methodology — Previous methodology

THE SHIFT TOWARDS NEW MODEL OF DATA COLLECTION

Administrative data 9.4
Centralized price collection 26.3
Scanner data 14.4
Traditional price collection 49.9
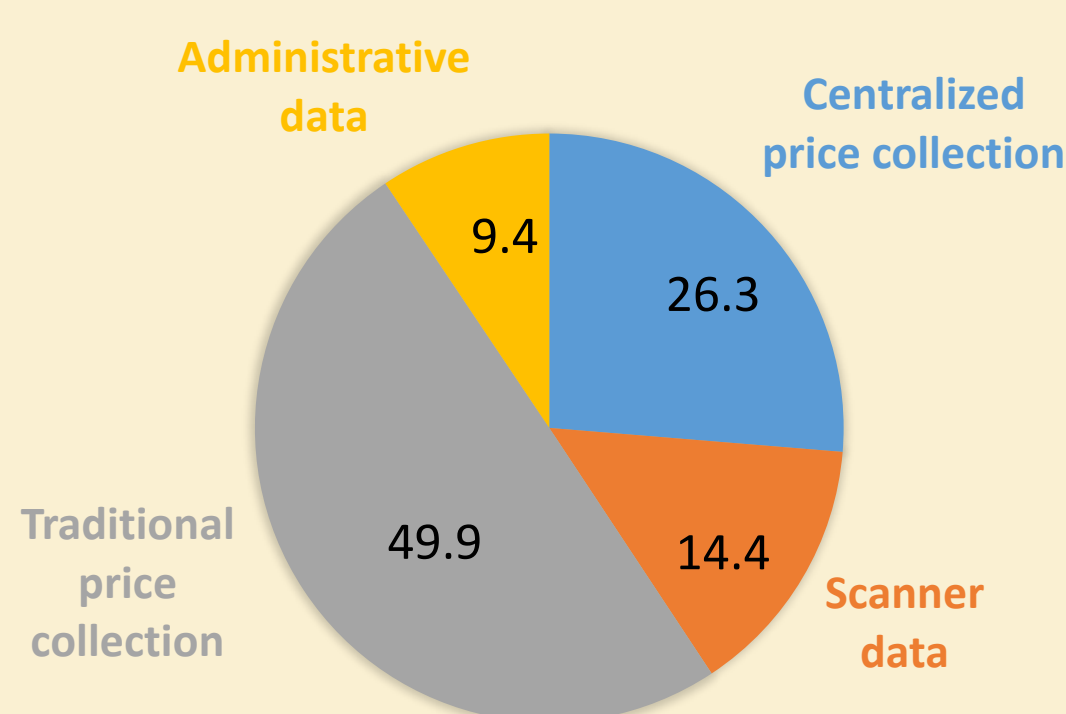
Data detected by administrative sources:
- fuels for transport vehicles
- tobacco
- actual rentals paid by tenants in the private sector for dwelling
- car insurance

THE PARTNERSHIP

ISTAT Italian National Institute of Statistics

IVASS Authority for supervision of insurance

BANK OF ITALY

ANIA Association of insurance enterprises

This new version has been launched in 2024 in terms of production and is the result of 5 years activities carried out by a partnership between governmental and private stakeholders.

FURTHER DEVELOPMENTS

From January 2025 the new approach will be extended to motorcycles and mopeds

Antonietta D'Amore (damore@istat.it), Francesca Ribaldi (ribaldi@istat.it), Francesco Santangelo (santangelo@istat.it)   *ITALIAN NATIONAL INSTITUTE OF STATISTICS*