LexisNexis® Insurance Demand Meter

A quick look at auto insurance shopping trends

ISSUE #27

LexisNexis® RISK SOLUTIONS

Working Together for a Safer, Smarter Tomorrow™

LexisNexis Insurance Demand Meter – Trends from Q2 2026

Issue #27

Overview

In the second quarter of 2026, U.S. auto insurance policy shopping and new business growth largely mirrored Q1:

Shopping volumes surpassed records from past years (Charts B and C)

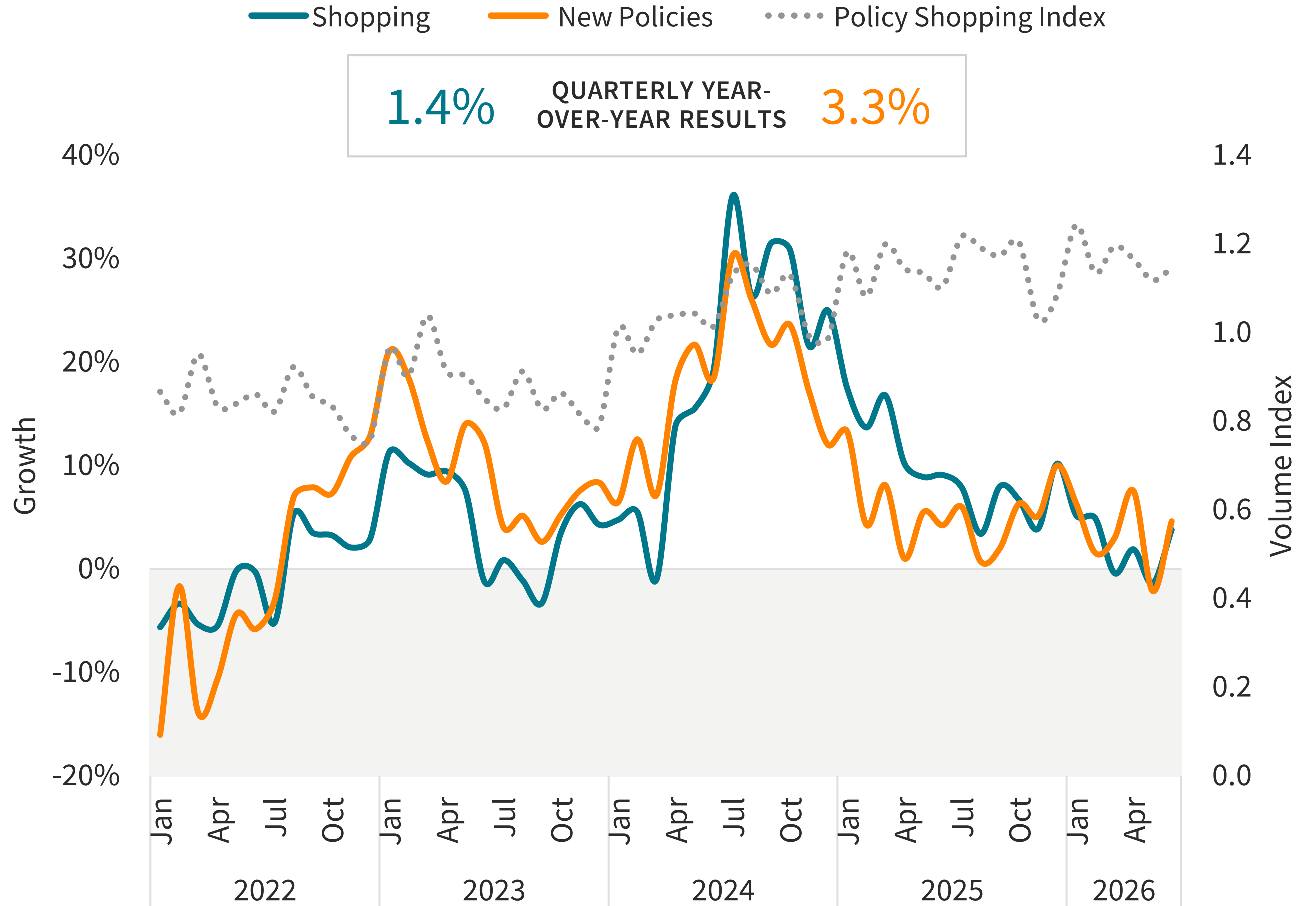
Growth slowed to modest levels (Chart A)

Both U.S. auto insurance policy shopping and new business growth remained in "Warm" territory on the LexisNexis® Insurance Demand Meter.

Quarterly year-over-year U.S. auto policy shopping growth clocked in at 1.4%, a decrease from 3.2% in Q1, and new business growth registered at 3.3%, which was down from 3.6% from last quarter (Chart A).

A

GROWTH IN SHOPPING AND NEW POLICIES COMPARED TO POLICY SHOPPING VOLUME INDEXED



SHOPPING CHANGE — Q2 2026

The quarterly year-over-year shopping growth rate was +1.4%, down from +3.2% in Q1 2026.

NEW POLICY CHANGE — Q2 2026

The quarterly year-over-year growth for new policies was +3.3%, down from +3.6% in Q1 2026.

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Rate Revisions

Among all Q2 rate revisions that went into effect, 36% were decreases (averaging -4.5%), 38% were rate increases (averaging +5.1%) and 27% were rate neutral.[1]

Q2 Rate Revision Activity

	Increases	Decreases	Neutral
All Carriers	38	36	27
Top 25 U.S. Auto Carriers	30	39	30

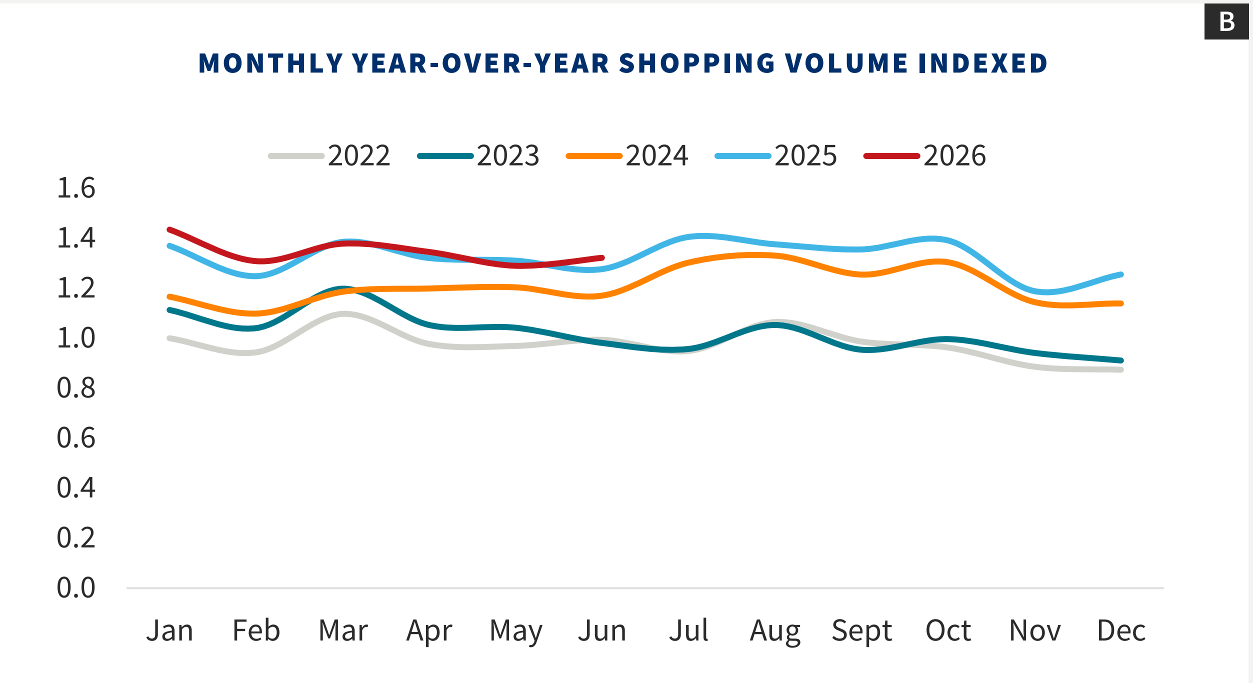
While revisions across the broader market remained relatively balanced between increases and decreases, activity among the Top 25 U.S. Auto carriers skewed more heavily toward decreases and neutral actions, with only 30% of enacted rate changes representing increases.[2]

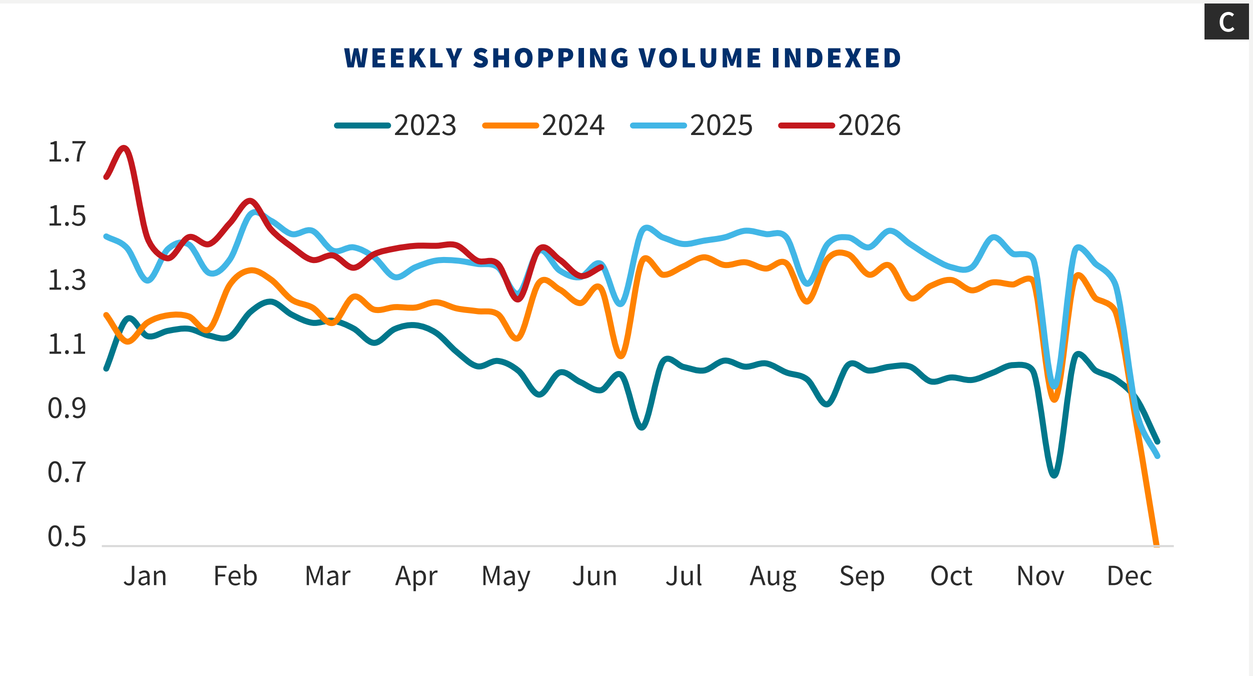
Filing activity reflected a similar pattern and closely mirrored rate activity, while the majority of filings for the Top 25 U.S. Auto carriers were decreases.[3] Given the market share represented by these carriers, their pricing actions can increasingly shape broader market trends and could contribute to decreases outnumbering increases in future quarters as approved filings take effect.

Despite this shift, lower rates have not translated into reduced shopping activity. Rather, the data suggests they may be contributing to a moderation in shopping growth across certain market segments and distribution channels, rather than reversing shopping trends altogether.

Standard shopping activity continued to grow in Q2, though at a slower pace, with year-over-year growth moderating from 3.9% in Q1 to 2.6% in Q2. In contrast, non-standard shopping volumes declined for the second consecutive quarter, with year-over-year decreases accelerating from -5.8% in Q1 to -9% in Q2.

These trends suggest that while moderating renewal rates have not significantly dampened shopping activity among standard consumers, non-standard shoppers may be responding differently to current market conditions.





The Annual Shop Rate Remains Close to Historic High

While just shy of Q1's record annual shop rate of 47.3%, the annual shop rate in Q2 was 47.2%, meaning nearly half of all policies-in-force were shopped at least once during the previous 12 months (Chart D). Although the rate edged down by just 0.1 percentage point from the prior quarter, it marked the first decline in the annual shop rate since Q3 2023.

Exclusive Agent Distribution Channel Gains Momentum as Shopping Patterns Shift

Growth in the exclusive agent channel outpaced both the direct and independent agent channels for the first time since Q2 2022. The exclusive channel's growth streak continued for a third consecutive quarter, reaching 6.8% in Q2 2026, up from 5.6% in Q1. Meanwhile, the direct channel remained in growth territory but slowed considerably, declining from 9.4% in Q1 to 4.6% in Q2.

Growth in the independent agent channel declined in the second quarter, slowing to -6.4%. This was up from -7.9% in Q1 but remained below prior-year levels for the third consecutive quarter.

These shifting growth patterns reflect longer-term changes in policyholder shopping behavior.

In Q2 2020, shoppers were distributed relatively evenly across channels, with direct and exclusive carriers each accounting for 35% of shopping activity, while independent agents represented 30%.

By the second quarter in 2026, the direct channel accounted for the majority of the shopping population, comprising 45% of activity, while exclusive agents represented 28% and independent agents 27%, highlighting the growing preference among shoppers for direct-to-consumer carriers.

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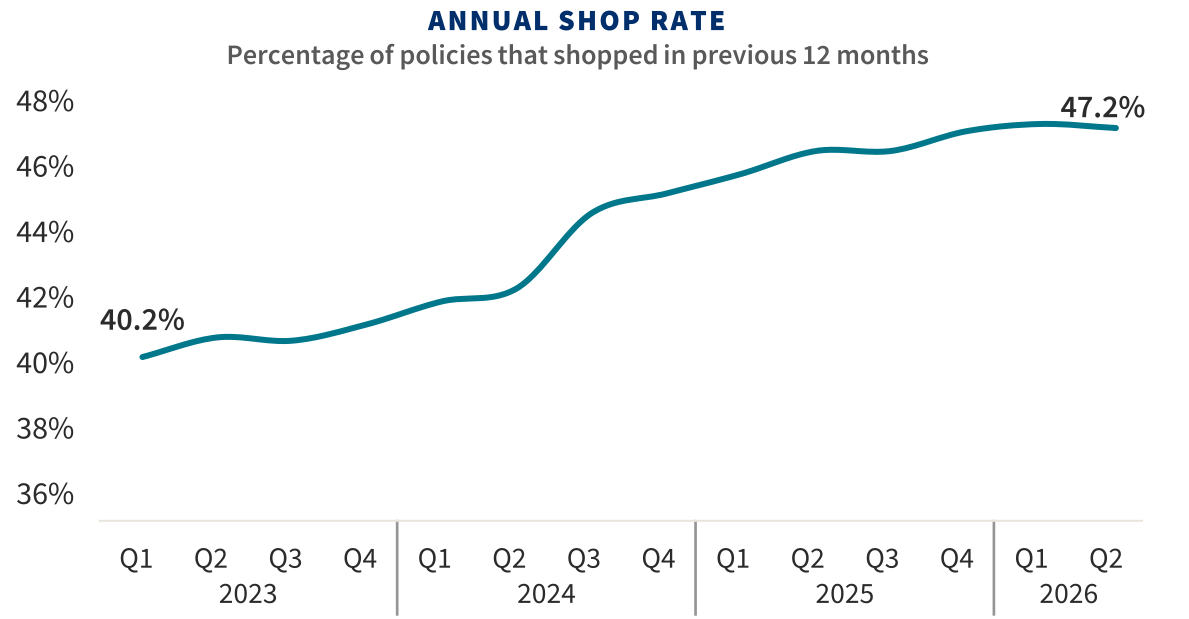

Growth percentage per channel in Q2

4.6%
Direct

6.8%
Exclusive

-6.4%
Independent

The reallocation of the shopping activity across channels may be tied to **policyholders' increasing comfort with digital channels**, a more streamlined auto insurance shopping experience and an increased carrier ad spend that's pulling consumers to shop the market.

New York and New Jersey Dominate State Shopping Gains

In Q2, New York and New Jersey were the only two U.S. states to record shopping growth rates of 10% or higher. New York continued to lead all states, with shopping growth increasing from 11.8% in Q1 to 13%. New Jersey followed closely behind, entering double-digit growth territory, rising from 9.7% in Q1 to 12.5%. Notably, California saw a significant reversal, moving from a top-growth state in Q1 to a -5.7% growth rate in Q2.

While the majority of states didn't achieve double-digit growth in the second quarter, single-digit growth proved within reach.

42 STATES
achieved positive growth in Q2 (up from 37 in Q1)

Older Consumers Continue to Lead Shopping Growth

For the 14th consecutive quarter, policyholders aged 66 and older recorded the strongest shopping growth among all age segments. While growth moderated from 7.1% in Q1 to 4.1% in Q2 2026, the 66+ cohort continued to outperform every other demographic group.

Shopping Growth by Demographic Group

26–35	36–45	45–55	56–65	66+
-0.7%	0.4%	1.1%	1.6%	4.1%

The sustained growth of the 66+ segment has also contributed to a gradual shift in the composition of the overall shopping population.

In Q2 of 2020, 66+ aged policyholders represented 14.6% of all auto insurance shoppers. By the end of Q2 2026, they comprised 16.7%.

While this 2.1% share of shoppers may seem modest, it reflects a meaningful increase in activity among a demographic that has traditionally exhibited higher levels of carrier tenure.

Home Listings and Auto Policy Shopping can Signal Increased Attrition for 66+ Aged Shoppers

While insurers look to understand retention risks within the 66+ aged shopping segment, one behavioral indicator worth considering is Multiple Listing Service (MLS) listing activity.

A 2026 LexisNexis® Risk Solutions analysis found that for the 66+ aged cohort in particular, a home listing can serve as a meaningful signal for attrition when paired with auto insurance policy shopping.

The study observed that older policyholders with an MLS listing are shopping at a higher rate than those without one, 53% vs. roughly 43%.

Their attrition rates are higher, as well. Seniors listing their property and shopping for auto insurance exhibited an attrition rate of 23.2% compared to a 19.7% attrition rate from shoppers without a home listing.

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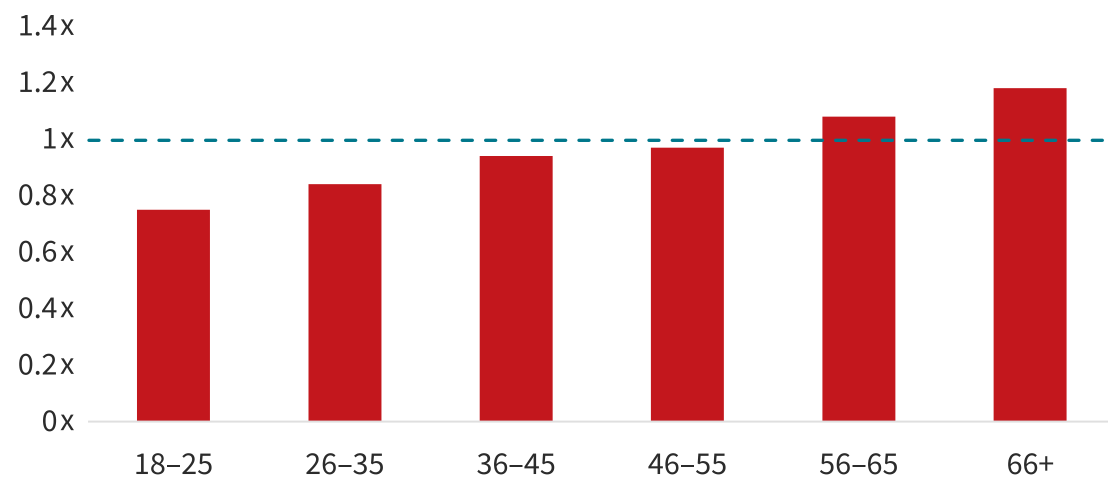
HOME LISTING ATTRITION BY AGE GROUP



Senior Attrition Rate

23.2%
Attrition rate for seniors with a home listing

19.7%
Attrition rate for seniors without a home listing

This three-percentage point gap is consistent across the market and signals pre-listing behavior may indicate potential departure intent.

The impact intensifies with age, with attrition becoming more pronounced among older policyholders.

While insurers may have historically associated increased shopping activity among older policyholders with rate increases, listing activity may represent a potential indicator of shopping and attrition risk.

When older shoppers have a home listing and shop their auto insurance, it may signal a significant life event (e.g., relocation, downsizing) that can materially increase churn risk.

Jeff Batiste

Senior Vice President
and General Manager,
U.S. Auto and Home Insurance

"In this new market cycle, insurers are still pursuing growth—but with greater discipline and clearer guardrails. That makes precision segmentation more critical than ever. U.S. policyholders continue to shop their auto insurance in record volumes, creating new opportunities for carriers. Insurers that more effectively marry the right risk with the right rate will likely be better positioned not only to win new business, but to drive more profitable, sustainable growth over time."

Looking Ahead

When consumers feel wallet pressure, it can set elevated auto policy shopping activity into motion. While policyholders en masse may no longer be reacting to blanket rate increases, other reasons to shop, like increased advertising spend and the convenience of shopping via digital channels, are becoming stronger motivators. As a result, although shopping volumes may remain near record levels, the factors driving consumers to explore their options are becoming more diverse.

1. S&P Global Market Intelligence (and its affiliates, as applicable), July 1, 2026
2. *Ibid.*
3. *Ibid.*

The LexisNexis Insurance Demand Meter is a quarterly analysis of auto insurance shopping volume and frequency, new business volume and related data points. LexisNexis Risk Solutions offers this unique market-wide perspective of consumer auto insurance shopping and switching behavior based on its analysis of billions of consumer shopping transactions since 2009, representing ~90% of the universe of shopping activity.

risk.lexisnexis.com/demandmeter