CARFAX TOTAL LOSS VALUATION CLIENT SUCCESS STORY | MVP DEVELOPMENT
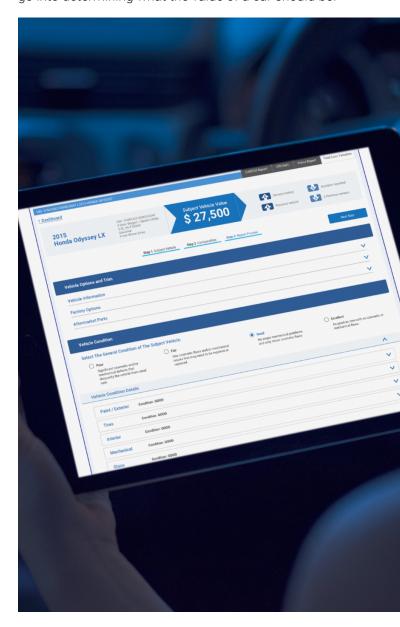
Turning a Total Loss Into a Total Win

Insurance claims immediately come into play any time a vehicle is involved in an accident. And when a vehicle is determined to be "totaled," the stakes for all parties are high. Insurance companies must determine the car's fair market value just prior to the crash, which is the amount they pay out to the policyholder. Policyholders must then begin the process of searching for and buying a vehicle to replace their totaled one.

With so much riding on getting a totaled vehicle's valuation correct, CARFAX came to 3Pillar Global for help. We've long served as their product development partner, and they knew they needed a trusted advisor to develop this MVP. If we could get it right together, we could provide insurance adjusters and vehicle owners with a much more accurate way to determine the fair market value of totaled vehicles than any other existing product on the market.

CHALLENGE:

One of the biggest challenges to nailing a vehicle's valuation is the wide variety of factors that can impact its worth. What kind of condition was the car in immediately before and after the accident? Had it been involved in any prior accidents? How many miles were on it? Had it been well-maintained by the owner before

the accident? What is the value of comparable vehicles on the market? All of these questions and many more go into determining what the value of a car should be.

SOLUTION:

We started the Total Loss Valuation MVP process by conducting user interviews with insurance adjusters. The goal was to determine where there were gaps in the existing process and where a new entrant to the market could distinguish itself.

Two specific areas of opportunity that our research uncovered were helping to speed up the valuation process to limit the time vehicle owners were stuck with rentals, and providing more robust, accurate data around totaled vehicles and comparables. Adjusters were also adamant that being able to provide a high level of granularity into a vehicle's condition was key to arriving at an accurate valuation.

OUTCOME:

After a few rounds of user interviews, our design and development teams followed our standard MVP process to go from idea to in-market product. We worked to rapidly develop a desktop solution and advise CARFAX

on the level of granularity their underlying algorithms needed to provide to outpace the competition and make CARFAX Total Loss Valuation a success.

Using the CARFAX Total Loss Valuation app and robust data set, claims adjusters could now evaluate a vehicle's value far faster and more accurately than they previously could. It was also important that the app was intuitive and easy to use and that it provided a clear, compelling report of how value was determined so that policyholders could feel confident the assessed value and payout were fair. These two factors enabled insurers to close claims transactions more quickly, getting their customers into new vehicles faster and improving their own productivity in the process.

But the benefits didn't end there. Data from the CARFAX Used Car Listings app made it easy for car owners who experienced a total loss — which is often an emotional experience — to find very similar used cars available to buy in their local market.

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> "A sincere thank you to our entire 3Pillar project team for their help in bringing the CARFAX Total Loss Valuation service to life! Your professionalism, enthusiasm, patience, and talents were very much appreciated — we literally and figuratively could not have done this without you!"
>
> – Ben Roa, Product Manager, CARFAX

3Pillar Global is here to help you build strategy,
shift your cultural mindset, and build modern data products for an evolving market.

Contact us today to speak with a 3Pillar expert.