

# 2020: Best car insurance companies for millennials

By Satta Sarmah-Hightower | Updated on March 9, 2020

Finding the right car insurance coverage at the right price can take lots of time and comparison shopping. Auto insurance isn't a one-size-fits-all type of purchase. For some, price is a big factor. After all, [car insurance for young drivers](#), especially those under age 25, typically costs more than it does for older drivers. For others, paying a bit more to have excellent customer service to rely on may be most important. Deciding which insurance company is the best fit is even more difficult when you don't exactly know what you're looking for or where to begin.

## Best Car Insurance Offers For You

 Zip <b>94117</b>	Age <b>25-34</b> ▼	Current Insurer <b>Select Insurer</b> ▼	
Homeowner? <input type="checkbox"/>	Multiple Vehicles? <input type="checkbox"/>	Good Driver? ⓘ <input checked="" type="checkbox"/>	<b>Get Quotes</b>

To help you find the best car insurance companies for your needs, Insure.com's team of insurance experts and data analysts surveyed 1,231 millennial drivers to get their views on their insurer's claims process, pricing, customer service and digital customer experience. We also asked them a range of questions, among them:

- How much they spend on auto insurance
- Why they purchased a policy from their insurer over other companies
- How much they would need to save to switch insurers

Using all this data, here's an overview of the best car insurance companies for millennials and what this group had to say about their insurers. All scores are out of 100.

# Top 20 Car Insurance Companies for Millennials

Overall Ranking	Auto Insurance Company	Millennial Score
1	CSAA Insurance Group	89.85
2	The Auto Club Group (ACG) - AAA	88.63
3	USAA	87.58
4	Auto Club of Southern California (Auto Club Enterprise Insurance Group)	87.45
5	Erie	87.23
6	American Family	86.92
7	Hartford	86.64
8	Mercury	85.10

## Millennials and car insurance: How they buy it, what they spend, savings to switch

Millennials aren't a monolithic group. This demographic interacts with car insurance companies in different ways and has varied priorities and diverse preferences.

The majority of millennials policyholders (38%) prefer to deal with their insurer and policy over the phone. Nearly 23% prefer to interact in-person, while 20% prefer their insurer's website. Email and their insurer's mobile app were the preferred channels for 9% and 10% of millennials, respectively.

As far as price, nearly 57% of millennials spend between \$500 and \$1,499 annually. Most millennials — 18% — spend at the higher end of this range, with annual car insurance costs between \$1,000 - \$1,249. Most millennials (63%) spend this amount for coverage on just one car, while 29% spent this much for two cars.

Price also was a major driver of customer retention. About 30% of millennials said they would switch insurers if another company offered them coverage for \$250 less a year. Nearly 26% of millennials said they'd switch if their insurance costs would decrease by \$100 annually.

## Top three auto insurance companies for millennials

For the top-ranked car insurance companies — CSAA Insurance Group, The Auto Club Group and USAA — between 24-25% of millennials said they initially decided to do business with these companies because of the recommendation of a friend or family member. Almost 18% of millennials said they chose CSAA because of price, while nearly 15% of millennials chose The Auto Club Group for this reason. Price was the driving factor for 12% of millennials who chose USAA.

Reputation also was an important factor for some millennials. About 28% of these consumers said they chose USAA because of the company's reputation. Only 3% and 12% of millennials, respectively, chose The Auto Club Group and CSAA for this reason.

The level of satisfaction with each of these companies' digital experience also varied among millennials. Between 39% and 44% of millennials said they were completely satisfied with CSAA's, The Auto Group Club's and USAA's websites and mobile apps, with USAA receiving the highest percentage of completely satisfied customers among the three insurers. Between 44% and 49% of millennials said they were satisfied with the digital experience the three companies offered. In total, a majority of millennials were content with these companies' websites and apps.

## How top carriers ranked on price, claims, customer service and digital experience

In the tables below, you'll see how current policyholders weighed in on their insurance companies on four metrics. All scores are out of 100.

### Best car insurance companies based on price

Choosing a car insurance company requires you to do your research and get quotes. You shouldn't base your entire auto insurance decisions on the company that offers the lowest rates, but it is important. Here's where millennial respondents rated their car insurer's rates.

Search Table

Price Ranking	Auto Insurance Company	Millennial Score
1	Hartford	93.33
2	CSAA Insurance Group	90.20
3	The Auto Club Group (ACG) - AAA	88.24
4	USAA	84.85
5	American Family	84.29
6	The General	84.15
7	Auto Club of Southern California (Auto Club Enterprise Insurance Group)	82.92
8	Erie	82.58

### Car insurance companies with the best claims process

One of the last things you want to think about when buying car insurance is a future accident. However, a company's claims handling should be a vital factor in deciding which company to choose. You'll see that millennials ranked five companies with the highest grade for claims processing.

Search Table

Claims Ranking	Auto Insurance Company	Millennial Score
1	Auto Club of Southern California (Auto Club Enterprise Insurance Group)	95.00
2	Safeco	92.86
3	CSAA Insurance Group	92.5
4	American Family	91.43
5	Erie	91.11
6	The Auto Club Group (ACG) - AAA	90
6	Mercury	90
7	State Farm	89.73

# Car insurance companies with the best customer service

Customer service once focused mainly on a car insurance company’s call center. Now, customer service involves multiple communication avenues, including apps, texts, email and social media. Here’s how millennials ranked auto insurance companies for customer service.

Customer Service Ranking	Auto Insurance Company	Millennial Score
1	Hartford	91.11
2	USAA	90
3	Erie	89.68
4	CSAA Insurance Group	89.02
5	Nationwide	88
6	The Auto Club Group (ACG) - AAA	87.65
7	Auto Club of Southern California (Auto Club Enterprise Insurance Group)	87.50
8	American Family	87.14

## Car insurance companies with the best website & apps

You lead a busy life. You don't want to be limited to making phone calls when a call center is open. Car insurance companies understand this and have improved their websites and apps, so you can get your questions answered at any time. This is how millennials rated their auto insurance companies.

Website/app Ranking	Auto Insurance Company	Millennial Score
1	USAA	87.94
2	The Auto Club Group (ACG) - AAA	87.74
3	Auto Club of Southern California (Auto Club Enterprise Insurance Group)	85.53
4	Esurance	85.28
5	Allstate	84.76
5	Erie	84.62
7	American Family	84.55
	CSAA Insurance Group	84.31

## 5 tips for comparing car insurance companies

If you're in the market for car insurance, you can use this data as your guide to identify potential companies for car insurance. Here are some other ways to comparison shop:

- Identify your needs:** Learn how the different [types of car insurance](#) work to protect you, then decide how much car insurance you need. Insure.com Senior Consumer Analyst Penny Gusner recommends buying more [liability insurance](#) than what your state requires to drive legally to ensure you are sufficiently covered. You also need to know whether you need [comprehensive or collision coverage](#). It's wise to buy these optional coverages unless your car is worth less than \$3,000 and you have no assets or savings.
- Check company performance and complaints:** The National Association of Insurance Commissioners (NAIC) and your state's department of insurance both track company performance, which includes details on an insurer's financial rating and complaint ratios. Pay close attention to each insurer's complaint ratio. You can see the complaint ratio of companies you are considering by visiting the [NAIC website](#), and eliminate the companies that don't have a good reputation.
- Do your digital due diligence:** Customer experience is a top priority for many millennials, so visit the websites of some of the companies you're considering to see if they offer a user-friendly and seamless digital experience. If their website and apps are easy to use, it might be a good indication of the quality of customer service you'll receive as a policyholder.
- Research discounts for which you qualify:** Check each company's website for information on discount programs. Discounts that are a good fit for millennial drivers include "good student" discounts, if you're still in college or grad school, discounts found through affiliate programs such as your alma mater or professional group and low-mileage discounts if you have a short commute or use public transportation and don't drive much. There are also many discounts for electronic billing and buying a policy online. And, you can save on your policy if you buy your auto insurance and renters insurance or home insurance from the same company.
- Compare car insurance quotes:** Once you've narrowed down your choices, [compare car insurance rates](#) from each of your top companies. You should compare quotes from at least three companies. Car insurance companies each use their own unique formula to set rates, so the price of a policy can vary significantly among carriers, which is why comparing costs is one of the most effective ways to save money.

