



North & East Ontario

2022 ANNUAL REPORT

Year of Firsts



The Year of Firsts

In the course of a person's life, there are many incredible firsts. First home, first car, first child – though not necessarily in that order.

But generally speaking, those firsts come over time, as part of the natural cadence of life. Rarely do so many game-changing moments happen all at once. Life just isn't like that – unless you're talking about CAA North & East Ontario.

For us, 2022 was a year of firsts that came thick and fast.

Our Membership growth led the country at 7.3%. In fact, we were the number one club for membership growth in North America. For the first time in our club history, we crossed the threshold of 50,000 new joins in a single year – and 50,000 new insurance policy holders, too. Overall, our operating income is the highest it's ever been.

But it doesn't stop there. We lead the federation in travel insurance growth, and we were the first club to go fully digital with our marketing and our CAA eMagazine. We won not one, but

two, national awards for innovations with our CAA Kiosk and our "million little things" approach to testing, learning and applying what we know to making our Members' lives a little better.

A Million Little Things

Of course, our growth is not because of a single person or campaign, but rather the concerted effort of a remarkable group of talented and dedicated people. We have assembled a truly gifted "A-Team" throughout the organization. As a result, we have people at every level taking ownership of solving challenges and exploring opportunities. Every organization has ups and downs, but when you have everyone pulling on the oars in the same direction, the depths of the lows are minimized, and the highs are maximized.

We don't just ride the highs and lows – our goal as an organization is to also measure them, understand what drives success and apply those lessons as we work through the lows.

Understanding those mechanisms not only allows us to solve problems, but they frame our goals for 2023.

Solving the roadside puzzle

Cost of living increases will continue to make headlines and be part of Canadian conversations into 2023. Inflation is part of our considerations internally, too. For example, the cost of gas and diesel is impacting the bottom line for roadside services at every club. As we address this by applying efficiencies, we have also gone in a brand-new direction by introducing CAA Everyday, a Membership level that offers everything CAA does – except roadside. This low cost, annual Membership is designed for younger people, those who drive new vehicles and don't need roadside assistance, and those who prefer two wheels over four. (CAA Everyday comes with Bike Assist, our roadside rescue for cyclists plus discounts on car rentals as well as fuel savings through our Shell partnership.)

Proactive and responsive thinking

One of the key philosophies we've got at CAA North & East Ontario is to be proactive rather than reactive when it comes to what we offer Members. To grow, we must innovate, which means offering Members things they need rather than waiting for them to pick up the phone to ask for them. And while some things will always be reactive – our roadside rescue is just that – we have also introduced a menu of mobile automotive services. By bringing oil changes, tire swaps and windshield chip repair to our Members' homes, we are diversifying our automotive line of business and finding new ways to optimize what we do. In fact, we've tripled the size of our Mobile Tire Service in just three seasons, in part because we have created a very sophisticated booking tool that completely automates the process.

And even though roadside rescue is based on emergencies, we are building proactive measures to that, too. For example, we have a more stratified way of organising communications, so Members aren't in the dark until we arrive to help. Rather, they're getting real time and human updates that both reassures them and keeps the lines of communication open in times of crisis. It's another revolutionary innovation we're undertaking.

Data-led partnerships

Who are our Members and how do they interact with CAA? That is the question at the heart of our ongoing love affair with data. Because of our robust data infrastructure, we have a much deeper and more eloquent understanding of the relationship between Member behaviour and Membership renewal. Our Shell partnership is a perfect example. It exceeded expectations for all clubs and gave us data that illustrated in no uncertain terms what the right partnerships can do. Now we can pursue a wide range of partnerships in sports, culture, the arts, community-related organisations because we can do two things at one time: create value for Members and communicate with the communities we serve. With new partnerships, like our recent deal with the NHL's Ottawa Senators, our intention is to have a series of pillar partners at the local level as a gateway to our communities.

Digital-first marketing and communications

One of the realities of 2022 is that consumers want convenience more than ever. One important pathway to that is to be digital first. For an organisation like CAA, that can pose a challenge. But over the past year, we have put in place several digital innovations and initiatives that we

think fundamentally improve the nature of the connection between ourselves and our Members.

Last year, we signalled the end of our beloved CAA Magazine in print and the launch of an exciting new era with the CAA eMagazine. Since launching in October 2022, our Members have embraced this new way of reading – and viewing – our content, whether it is through stories, videos or quizzes. By no longer printing CAA Magazine, we are saving 48 million pieces of paper.

We've also moved even further into digital-first communications with paperless marketing and focusing our energies on reaching Members where they are, whether it's a locking their wheels to bike rack ad or a driving past a billboard on a northern highway.

After a year of so many firsts, it may be hard to imagine what 2023 will hold. But not for the team at CAA North & East Ontario. Together, we're already imagining a stronger and even more prosperous future.

Sincerely,



Jeff Walker
President & CEO
CAA North & East Ontario

“It never ceases to amaze me how valuable CAA is to our entire family. Heather assisted us on CHAT to make the appointment. Excellent communicator, thank you! The tech came on time and was so capable. Hats off to Jonathan for his excellent service in replacing our battery, under the CAA warranty. Our call was answered, well within the promised time and our day was back on track.

HEATHER SAUNDERS



CAANEEO by the numbers 2022

Total CAA Members Nationwide

6,855,158

Total CAANEEO Members

342,369

Unique Website Visits

1,621,149

Club Membership Renewal Rate

91.4%

Roadside Assistance Service Calls

152,895

New Club Members

51,518

NPS Score for
Roadside Assistance
Service Calls

85

Household Penetration Rate

25.1%

Shell Member Transaction Volume

\$533,278

CAA Home and Auto Insurance
Policies in Force Growth Rate

27.8%

Total Discounts Received by
Members Using the Rewards
Program

**\$7.75
million**

CAA Home & Auto Insurance
Renewal Retention Rate

92.1%

Testimonials

“

Phil from JB Towing went above and beyond to explain the issue that my vehicle was having. I have been with CAA for 4 years now and never have I experience service like this. Most technicians are out before I can say "bye," but Phil went the extra mile by comforting me about the issue, providing valuable insight, advice and tips. He set the bar really high with CAA!

NATASHA MOTWANI

“

I had the pleasure of dealing with Madilynn Buttera, from CAA Travel. What a helpful pleasure. Friendly, professional and certainly arranged my flight to New York within a short time. The major carriers were hopeless! Thank you!

ROSE PARDY

“

My home insurance has been with CAA for a number of years; however our car insurance had been with another carrier and I had not bothered to check the CAA rate because I figured the rates were likely all the same. When I bought a new car last year, I decided to check with CAA and the rate they offered for the exact same coverage was more that 50% lower than the other insurance company. I can't believe I waited so long to switch to CAA.

SUSAN CURTIS

“

A few years ago my husband found a cruise on the internet that looked very interesting to us. We contacted our regular travel agent. After some time she told us she could not. We visited the CAA office in Orleans and the agent called us the next day to book the cruise we wanted. It was one of the best cruises we've done. All that to say is that CAA was able to come through.

MADONNA MAYO

“

I was with the same auto insurance company for 10+ years. I knew the rate increased yearly but didn't pay as much attention to the increase as I should have. I purchased a new vehicle last fall and decided that was a good opportunity to shop around for a better auto insurance provider. CAA was the third and final provider I called. CAA's rate was by far the lowest with the same coverage as the other providers so I immediately switched and am now saving over \$800/ year. Thank you CAA!

JASON BRUCE

For life's small pleasures... and its great big adventures.

Life changes all the time ... and at CAA, we embrace change. While some things remain constant - CAA has been voted Canada's Most Trusted Brand for the fourth year in a row - we've changed and improved CAA Member benefits.

Some things have expanded, like our convenient CAA Mobile Services. We've added some great partners like the Ottawa Senators and introduced a new way of serving Ontarians, no matter how they travel through our CAA Everyday Membership. It's the \$30-a-year Membership for those who don't need roadside assistance, but still want unique benefits and savings on things like insurance, travel, fuel and in-store purchases.

The bottom line? We're putting more into your Membership, so you can get more out of it - at every level.

Life isn't one-size-fits-all. Neither is CAA.





Auto
Insurance
Rewards
Travel

caaneo.ca