



Driving School

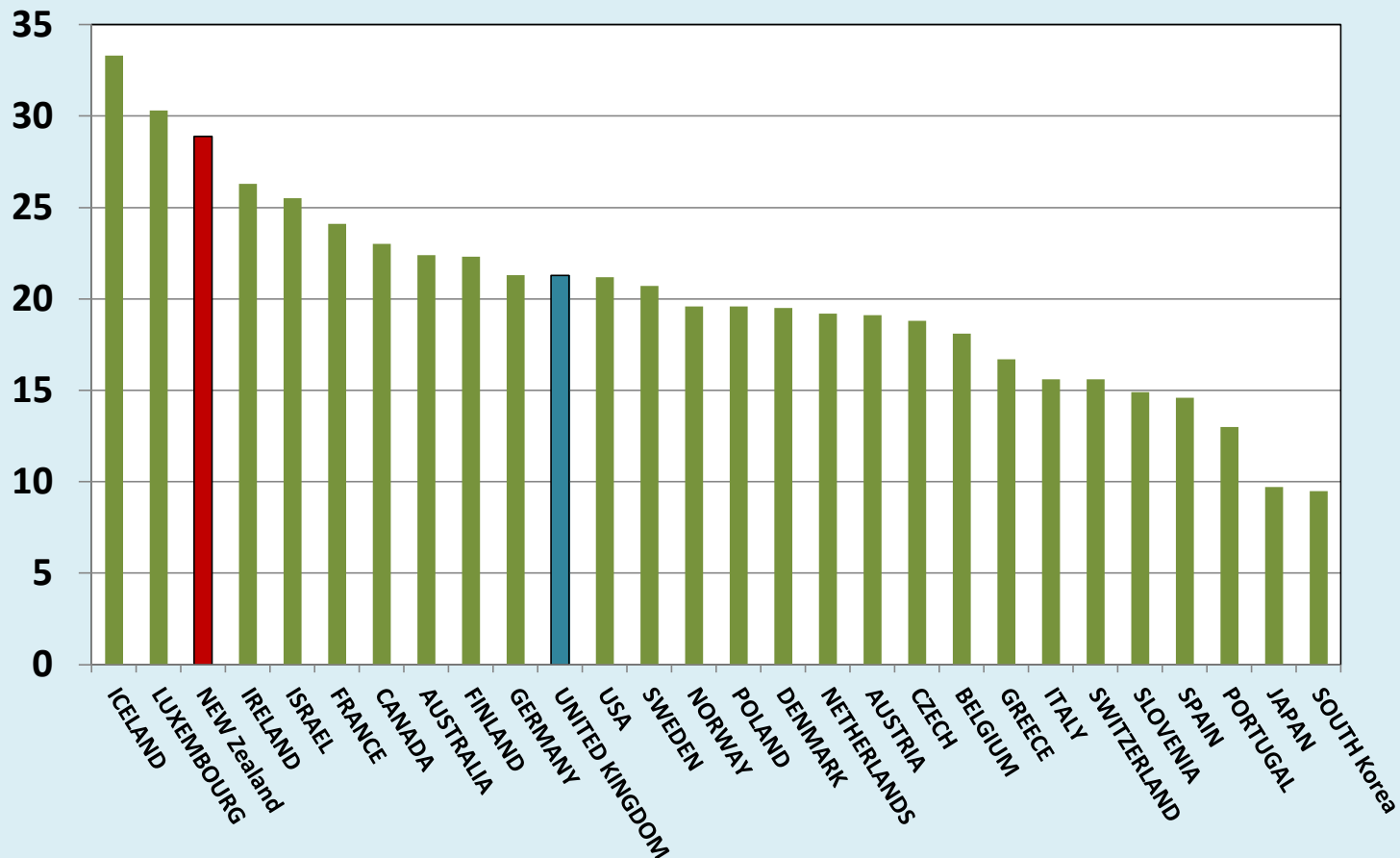
TRAFINZ 2014 –
Keeping young drivers safe and
the value of professional training

Agenda

- 1. Why we need to keep young drivers safe**
- 2. Why professional training is important**
- 3. Quick facts and figures for AA Driving School**
- 4. Our Vision and objectives for safer drivers**
- 5. The existing free driving lesson program**
- 6. Learn to drive the AA way**
- 7. Our new Service – AA Ignition**
- 8. Conclusions**

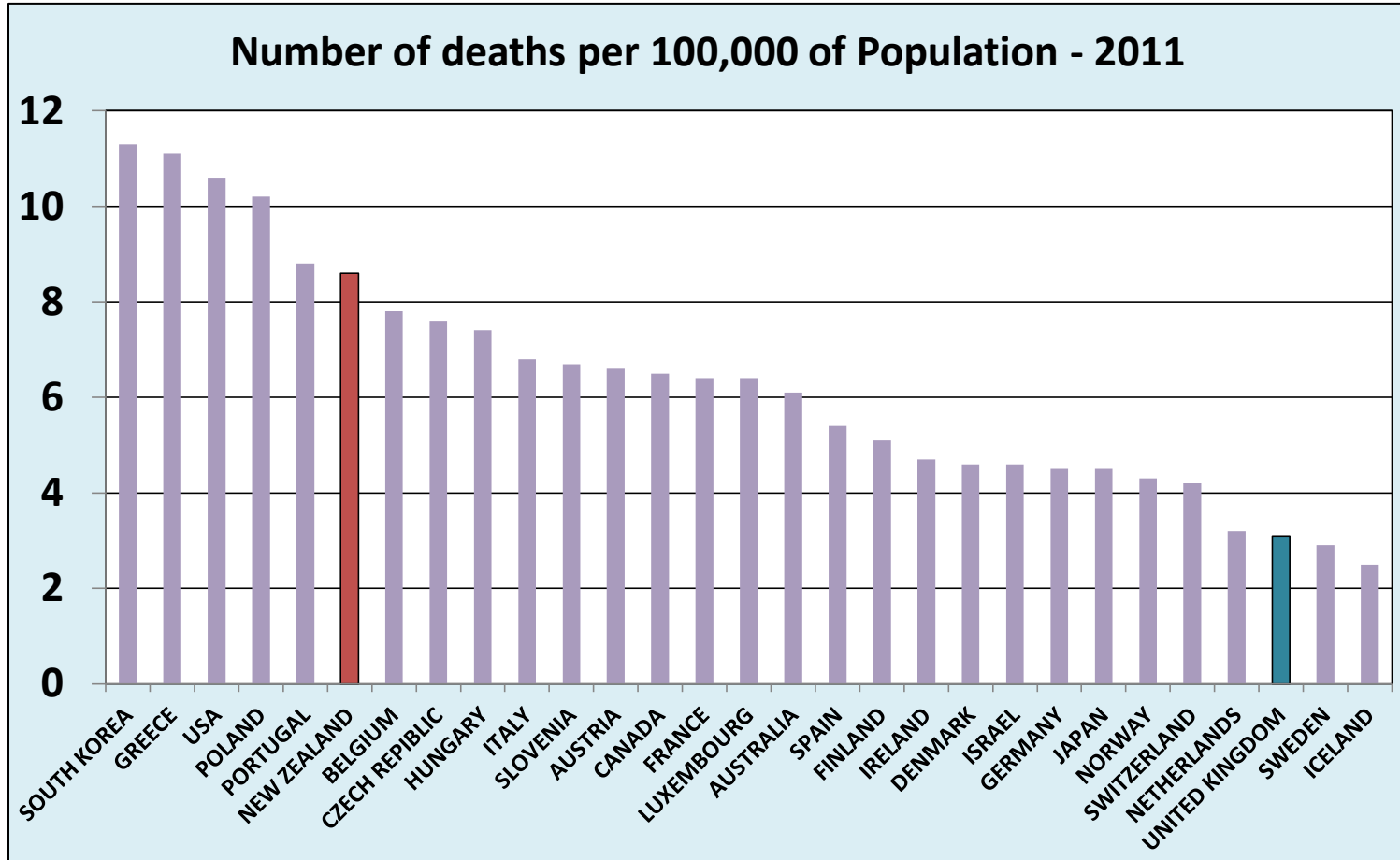
Why we need to keep young drivers safe

Percentage of deaths for 15-24 age group - 2011



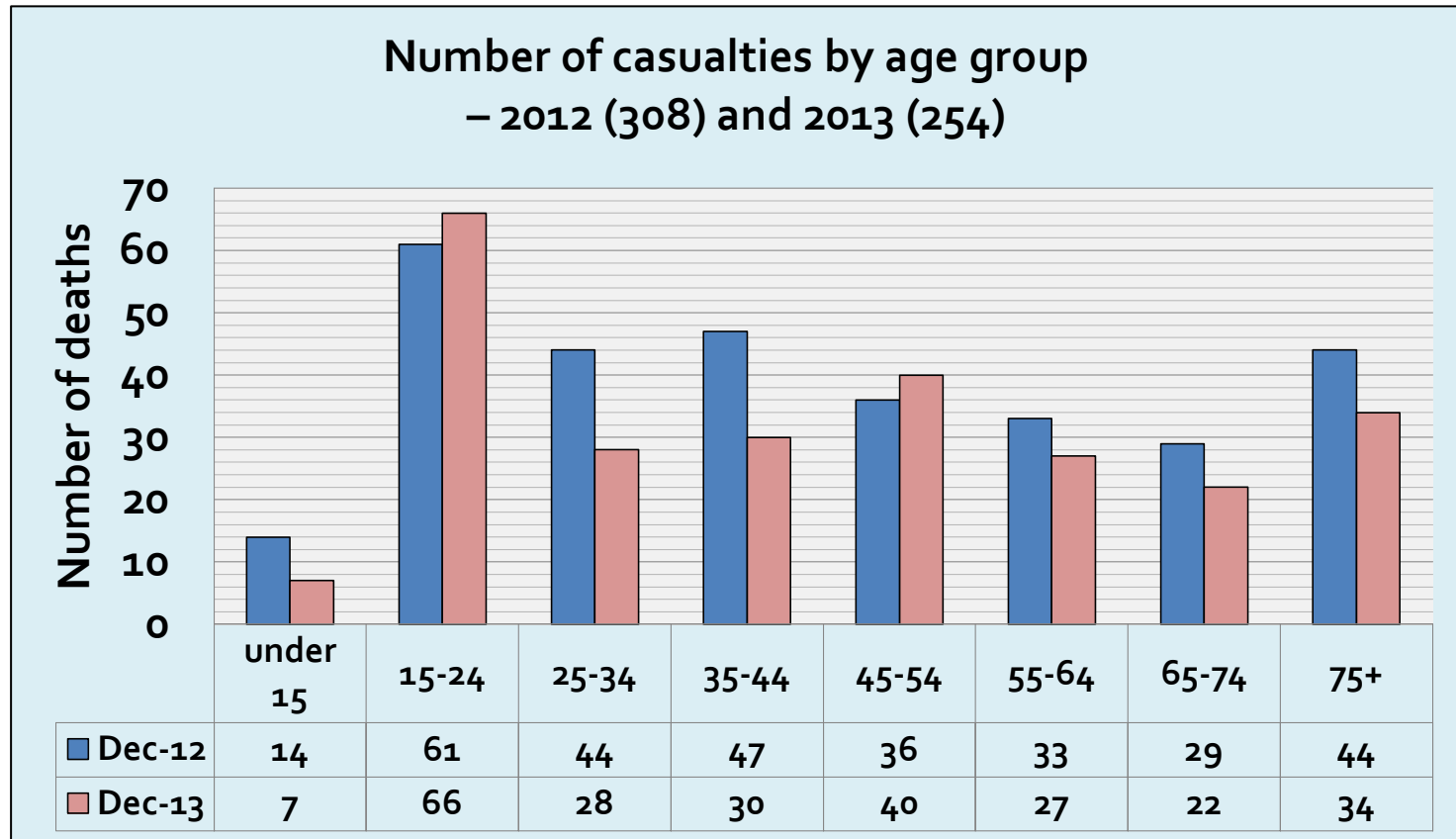
Source: MOT yearly report – Motor vehicle crashes in NZ 2012

Why we need to keep young drivers safe



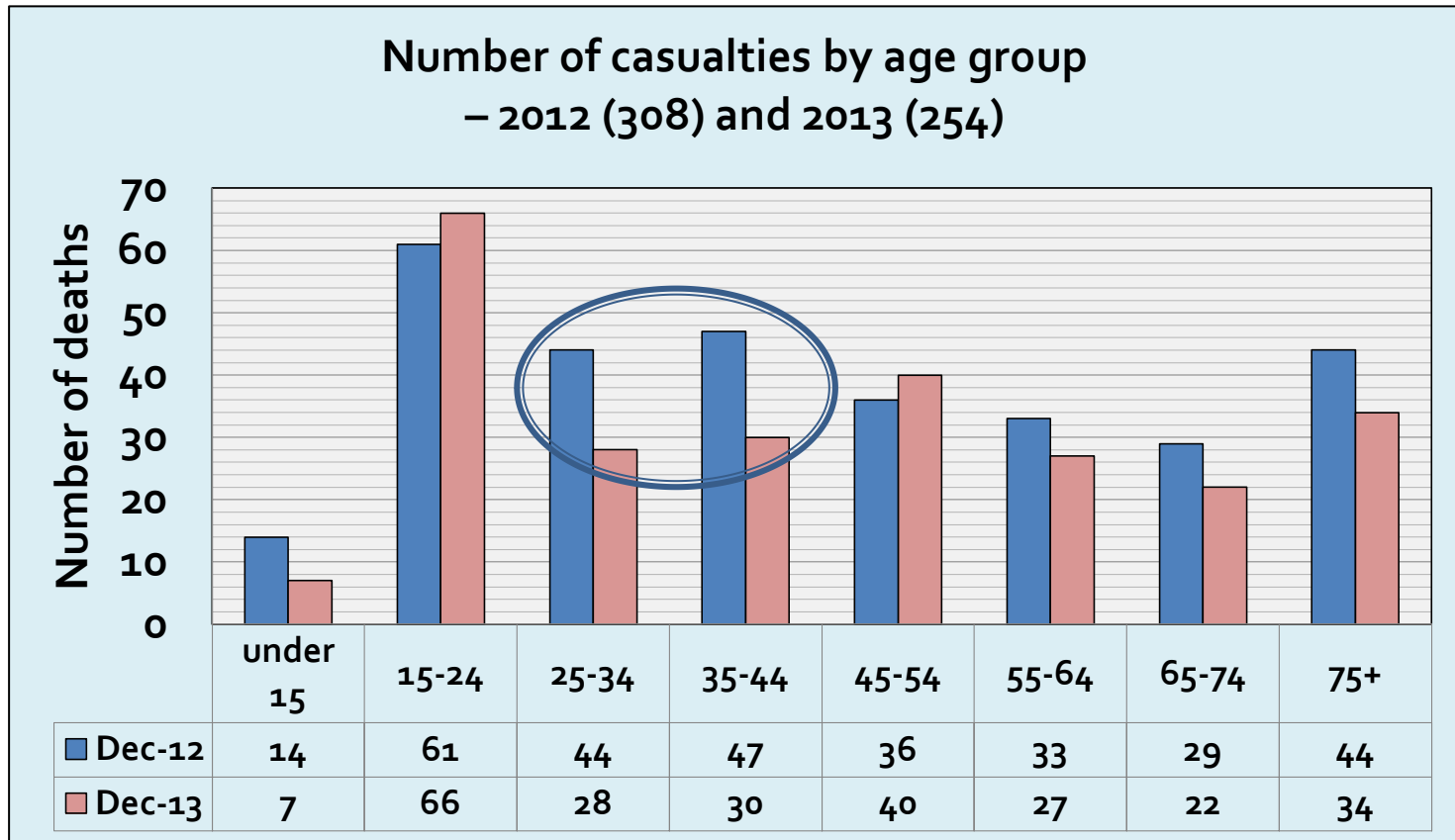
Source: MOT yearly report – Motor vehicle crashes in NZ 2012

Why we need to keep young drivers safe



Source: MOT yearly report – Motor vehicle crashes in NZ 2012

Why we need to keep young drivers safe



The cost of fatalities and injuries

| Cost components | Crash Type | | |
|--------------------------------------|------------------|----------------|---------------|
| | Fatal | Serious | Minor |
| June 2013 prices \$ | | | |
| Loss of life or permanent disability | 4,401,000 | 437,200 | 18,800 |
| Temporary disability | 700 | 1,500 | 300 |
| Hospital/medical | 8,200 | 10,100 | 200 |
| Emergency/pre-hospital | 4,000 | 1,500 | 800 |
| Follow-on | 2,100 | 5,000 | 100 |
| Legal and court | 18,700 | 5,100 | 800 |
| Vehicle damage | 10,900 | 6,900 | 5,500 |
| Total | 4,445,600 | 467,300 | 26,500 |

Source: MOT – The social cost of road crashes and injuries 2013 update

Why we need to keep young drivers safe

Summary of main points

- New Zealand has a higher percentage of deaths in the 15-24 age group than most countries in the OECD
- **New Zealand has over 8 deaths per 100,000 of population compared to 3 deaths per 100,000 in the UK for example.**
- The overall number of deaths in New Zealand has reduced in the last 3 years, but mainly in the 25-44 age groups.
- **The number of deaths in the 15-24 age group has not changed significantly despite changes to driving age, driving tests and reduced alcohol levels**

More needs to be done to make a significant reduction in the number of fatalities amongst younger drivers especially

Why professional training is important



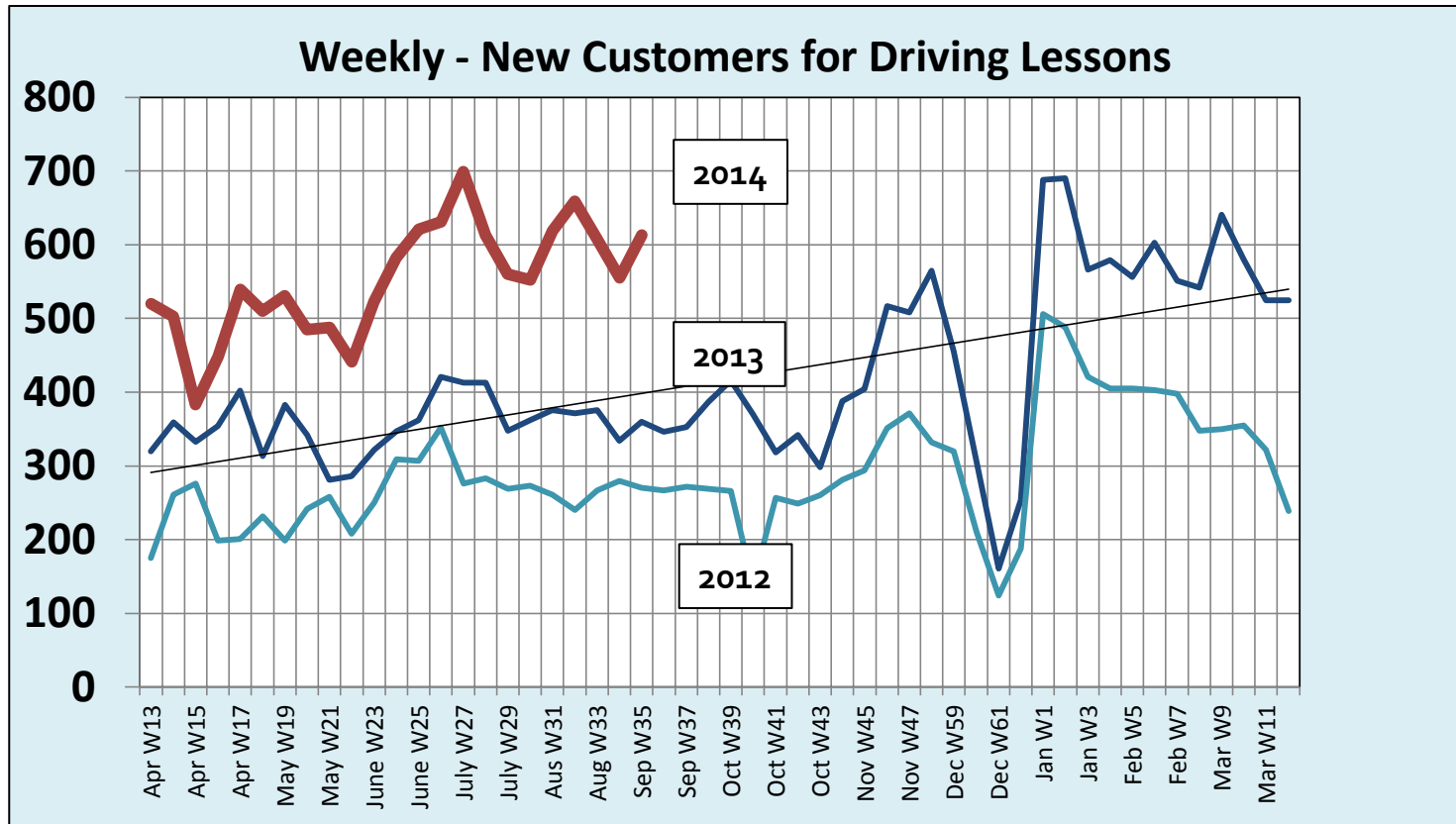
Why professional training is important

Learning a new skill is always best with a professional trainer

- Driving Instructors are trained to coach and teach new drivers
- Students learn good habits from the start
- Cars are dual controlled; important for safety
- Professional training builds confidence
- Driving Instructors have a selection of lesson plans that recognise different learning abilities
- Our statistics show that students who have driving lessons are more likely to pass their practical test the first time.

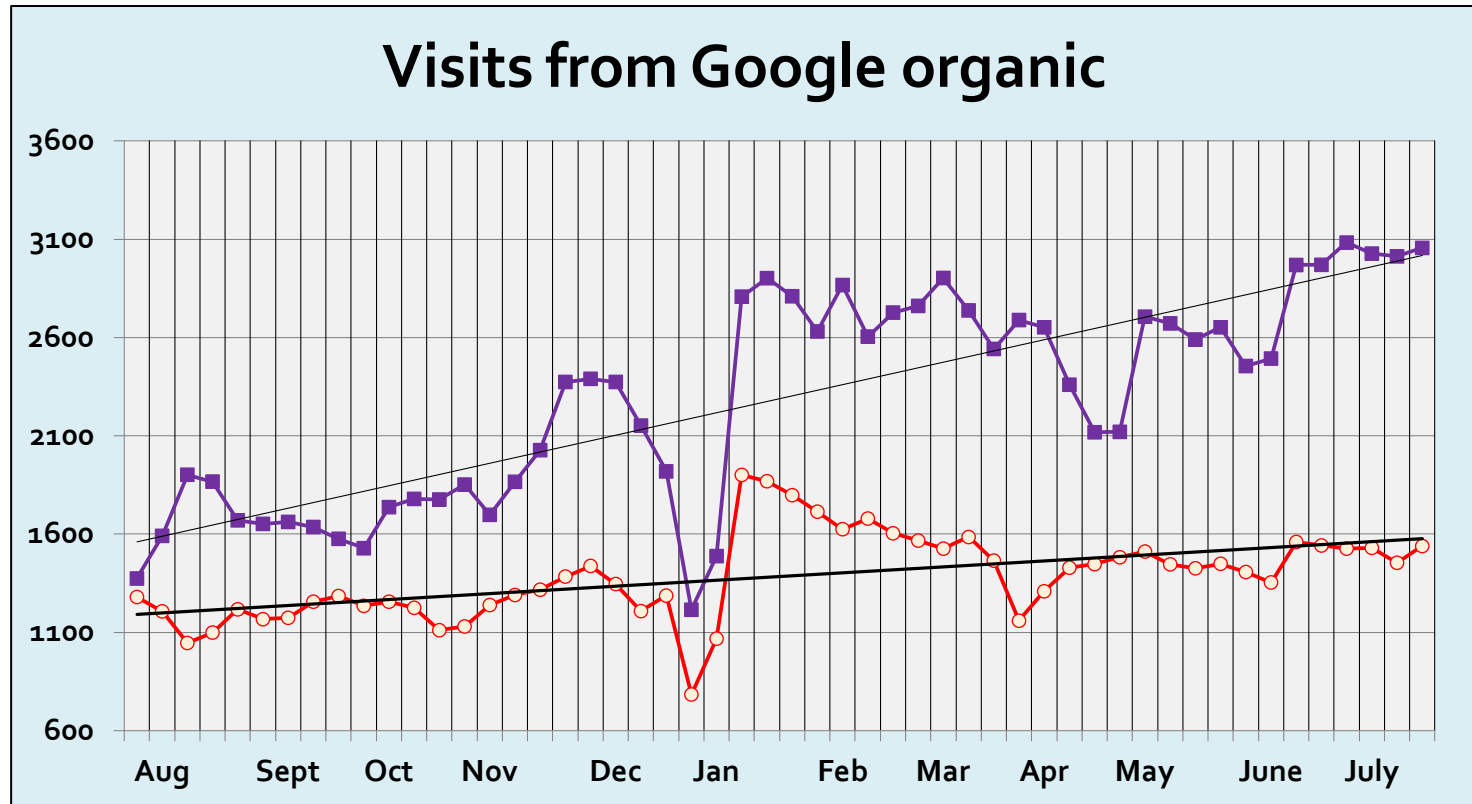
After a series of lessons and structured practice, students will attain the right skills to be safe drivers on our roads

Quick facts – AA Driving School



The demand for driving lessons has tripled in 2 years

Quick Facts –Google clicks



Marketing efforts have tripled the Google search results in 12 months

The Vision and Objectives

For the AA to be recognised as taking a lead role in ensuring that novice drivers are the safest possible when obtaining their licence and getting behind the wheel for the first time on their own with the:

- ❖ *right skills*
- ❖ *right attitude*
- ❖ *right regard to other road users.*

Recognise that the 'Vision' will only be achieved if the AA is prepared to invest in the outcome:

The profitability from Driver Training is invested into the Vision and by leveraging other funding sources.

Free driving lesson programme



Progress so far – the first 12 months

Free Driving lessons - Eligibility

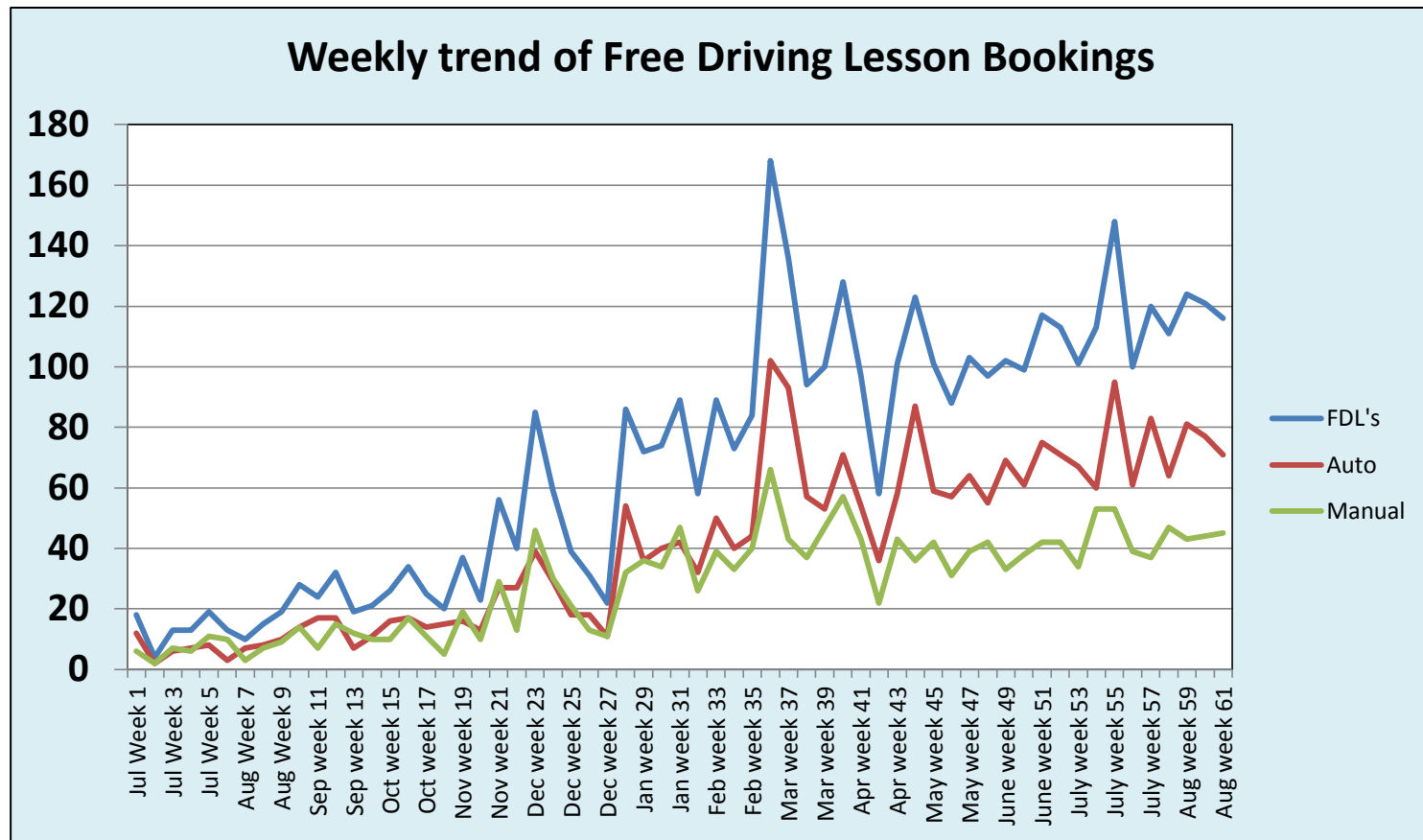
Since July 2013 the AA has offered Drivers who have:

- Had their learner licence for less than 2 months
- They or their parents are AA Members

Any new driver can sign-up to the offer

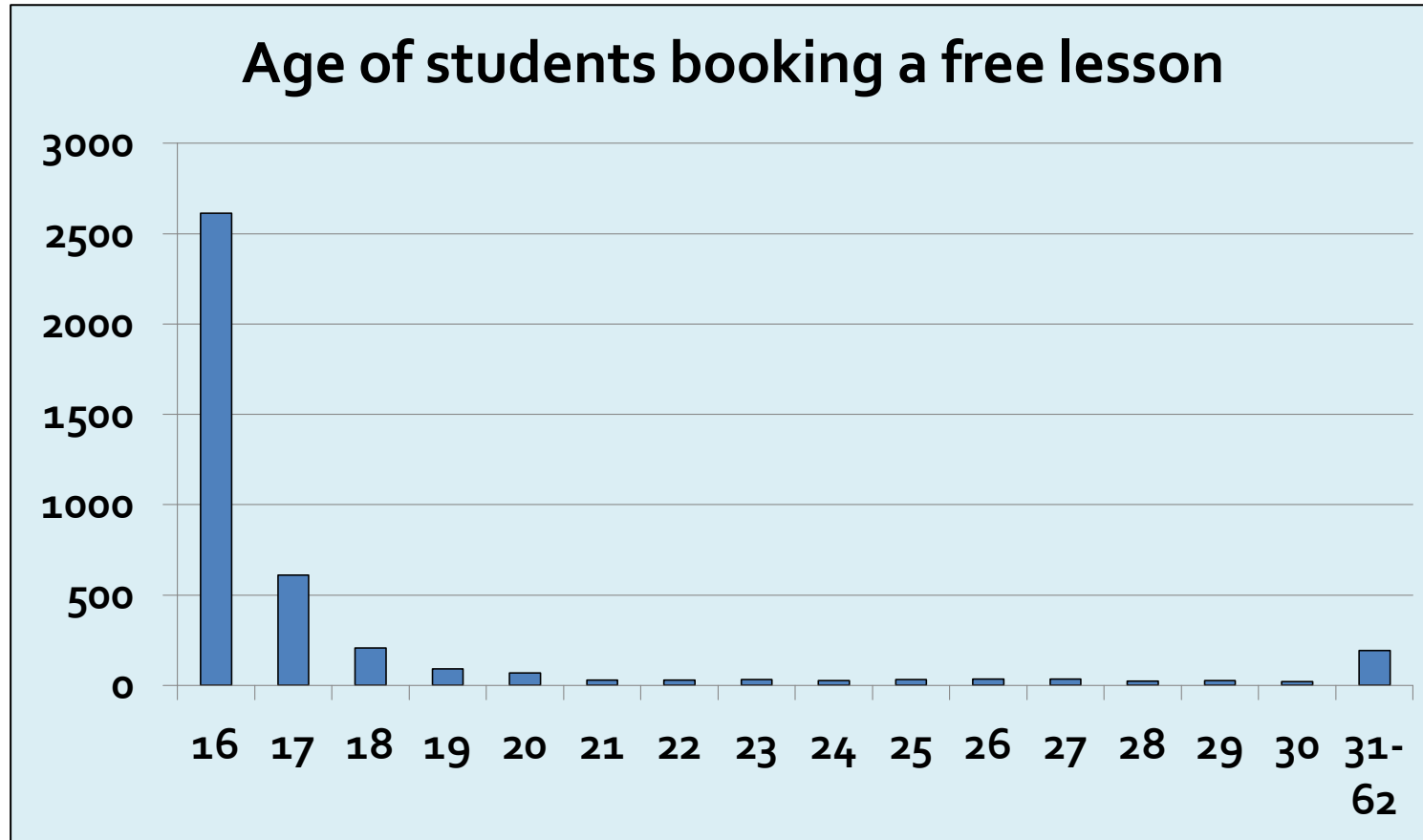
Its restricted to AA Members and their children because it's a benefit of membership

FDL trend since launch



Since July 2013 – 4,500 new drivers have booked a free lesson with the AA

Free Driving Lessons - Student age profile



80% of students are 16 or 17 years old

Learn to drive the AA way



Learn to Drive the AA Way

Advice – Guidance – Products & Services

The AA will guide novice drivers and provide them with the information, advice and services they need to become a fully licensed, safe driver.



A new Website – meeting learners needs

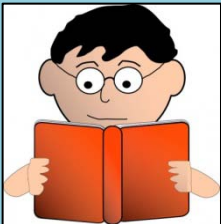
*It will give Learner Drivers access to everything they need to become fully licensed, safe drivers
- the A to Z of learning to drive -*



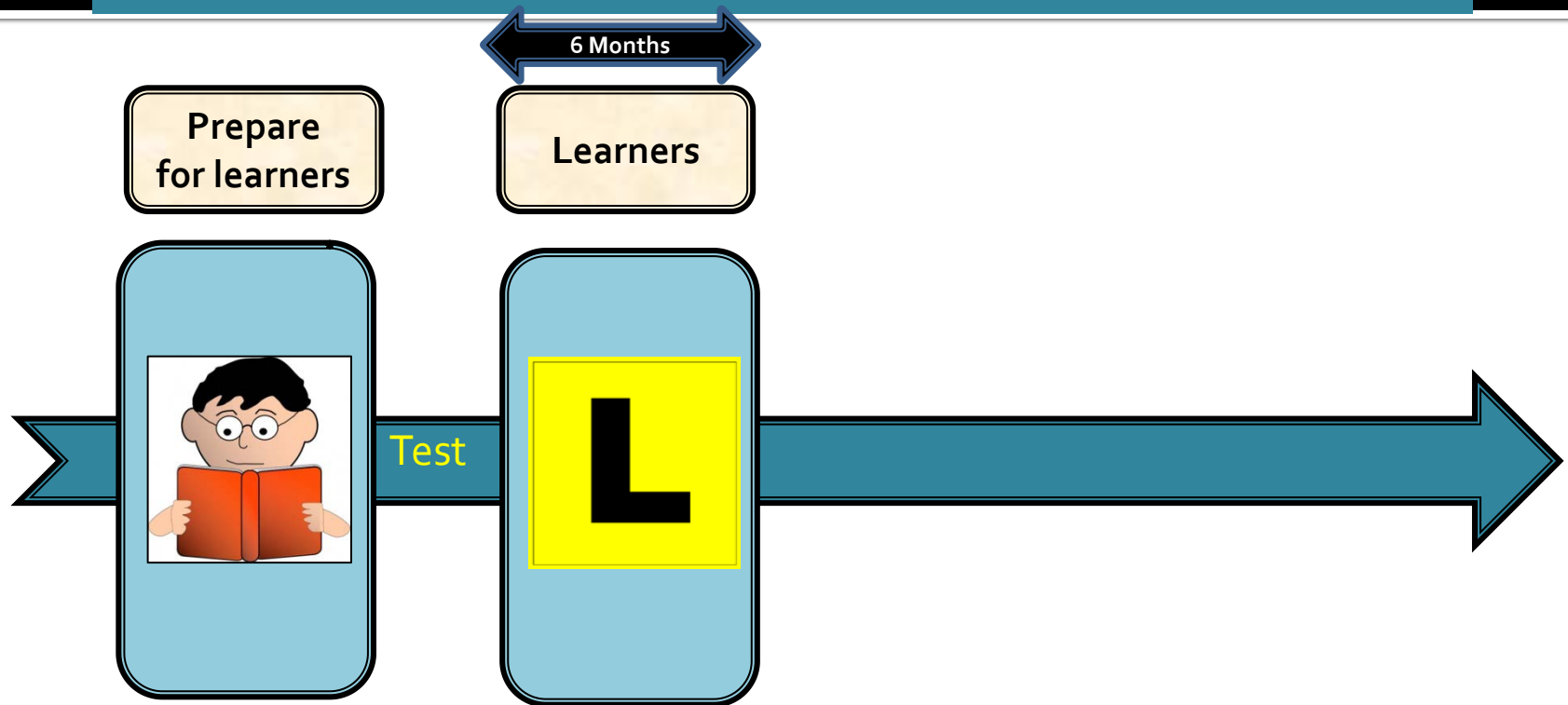
'Learn to Drive the AA Way'

Learn to Drive the AA Way – and become a Safe Driver

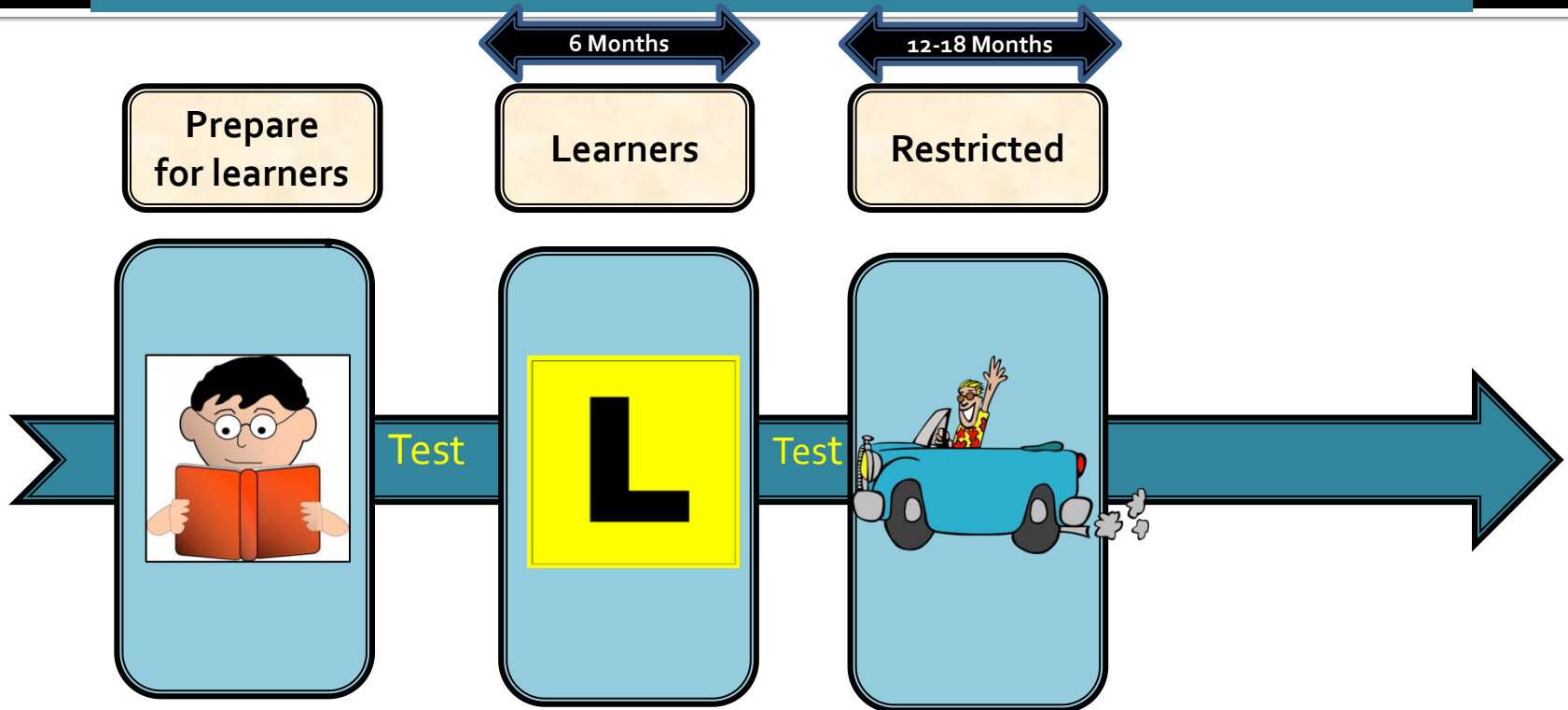
Prepare
for learners



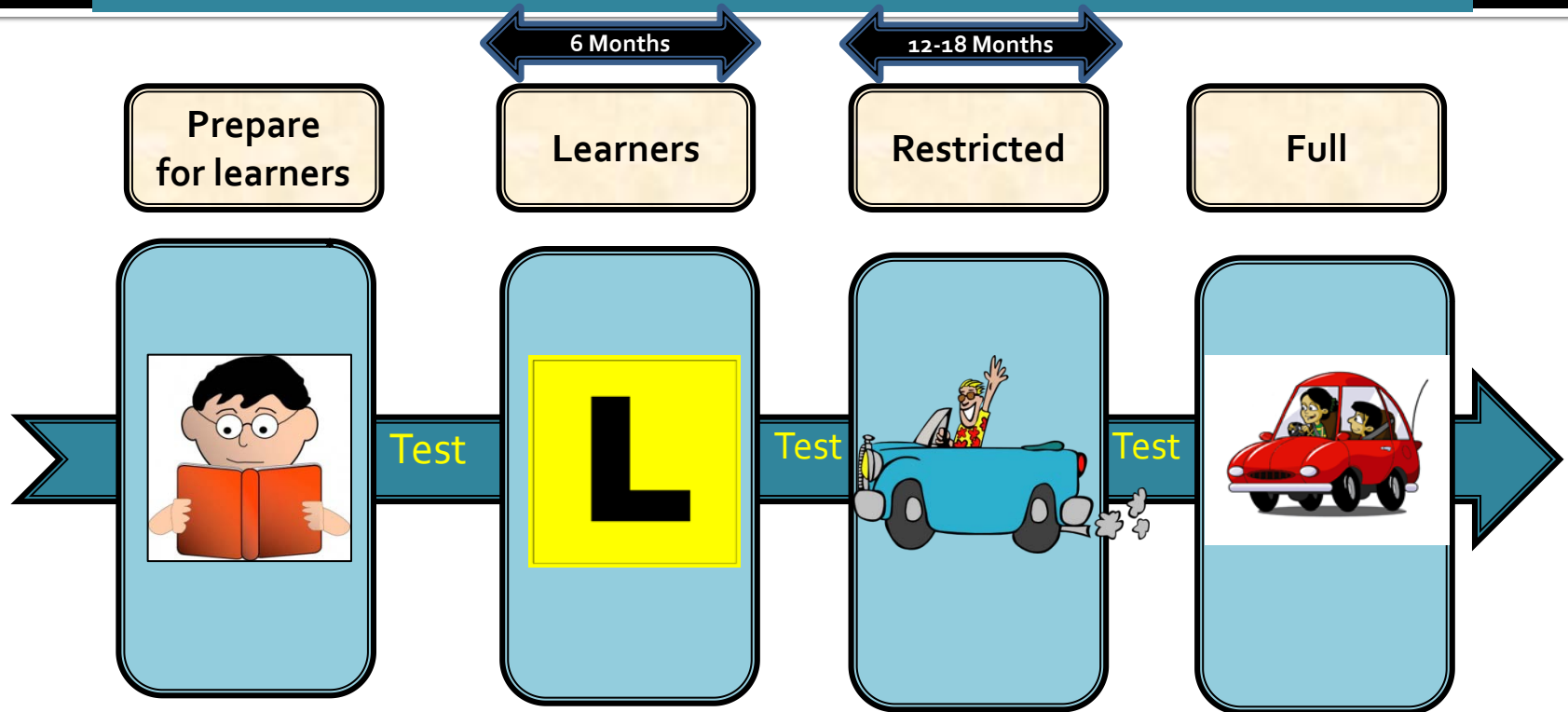
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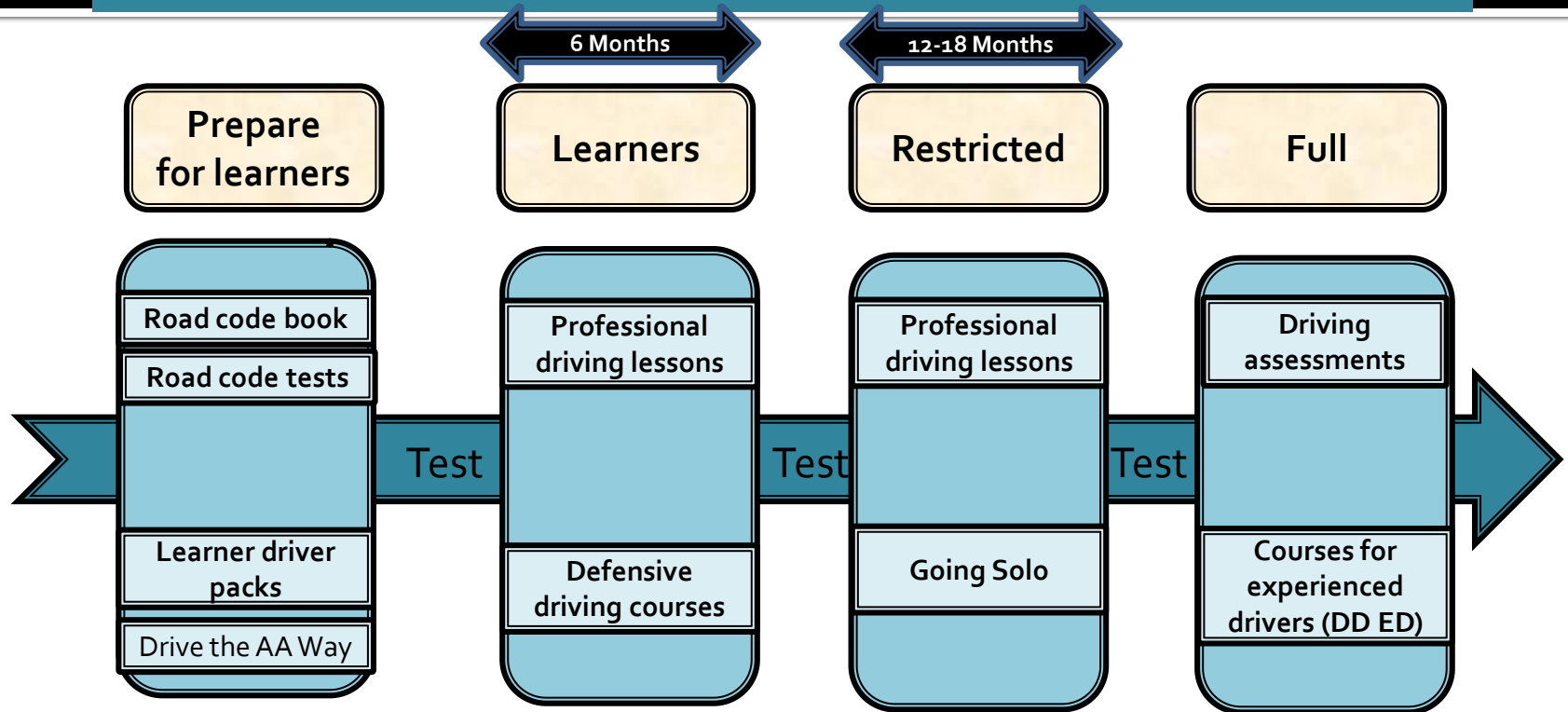
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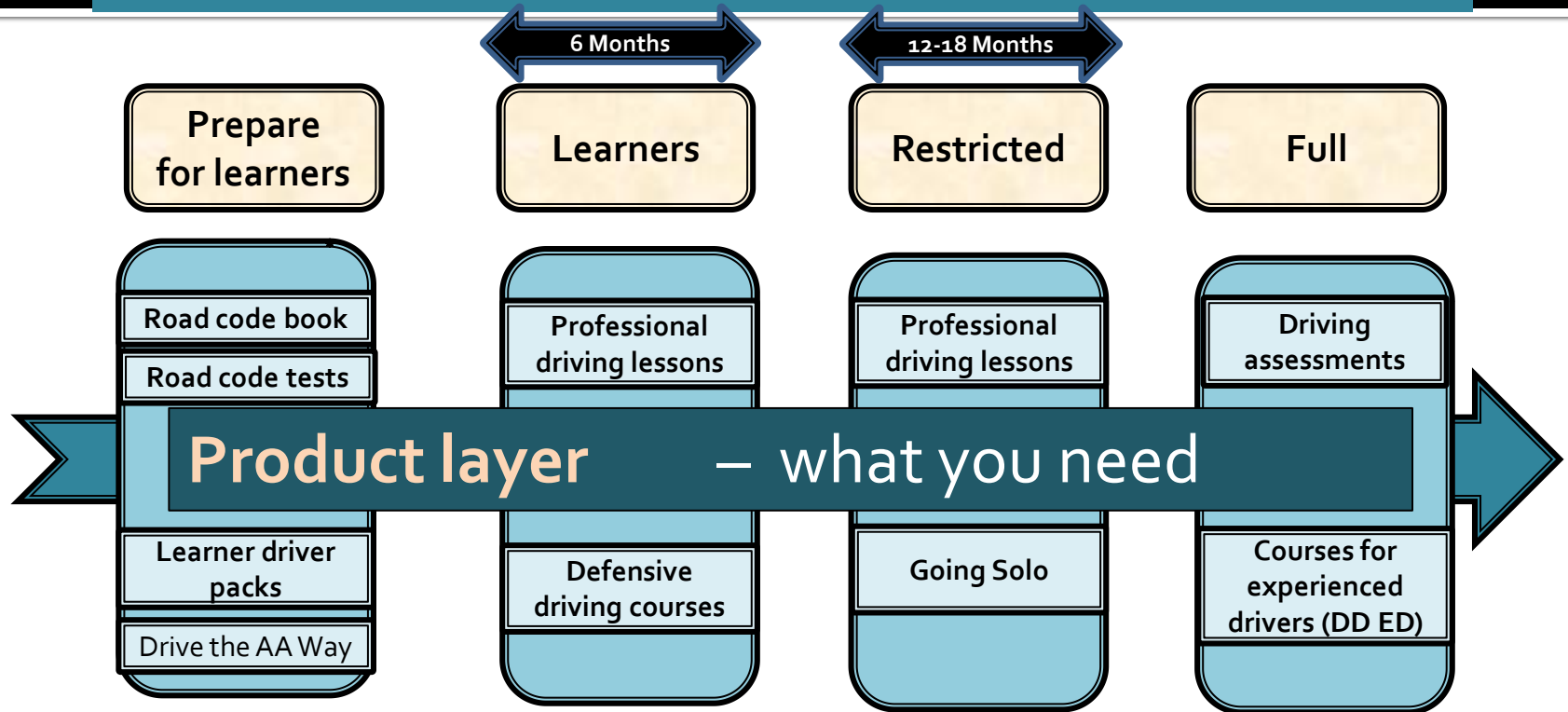
Learn to Drive the AA Way – and become a Safe Driver



Learn to Drive the AA Way – and become a Safe Driver

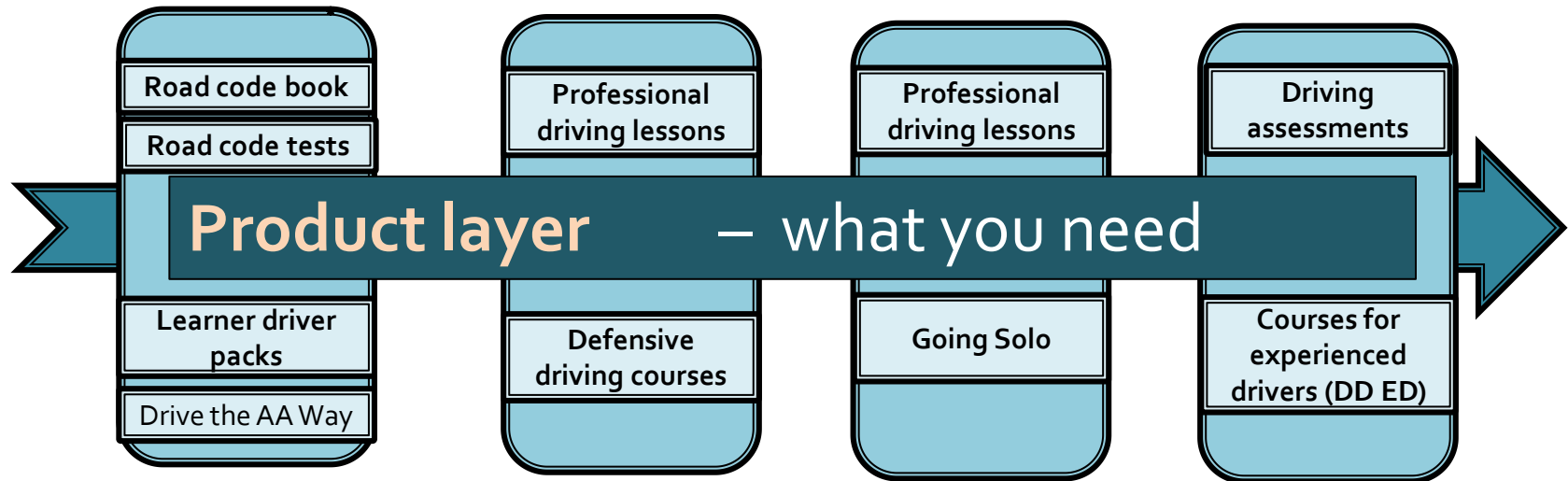


Learn to Drive the AA Way – and become a Safe Driver



Learn to Drive the AA Way – and become a Safe Driver

Information layer – what you need to do



Advice layer – what we recommend

The free driving lesson offer – AA Ignition



AA Ignition

AA Ignition



In the last
2 months



in the family



eligible for
free lessons

AA Ignition



PASS



In the last
2 months



in the family



eligible for
free lessons

Pass
the
Theory
test

**Up to 2
months**

*Sign onto
the
programme*

**Free
lesson**

The AA's recommended path to pass your test and be a safe driver

AA Ignition



PASS



In the last
2 months



in the family



eligible for
free lessons

| Pass the Theory test | Up to 2 months | Plus 1 month | Plus 1 month |
|-------------------------------|--|---|---|
| | <i>Sign onto the programme</i> | 10-20 hrs <i>supervised practice</i> | 10-20 hrs <i>supervised practice</i> |
| | Free lesson | Free lesson | Free lesson |

The AA's recommended path to pass your test and be a safe driver

AA Ignition



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| | Free lesson | Free lesson | Free lesson | Paid lesson | Paid lesson |

The AA's recommended path to pass your test and be a safe driver

AA Ignition



PASS



In the last
2 months



in the family



eligible for
free lessons

| Pass the Theory test | Up to 2 months | Plus 1 month | Plus 1 month | Plus 1 month | Plus 1 month | Free DDC Includes a one hour driving assessment | Take the Restricted test  |
|-------------------------------|--|---|---|---|---|--|--|
| | <i>Sign onto the programme</i> | 10-20 hrs <i>supervised practice</i> | 10-20 hrs <i>supervised practice</i> | 10-20 hrs <i>supervised practice</i> | 10-20 hrs <i>supervised practice</i> | | |
| | Free lesson | Free lesson | Free lesson | Paid lesson | Paid lesson | | |

The AA's recommended path to pass your test and be a safe driver

Learn to drive the AA way and AA Ignition

It's a **structured approach** for new drivers to start to learn to drive

And for AA Members and their children, the AA is getting them started for free.

Effectively the AA is offering for free:

- ❖ 4 hours driving Instruction
- ❖ 8 hours classroom teaching
- ❖ 3 hours of on-line training (eDrive)

Ignition - value

| Description | Customer value |
|----------------------------|----------------|
| 3 free lessons @ \$70 each | \$210 |
| DDC course | \$199 |
| Total value | \$409 |

When is it Happening

Launch Plan

6 October – three weeks from today

Starting with three free lessons initially to gauge demand and resourcing

Launching the free DDC component by middle of next year

The Implications of the new programme

It will:

- **transform the approach and accessibility to professional driver training**
- **make a significant difference to road safety in New Zealand in the long term**
- **Gives new young drivers a clear pathway to become fully licensed safe drivers**

The AA's world leading programme – AA Ignition



**Making a real difference to
road safety in New Zealand**

Free Driving Lesson offer

Thank you