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7 Reasons Why You Should Compare Car Insurance Quotes

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Contrary to popular belief, all car insurance companies are not the same. People don't realize they could be turning over a lot of extra money paying for the same car insurance policy month after month without ever questioning it. The truth is car insurance companies look at a list of risk factors when determining rates, but they don't all weigh those factors in the same way.

[Comparing car insurance quotes](#) regularly is a savvy way to avoid paying too much in premiums while still maintaining the right kind of coverage. If there have been a few life changes since getting a car insurance policy, here are seven reasons to get a new round of quotes.

New Zip Code, New Rates

Whether someone moves across town or the country, getting a fresh set of car insurance quotes is the right thing to do. Car insurance companies look at several factors that they based on zip code, including:

- Excessive street parking or public parking
- Crime rates, especially car theft
- The rate of accidents
- Proximity to busy freeways and intersections

Even if a person has been with a car insurance company for a long time, moving could cause their premium to skyrocket. Switching to another company could save hundreds of dollars a month in some extreme cases. The sooner a person calls to get those quotes, the better—otherwise, that first bill based on the new zip code could come as a huge shock.

Consider Credit

It is unfortunate, but many car insurance companies do factor in a person's credit score when calculating the premium. If there is a change in credit score, that's a good time to look around and gather some fresh quotes. Car insurance rates can change with both a positive and a negative change in credit score.

Most car insurance companies will look at a person's credit history, as they consider this an important risk factor when deciding if a person is financially responsible.

They Grow up So Quickly

A lot of teens are very excited to get their learner's permit and driver's license. Their guardians might be a little less excited when they see a huge jump in their policy premium. Young drivers carry a much higher risk of getting into an accident. They lack driving experience and often make poor judgment calls. They're also more likely to drive distracted. That's why many insurance companies charge much more for drivers under the age of 21 or, in some cases, 25.

There are a few car insurance companies that are friendlier to younger drivers. One company that offers several different [programs for younger drivers](#) is State Farm. Young drivers who take advantage of their programs and avoid getting into accidents can get significant discounts on their policies.

Service Member Specials

Most car insurance companies offer a discount to those who serve in the military, so people who join up should let their car insurance company know. But they shouldn't stop there—getting quotes from several insurance companies is wise because some car insurance companies offer more discounts to members of the military.

One company that offers car insurance exclusively to active-duty and honorably discharged members and their families is USAA. They offer car insurance policies all across the country. In addition, they offer military-specific discounts, like a vehicle storage discount and military installation discount. Even people who never served in the military themselves could get a USAA policy if a family member served, so it's worth checking into.

Congratulations Are in Order

Getting married or even moving in together is a big life step—and car insurance companies will want to know about it. Who a person lives with can affect their premium. If a partner or spouse has a lot of accidents on their record, it could end up costing a person even if their driving record is clean.

If two people move in together, especially if they will both be driving the insured cars, it's time to get quotes to calculate which company can provide the best rates.

App Appropriate

Sometimes the amount a person needs to drive changes drastically. If a person finds they don't drive often or very far, they may want to switch to a low mileage program. Some car insurance companies offer better low mileage programs than others.

State Farm has several apps with high ratings that can help drivers monitor their driving—both for safety and for mileage. If they stay below a certain amount, they benefit from a lower rate. Whenever there's a change in driving habits, it's good to reassess car insurance needs.

Happy Birthday—Here's Your Quote

A person's age is a big factor when companies create an insurance rate. Younger drivers lack experience and are more expensive to insure. Much older drivers also are more expensive. But until a driver is a senior, getting older is a good thing when it comes to car insurance costs.

Taking a few moments to call around and get quotes is a good way to maybe trim a little money off car insurance costs. The money could go into savings—or could buy a little extra birthday something. But another revolution around the sun is a great reason to gather some new quotes.

It's easy to get comfortable with a company, and loyalty isn't always a bad thing. Checking other car insurance companies for quotes isn't abandoning ship. It's being smart about where that hard-earned money goes and getting the most for the best price.

Sometimes, the current company still has the best rates, and sometimes another company can do better. It never hurts to put some feelers out on a regular basis—it's just good money management.

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