

Aggregation Metrics:

Consumer Approaches to Online Insurance Comparison Sites in Selected Global Markets

Series Prospectus

September 2016

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What is the research?

Finaccord's *Aggregation Metrics* series of reports offers new insights into the current development and future prospects of online insurance comparison sites in eight countries: Australia, Canada, France, Germany, Italy, Spain, the UK and the US. It examines consumer propensity to research and purchase any kind of insurance online plus the size of the available market for the key products of car / auto and home insurance, as defined by new customers and switchers; it then analyses the distribution channels and interfaces used for acquiring these policies, highlighting both the share of aggregators, in particular, and the share of online sales, in general, including indicators for the speed at which these are growing.

Moreover, it investigates the extent to which online insurance buyers are using tablets or mobile phones for this purpose, as opposed to regular laptop or desktop computers, and establishes whether propensity to use aggregators is influenced by a range of variables including not only gender, age, annual household income and employment status but also type of cover held, differentiating between standard and non-standard policies and (for car / auto insurance only) between telematics-enabled policies and not telematics-enabled policies. In addition, it benchmarks the performance of eight of the leading insurance comparison sites in each country in terms of awareness levels, conversion rates and sales.

Which titles are available?

The *Aggregation Metrics* series is composed of nine separate publications, namely: an overview study providing comparisons for the metrics gathered across all eight countries as well as all of the results for each country; and eight country-specific titles providing the results for the investigation into the current development and future prospects of insurance comparison sites for a single country. The titles in question are as follows:

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Selected Global Markets](#)

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Australia](#)

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Canada](#)

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in France](#)

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Germany](#)

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Italy](#)

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Spain](#)

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in the UK](#)

[Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in the USA](#)

Note that the studies about France, Germany, Italy, Spain and the UK are updates of research carried out previously in 2012, hence these also include selected data from the previous survey to illustrate further how consumer behaviour has been changing over time.

What is the rationale?

The rise of insurance aggregators ranks among the most important developments in the distribution of consumer financial services. In the UK, leading competitors such as Comparethemarket.com, Confused.com, gocompare.com and Moneysupermarket.com have risen to rank among the country's best-known financial services brands over the course of around a decade and the price comparison model is now gaining ground in other major markets including Australia, Canada, France, Germany, Italy, Spain and the US.

While the speed of progress of aggregation in these countries has been slower, Finaccord's research indicates that online insurance sales have now reached a level at which insurance comparison sites have either become a significant distribution channel already or have the potential to do so. Therefore, it is apt to ask how the concept will develop in future.

Online sales of insurance are rising everywhere but which distribution channels are benefiting from this trend? How fast are online sales shifting from regular laptop and desktop computers to tablets and mobile phones? And how does online acquisition and use of aggregators vary between customers with non-standard policies and those with standard cover? This series provides the answers to these and other questions through its analyses of the behaviour of consumers in the context of online insurance generally and the distribution of car and home insurance, in particular.

Which insurance aggregators are benchmarked?

Australia

Best Deal Insurance
Canstar
Compareinsurance.com.au
Comparethemarket.com.au
finder.com.au
InfoChoice
iSelect
Mozo

Italy

6sicuro.it
Assicurazione.it
Chiarezza.it
Facile.it
MIOAssicuratore.it
polizzamigliore.it
Segugio.it
SOSTariffe.it

Canada

ClicAssure
ComparaSave
InsuranceHotline.com
Kanetix
LowestRates.ca
RateLab.ca
RateSupermarket.ca
Shop Insurance Canada

Spain

acierto.com
Kelisto
lapoliza.com
Rastreator.com
seguros.es
Segurosbroker
superbuscador
TuseguromasBarato.com

France

Assurland
Hyperassur
JeChange.fr
KelAssur
LeLynx.fr
LesFurets.com
meilleurtaux.com
MerciHenri.com

UK

Comparethemarket.com
Confused.com
gocompare.com
lovemoney.com
money.co.uk
Moneysupermarket.com
Quotezone.co.uk
uSwitch

Germany

CHECK24
Comfortplan
FinanceScout24
GELD.de
Preisvergleich.de
TarifCheck24
TopTarif
Verivox

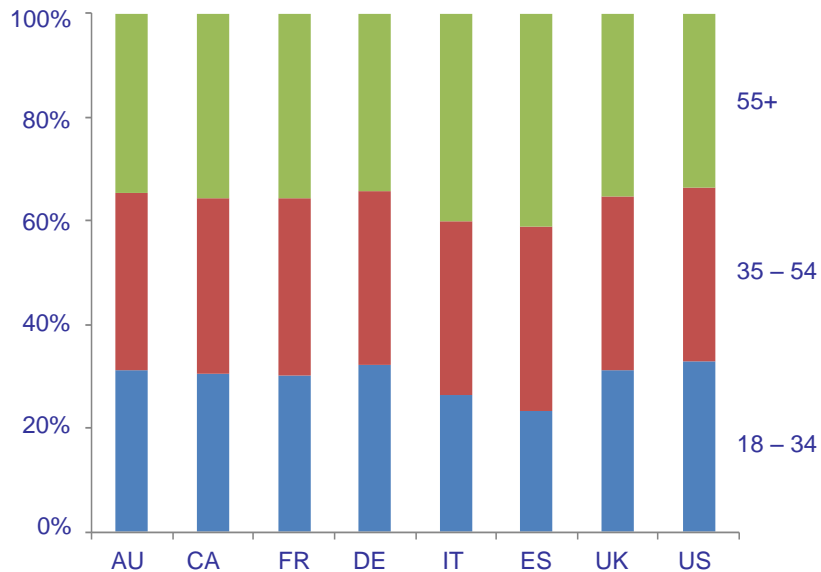
US

Autoinsurance.com
compare.com
CoverHound
HomeInsurance.com
Insurance.com
NetQuote
QuoteWizard
US Insurance Online

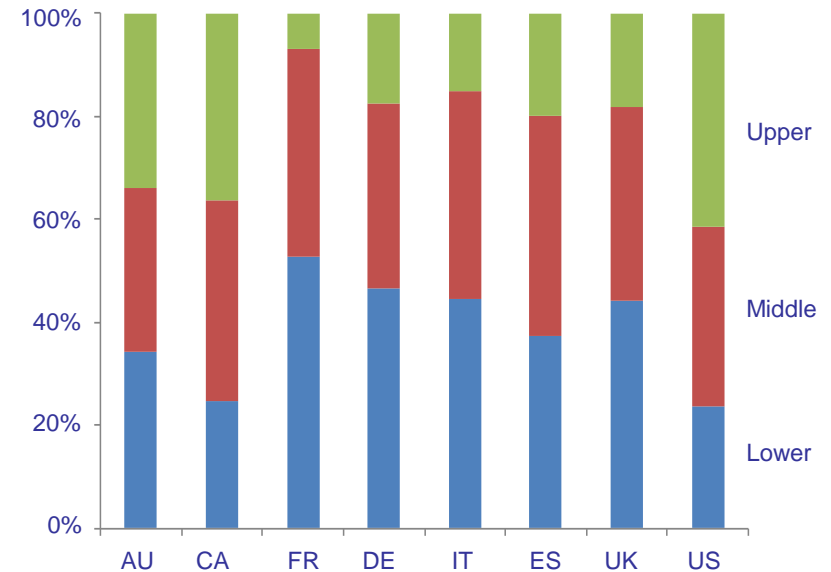
How does the consumer sample break down?

The research for this study, which covers over 9,000 consumers across eight countries, was carried out during July and August 2016. A breakdown of each country's eventual sample by age and annual household income is presented below.

SEGMENTATION BY AGE



SEGMENTATION BY ANNUAL HOUSEHOLD INCOME



What is the report structure (for the overview report)?

0. *Executive Summary*: providing a concise evaluation of the principal findings of the report.

1. *Introduction*: offering rationale and definitions.

2. *Consumer Overview*: this chapter examines consumer propensity to research and purchase any kind of insurance online plus the size of the available market for the key products of car / auto and home insurance, as defined by new customers and switchers; it then analyses the distribution channels and interfaces used for acquiring these policies, highlighting both the share of aggregators, in particular, and the share of online sales, in general, including indicators for the speed at which these are growing. Moreover, it investigates the extent to which online insurance buyers are using tablets or mobile phones for this purpose, as opposed to regular laptop or desktop computers, and establishes whether propensity to use aggregators is influenced by a range of variables including not only gender, age, annual household income and employment status but also type of cover held, differentiating between standard and non-standard policies and (for car / auto insurance only) between telematics-enabled policies and not telematics-enabled policies. In addition, it benchmarks the performance of eight of the leading insurance comparison sites in each country in terms of awareness levels, conversion rates and sales.

3. *Australia*: this chapter presents the same information as described above exclusively as it pertains to consumer approaches to online insurance comparison sites in Australia.

4 - 10: *Canada, France, Germany, Italy, Spain, the UK and the USA (all contents as for Australia)*.

11. *Appendix*: including a full transcript of the online questionnaire used for the research.

What are the key features of the research?

Key features of the reports in this series include:

- unique data for each country showing whether consumers use one, two, three or up to seven or more sites when researching insurance products;
- standardised figures illustrating distribution channels employed for acquiring car / auto and home insurance, differentiating between 'available' customers buying for the first time or switching provider and customers simply renewing a policy bought in a previous year;
- similar statistics showing the distribution interfaces used for the same two policy types with a split between sales in a face-to-face setting, online sales, phone sales (both inbound and outbound) and postal sales;
- performance benchmarking for eight of the leading aggregators in each country in order to indicate rates of recognition, usage to research insurance and usage to actually buy insurance;
- survey results specific to non-standard car / auto and home insurance – including a breakdown of the reasons why some customers have non-standard cover – plus (for car / auto insurance) data concerning telematics-enabled policies.

How can the research be used?

You may be able to use the reports in this series in one or more of the following ways:

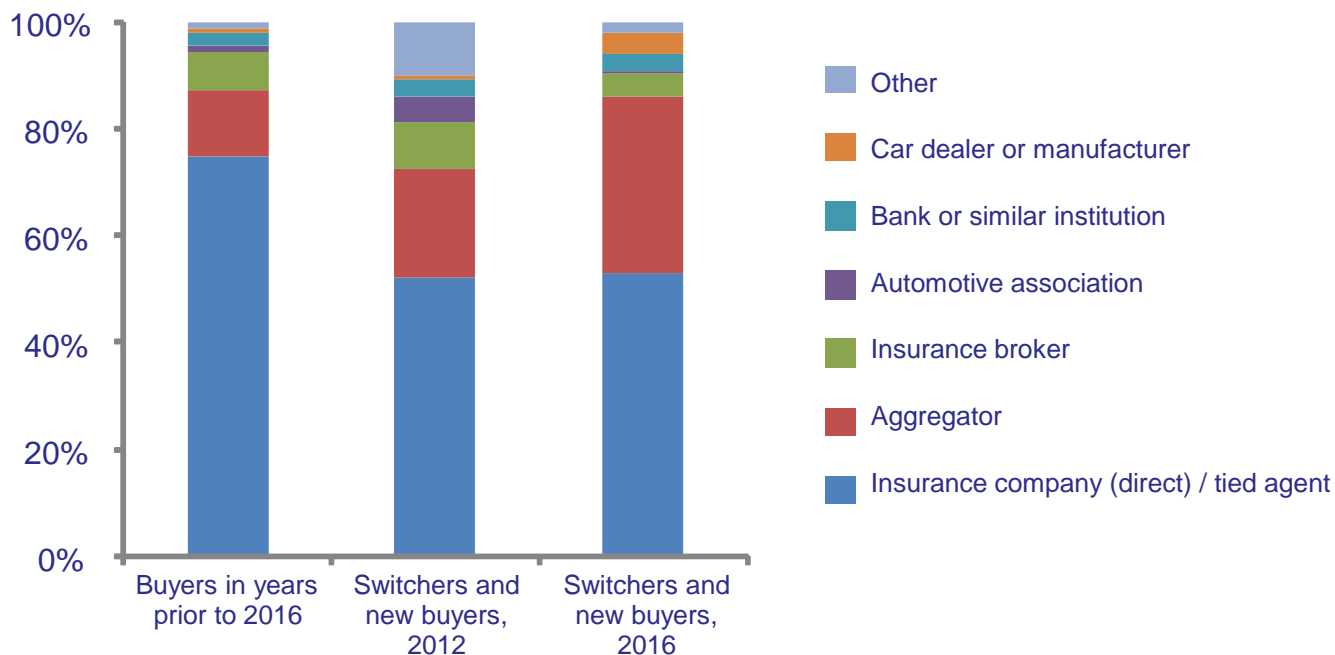
- gain insight into the number of insurance aggregators that each country can support given consumer utilisation rates and consolidation in favour of larger distributors;
- understand the extent to which consumers buy car / auto and home insurance through aggregators and how the distribution share of this channel compares to alternatives such as direct / agency sales, bancassurance and affinity channels (e.g. automotive clubs for car / auto insurance);
- appreciate the extent to which there is still scope for online sales of car / auto and home insurance to grow from their current levels in each country, displacing competing interfaces in the process;
- identify the insurance comparison sites that enjoy the greatest recognition and usage among consumers and whether these are the same as those that are most effective in converting utilisation to actual purchasing;
- quantify the proportion of consumers in each country who hold non-standard car / auto or home insurance policies, and that has acquired telematics-enabled car / auto insurance, and how their use of different distribution channels varies relative to that for other insurance buyers.

Who can use the research?

1. *Online aggregators*: if your organisation is already active in online aggregation or is considering entry to the sector in future, the research in the *Aggregation Metrics* series offers a focused analysis of your actual or prospective market;
2. *Insurance providers*: the results of the *Aggregation Metrics* research indicate that online sales of car / auto and home insurance are growing in most countries, a finding that has fundamental implications for the future distribution strategies of insurance underwriters and brokers;
3. *Banks and other major brands*: growth in online aggregation as an insurance distribution channel presents a potential development opportunity for banks and other major brands as they can consider using this model to sell car / auto and home insurance;
4. *Management consultancies*: are you helping a distributor of insurance to combat the potential threat of online comparison sites in Australia, Canada, France, Germany, Italy, Spain, the UK or the US, or are you assisting a firm that is interested in acting as online aggregator in one or more of these territories? If so, this research will provide you with unique insights into consumer behaviour in these markets.

What are some of the key findings?

1) In Country X, aggregators have expanded substantially their share of new buyers and switchers of car / auto insurance

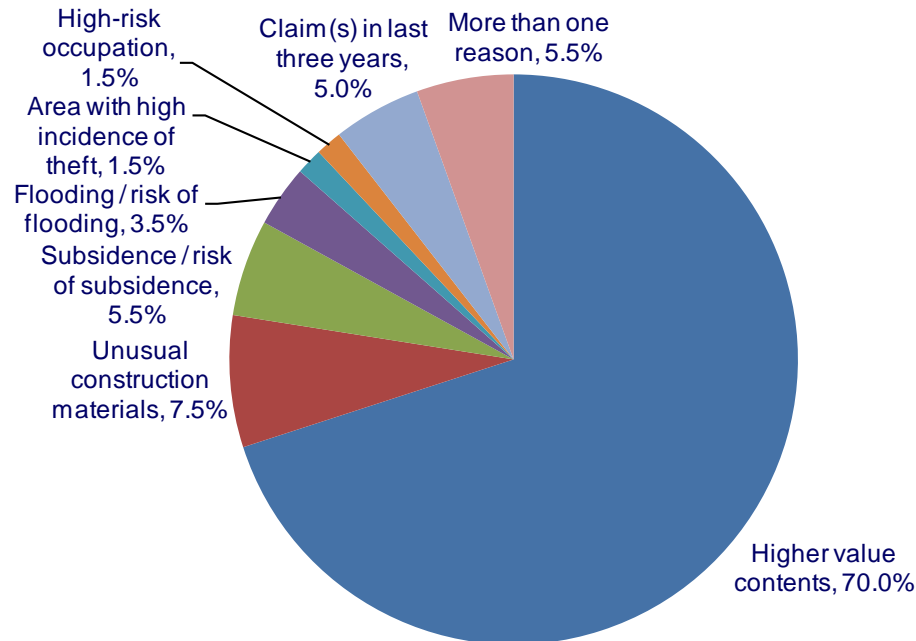


Note – the identity of Country X is revealed in the overview and relevant country-specific report

Source: Finaccord Aggregation Metrics survey

What are some of the key findings? (cont.)

2) In Country Y, over a quarter of home insurance buyers have non-standard policies and the main reason for this is because they have cover specifically configured or generally priced for contents with a value above the usual level that can be insured through a standard policy

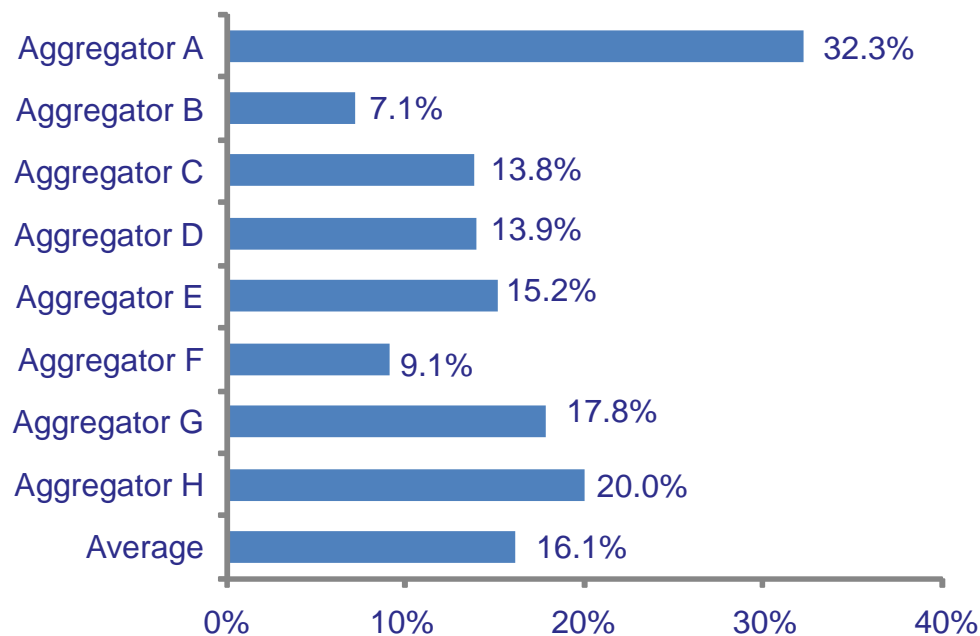


Note – the identity of Country Y is revealed in the overview and relevant country-specific report

Source: Finaccord Aggregation Metrics survey

What are some of the key findings? (cont.)

3) In Country Z, aggregator A is most successful at converting usage into purchase and aggregator B is least effective in this respect



% of respondents using each aggregator who have actually purchased insurance through it

Note - the identity of Country Z is revealed in the overview and relevant country-specific report as are aggregators A to H

Source: Finaccord Aggregation Metrics survey

What are some of the key findings? (cont.)

Key findings from executive summaries in this series include the following:

- across all eight countries, an average of 13.0% of respondents stated that they had switched car / auto insurance provider in the last 12 months and 13.2% that they had switched home insurance provider, compared to a respective 2.8% and 4.9% who were new buyers (i.e. they had not had a policy before), again for car / auto and home insurance;
- in addition to the UK, the survey results indicate that aggregators are now a very significant distribution channel for car / auto and home insurance in Germany, Italy, Spain and, to a lesser extent, France, but they remain less influential in Australia, Canada and the US;
- customers with non-standard car / auto and home insurance products, and those with telematics-enabled car / auto policies, are generally more likely to make use of a broader variety of distribution channels to acquire cover than those with standard policies, and they are also generally more likely to purchase online;
- while laptop and desktop computers are still the dominant devices used for acquiring insurance online, a rising proportion of consumers, especially younger ones, are purchasing cover through mobile devices, specifically tablets and mobile phones.

What is the cost and format?

All of the reports in the *Aggregation Metrics* series are available as standard PDF documents and Excel data annexes. Costs for the various titles in the series are as shown below.

REPORT	COST *
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Selected Global Markets</u>	USD 5,595
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Australia</u>	USD 1,395
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Canada</u>	USD 1,395
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in France</u>	USD 1,395
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Germany</u>	USD 1,395
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Italy</u>	USD 1,395
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in Spain</u>	USD 1,395
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in the UK</u>	USD 1,395
<u>Aggregation Metrics: Consumer Approaches to Online Insurance Comparison Sites in the USA</u>	USD 1,395

** GST at the prevailing rate will be added to the basic price for Singapore-based buyers except for where the request is for hard copy only. Costs quoted are for a single office, single country licence only. For corporate user licence options, please see the next slide for further details. Invoices can be paid in EUR or GBP, at the prevailing exchange rate, if preferred.*

How can the research be purchased?

Simple. Just go to the relevant area of the Finaccord website, create your account (if you do not have one already) and place your order online. Products paid for online by card will be delivered immediately by e-mail but please allow up to one working day for delivery by e-mail if you choose to pay on receipt of invoice.

With regards to the **corporate user licence**, you will be asked to choose one of the following options:

1. One office, one country: no supplement over and above basic cost of reports ordered
2. Multiple offices, one country: additional 20% over and above basic cost of reports ordered
3. Multiple offices, two to ten countries: additional 50% over and above basic cost of reports ordered
4. Global (unlimited offices in unlimited countries): additional 100% over and above basic cost of reports ordered

Alternatively, you can place an order by sending your request to order@finaccord.com, clearly stating the product(s) required, associated price(s) and billing details for eventual invoice or card payment receipt.