

Price comparison website: Consumer market research

June 2014

Prepared for the Financial Conduct Authority

Prepared by:



Acknowledgements

The price comparison website qualitative research was commissioned by the FCA. It was conducted by Atticus Research Limited who undertook the recruitment, fieldwork, analysis, presentations and report writing for this part of the FCA's programme.

Further details of the research programme are set out in the Technical Report section in the appendix to this document.

The views expressed in this report are those of the authors and not necessarily those of the FCA, nor do they reflect FCA policy or constitute guidance to firms.

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Glossary

The report contains a number of industry terms and specific descriptions of participants in the research.

Term	Meaning
Add-ons	A term used to describe the additional options offered to consumers purchasing an insurance product. For example, the add-ons to motor insurance commonly include motor legal expenses insurance, personal accident cover, medical cover, windscreen cover, breakdown cover, courtesy car and protected no-claims. The add-ons to home insurance may include new for old, replacement locks, home emergency cover or legal cover. Add-ons in this form are less of a feature of travel insurance, which will typically include medical, baggage or cancellation cover options with the ability to adjust levels of cover.
Behavioural economics (BE)	A method of economic analysis that applies psychological insights into human behaviour to explain economic decision-making. Examples of BE principles considered relevant to the use of PCWs are discussed in Appendix 1 of this report.
Consumers	A collective term to describe participants of the market research projects, who were also consumers of financial products.
Data entry	Referring to the initial stage of the PCWs which require consumers to input personal details in order to provide insurance quotes.
Financial confidence and capability	Participants who took part in the qualitative research were screened using a number of questions to gauge their levels of confidence in dealing with their money and finances (detailed in the Technical Report in Appendix 2 of this report).
GI products	Referring to the three general insurance products explored in the research: home, motor and travel insurance.
Opt-in / Opt-out	Referred to by participants where they are asked to tick or untick a box to indicate if they would like further contact from the PCWs or associated insurers.

Term	Meaning
PCW	Price comparison website, refers in general terms to the price comparison websites used by participants in the online accompanied shop, and referred to by this abbreviation throughout the report.
Respondents	A collective term to describe participants of the market research projects.
Search results	Referring to list of quotes provided by PCWs following the data entry stage.

1 Executive summary

Background to the research

In November 2013 the Financial Conduct Authority (FCA) launched a thematic review in relation to the sale of home, travel and motor insurance through price comparison websites (PCWs). There has been significant growth in the use of PCWs in recent years and while consumers appear to view these sites positively and find them useful, questions have been raised around their ability to deliver fair outcomes. The FCA want to ensure that consumers who use PCWs are able to buy products through them with confidence and make well informed decisions.

A programme of qualitative consumer research with consumers around the moment they arrange their insurance through price comparison websites was required to inform this review, and this document summarises the key findings arising from that qualitative consumer research carried out between January and February 2014.

The benefits of using a price comparison website

Many participants were quick to identify significant benefits from using a PCW and there was little doubt they have encouraged consumers to habitually 'shop around' for the lowest cost GI quotes they can find.

The PCWs were perceived to allow consumers to achieve in minutes what would otherwise take hours, and make a potentially boring and difficult job, relatively painless by presenting complex information in a simple and accessible way.

At the outset of the research sessions, many consumers took the view that using a PCW would deliver a number of significant outcomes: save money by enabling them to find the cheapest quote; identify the right product and cover for their needs; compare GI products from the whole market (or enough of the market as to make no difference); and raise awareness of new brands or providers. However, once respondents had completed their research and purchase process within the depth interviews, these outcomes were not always achieved and many reflected that their initial views and expectations might have been misplaced.

Those who could recall the days before PCWs keenly felt the benefits, and while not dissimilar as a concept from the use of an insurance broker, many felt PCWs felt more impartial and put the consumer in control of the research and purchase process, allowing them to be self-directed without having to become an expert.

Consumer use of price comparison websites

Consumer attitudes and behaviour segment broadly, in terms of attitude to risk, in relation to general insurance. Those who perceive a risk of not being insured correctly tend to be more engaged with the research and purchase process, being prepared to interrogate policy quotes in some detail.

Those who perceive limited risk and take the view that all GI products are largely the same, seek to complete the task as quickly and painlessly as possible, rarely looking beyond the results from a search on PCWs. This latter group expressed an awareness that they should possibly spend more time or check the detail but were prepared to take the PCWs and insurance providers on trust in exchange for speed and convenience.

The more financially savvy consumers see the PCW as simply a mechanism for displaying a range of products. Many of the less financially savvy do apply a different interpretation to the role of the PCW, as guiding or advising in the way that information is curated and presented.

Many found the volume of information and number of variables around GI products confusing or potentially overwhelming. Therefore, they tend to use the PCW in a way that will simplify the process and help make the purchase decision more manageable. As a result, many actively avoid engaging with the product options in detail. Often this means focussing on the headline price, the excess and the number add-ons included (Motor/Home) or the level of cover (Travel). With travel insurance, for example, many focussed on the very high levels of medical cover shown on the PCW results page – often ranging between £5 million and £20 million. The higher number became the influencing factor and as a consequence many assumed that it would also be a better product, and the right choice, without interrogating other features or considering the amount of medical cover they may actually require.

While some were aware that there is potentially more to know or consider in selecting the right cover or policy, they resist going into it any further, believing it will become very difficult to use the PCW for its main purpose: to compare quotes quickly and easily.

Many also admitted that they make a number of assumptions when they use the PCWs, both when they enter their data and when they assess the results. These assumptions include that all policies and add-ons are broadly the same in terms of the way they work or the level of cover they offer.

There was little evidence of consumers being influenced by the messages, pop-ups or advertisements on the PCWs, including those that appear as a holding page while results are being collated. It was evident that many have such a single focus on the task and the search results, they almost zone out extraneous content.

Very few appeared aware of, or used the 'help' or 'information' functions on the PCWs. Many of the main PCWs offer a short explanation of each field when the user hovers over it, but these are not felt to be especially helpful, often being too general or lacking the information consumers appear to want, such as contextual examples to illustrate the possible responses or reasons why the information is required and how it is used to calculate the policy quote.

Data entry on the PCWs

Generally the data entry part of the process was considered straightforward but there were questions that consumers found difficult to answer, or that were too nuanced for a simple yes / no answer, and required the opportunity for more explanation or interaction.

The data entry process can feel very one sided with no sense of opportunity for more interaction with the PCW. The more cautious consumers felt they would contact the insurer direct once a product had been selected, to address these issues and reassure themselves they had been answered correctly. The less engaged or cautious felt they would take the risk and hope their response would result in the cover they needed.

In terms of how they complete this part of the process, many appeared keen to be as accurate as possible, and there was a sense that while they are allowed to 'play around' with levels of cover to see the implications on price, they must not play around with 'the facts' or they will risk not being covered in the event of a claim.

Reactions to search results on the PCWs

The results of a search on the PCWs gained a very mixed reaction from consumers and it became clear that the way quotes are presented often means a meaningful or accurate comparison of policies is very difficult. Even when consumers filtered the search results on key criteria such as excess amount, the results were still inconsistent, resulting in some confusion.

Reactions to the search results also segment, and the less financially savvy or engaged appeared to take them at face value and look for a combination of lowest headline price, recognised brand and highest number of 'green ticks' or add-ons. The more financially savvy appeared more aware of the

difficulty in comparing like with like and described this as 'the catch' in the PCW offering, being able to display a number of products but not deliver on the promise of an accurate or usable comparison.

The difference between quote amounts caused some confusion and uncertainty. Many struggled to understand why the same search might result in quotes that can differ by over £1000. The default belief was that the high quotes are just over-priced, and the lowest quotes competitive and good value for the consumer. There was little sense among consumers that policies might differ in quality or level of cover. Consumers naturally wanted to believe that the lowest or lower cost quotes are the best choice, and there was also a sense that these would not appear on the PCW at all unless they were viable or trustworthy.

There were some distinct differences between what consumers thought they were going to get (or pay) when they clicked on a quote to look further or went to the provider website, and what they saw on the insurance provider's website. In some cases, add-ons that appeared to be included on the PCW search results (via the tick or similar icon), but turned out to be paid for extras when consumers looked in more detail.

There was not always enough or the right type of information displayed at the results stage, and because of the product features and variables, it was very hard for consumers to accurately do a meaningful comparison of products. For this reason, following the process, some re-evaluated the PCWs and suggested they are harder to use than first thought and do not always deliver on expectations.

Few noticed or used the filter options, especially when placed at the top of the screen where they are eclipsed by the search results and headline price, even though many spontaneously commented that this type of functionality would be useful and come closer to providing what they wanted – an actual comparison of like for like products. Many felt this functionality should be more prominent, perhaps placed in a left hand menu, and made available on all PCWs.

Even when used, the results from a filtered search did not always deliver on the filters that had been set, especially in terms of the excess, which was the most used filter option. This can be confusing and misleading for consumers who initially assume the filtered search results will be accurate.

There was also evidence of upselling. Many starting out declaring they wanted the bare minimum of cover or the cheapest possible quote and went through a process of seeing the green ticks are missing, wondering 'what if' something happens and slowly adjusting the cost and cover upwards. There was also evidence of this further into the process when consumers were offered extras, such as key cover with motor insurance. On seeing these options, and without further

contextual information, many assumed that if they are being offered by the insurer, who is the expert here, they must be worth considering or a genuine risk worth protecting against.

Attitudes to add-ons on the PCWs

Many assumed the add-ons and features were all largely the same across the providers and quotes. Several noted that the simplicity of the icons commonly used by PCWs - green ticks and red crosses - plant the idea in the users mind that this is simple, and they don't need to go deeper or that there is nothing further to know about how these work or what they cover.

This affect was reinforced by the labelling on some of the PCWs, which highlight 'Buy Now' or 'Go to insurer' tabs from the results page over and above options to seek more information. Many felt the sales focussed call to action was misplaced at this stage, and can reinforce the sense that there is little more to know or little reason to examine the product on more detail before make a choice.

Some did look into the add-ons and features more thoroughly, others only on prompting in the latter part of the research session, but what they found was very variable. Some PCWs do not appear to give any indication of level of cover unless the user commits to buy and goes through to the insurer website. Few felt that in real life they would do this and it should be more accessible within the PCW, either on the search results page or the policy summary.

The consumer journey

Consumers went on a journey through the research process itself. The very act of thinking about their use of PCWs and being asked simple questions about their decision-making resulted in some profound reflections: shifting from an initial perception that PCWs guide them towards the right policy in terms of cost and cover, to a belief that they have misinterpreted the function and role of the PCW and need to re-evaluate the search results to ensure they are in fact comparing like with like. This can occur for a number of reasons:

- The PCWs present products in a clear, simple way, with what appear to be straightforward options for consumers. This 'frames' the process as a simple task that anyone can complete. It also 'frames' the products and cover as simple and largely the same across providers, with the result that many assume that it is a straightforward process and the hard work has been done for them, and there is no need to any look deeper;
- Many consumers want to complete the task as quickly and painlessly as possible, and give little thought to what they are doing, and scant attention to the detail of the product they are selecting;

- The data entry process requires consumers to complete a number of personal questions, some of which relate to product preferences, such as voluntary excess. This can reinforce perceptions that the search results are in some way tailored to individual needs or preferences, and presenting both the best prices and the best product options.

Trust and confidence in PCWs

At the outset many described a level of trust and confidence in the 'well known' PCWs, derived both from experience of using them in the past and from their media presence via advertising. This translates in to a belief that the PCWs have a reputation to protect, and must go through some kind of vetting process to ensure that providers on their sites are reputable and trustworthy. There was also a belief that the well-known PCWs are all roughly the same and while none cover the whole market, it was near enough to feel confident.

There was an almost complete trust in the PCWs in the context of data entry and many considered that if they answered questions honestly and accurately, the outputs would be reliable and they will be covered.

This view was tempered, however, by an expectation that PCWs are there to make money and some consumers were taking precautions to protect themselves against the outcomes of this fact, including: entering fake phone numbers in the belief the PCW will sell or share contact details; getting a quote direct from a trusted brand *before* using a PCW to benchmark the price. There was also a concern among some that some insurance providers buy their way to the top of the search results, and that this would undermine the central precept of PCWs: impartial search results.

For many, their trust and confidence in the well-known PCWs created a positive halo effect on the research and purchase process as a whole, which appeared to translate into purchase permission. While it was also evident that while the well-known PCW brands cast a positive halo effect on the insurance providers, the insurer brand remains the deciding factor. For many consumers who took part in the research, and in spite of them spontaneously expressing openness to unknown insurance provider brands, the more recognisable insurance provider brands are selected in preference to others, even when a higher cost.

Attitudes to entering personal details

Some expressed a concern that entering personal details, phone number especially, will result in unsolicited sales calls and that the PCWs do not always act in the consumers best interest in this respect. However, there was some sense that this is part of a transaction: the PCWs enable the

consumer to do a difficult and boring task quickly and easily, and in return they accept that the PCW will try to make more money by promoting or selling them other things.

Many noticed and unticked the box to say they do not want further contact but all felt this happens anyway to a degree. In part this is because consumers are confused by the way these questions are framed as a two stage opt-out, or splitting up the different communication channels, and often mistakenly thought they had opted out.

Terms and conditions

None were reading the T&Cs within the PCW itself at the initial data entry or search phase and there was a sense that there is little to be concerned about in relation to the PCW at this early stage and no reasons to read them. After data entry they simply just want to look at the results and may not be thinking to commit to a product in that session and the PCW T&Cs just get in the way of this.

Many considered the T&Cs only become important in relation to the insurance policy and once they are ready to commit to a product. However, although some suggested it would be sensible to look at the T&Cs within the policy document once a policy has been selected, many admit they do not do this, considering them to be inaccessible to consumers and almost not meant to be read but there for reference in the case of a claim.

It was evident that ticking the box to say they had read the T&Cs both on the PCW and the insurer website was almost an automatic response and something of an accepted social norm: *“everyone ticks but no one reads them...”*

The purchase decision

Few consumers felt sufficiently confident to go ahead and make a purchase decision during the research session. This was in part because the process can take place over time and involve multiple PCWs, going direct to insurers or phoning the insurance provider to check details.

However, many who took part in the research felt they lacked the confidence to commit to purchase due to shortcomings in the way the PCWs worked, and in particular inconsistencies in the way search results are displayed, and the lack of clarity in terms of what is covered, which were all a consequence of the increased attention and reflection on the process prompted by the research itself.

Summary: key insights

PCWs are highly valued by consumers for enabling them to quickly, easily and painlessly identify the best insurance policies for their needs.

It was evident that few had ever stopped to consider what PCWs are or how they work, and there were a number of misconceptions about the search results which could lead to consumers selecting policies that do not meet needs or expectations.

Many interpret the simple layout and presentation of information about the insurance products on PCWs as all they need to make a good decision, and a cognitive nudge not to look further.

The search results on PCWs are largely taken at face value and many assume the different policies and add-ons will work the same way or offer similar cover.

Once the search results appear, the headline cost and key features dominate consumer attention and this is the wrong time to engage them with details about how the add-ons or features work.

The data-entry stage is the optimal time to engage consumers about how the products work. Allowing them to filter on levels of cover or features at this initial stage would not only raise awareness about differences in the policies, but also provide more tailored and relevant results that would allow a true comparison of both price and policy.

It is currently hard to find detailed and accessible information on PCWs summarising how the policies work and the expectation was for more detail to summarise the levels of cover or key product features. Some examples offered little more than the PCW search results, reinforcing perceptions that there is little more to know, or that the GI policies are all broadly the same. Only by committing to the next steps and moving through to the insurer website do consumers find the policy detail they need to make a decision, and this is coming too far into the process. Many want to see a greater distinction between search results and the policy summary, with a more standardised approach across the PCWs that sits between the search results and the full policy.

Consumers go on a journey through the research. They begin by feeling that PCWs are a good thing and allow them to quickly and easily get a large number of quotes for insurance; compare the price of the quotes presented; and gain a very high level sense for what features or add-ons are included. However, as the research proceeds, many find that the PCWs have a number of limitations: that they cannot compare the actual policies in a meaningful way (although they thought they could); they cannot be sure that the add-ons that appear in the search results will be included at no extra cost when they go to purchase that policy; they cannot rely on the filter options at the data entry stage to

appear in the search results; nor can they easily interrogate the policies or find out exactly what they are covered for.

Suggested improvements from consumers

Consistently, consumers spontaneously suggested improvements to the way PCWs work and many came to the same conclusion: that the misconceptions about the search results being more than a simple ranking of prices needs to be addressed in order to ensure they are making the right decisions for their needs, and in order for the PCWs to fulfil their optimum role.

Many consumers considered that the PCWs and the search results could be enhanced by adding a few questions at the data entry stage about specifically what cover options consumers would like to include, both in terms of add-ons and levels of cover. It was felt that this would be far more effective, both in terms of engaging consumers with the different product options and levels of cover before they become distracted by the headline prices on the results page, and in terms of delivering genuinely relevant search results filtered on actual needs and preferences.

Consumers felt this would allow them to achieve their aim of comparing on price and policy, by presenting a list of like for like products in the search results. Combined with a more accurate excess filter, many felt this approach would result in both a more accurate and informed purchase decision, and increase trust and usage of PCWs in future.

2 Background and Objectives

In November 2013 the FCA launched a thematic review in relation to the sale of insurance through price comparison websites (PCWs) with a particular focus on the role that these websites play in distributing motor, home and travel insurance products and the potential risks involved.

The FCA want consumers who use PCWs to be able to buy products through them with confidence and make well informed decisions. A programme of qualitative research with consumers around the moment they arrange their insurance through price comparison sites was required to inform this review. The key aim of this research was to provide insight into the customer journey when using PCWs, in particular, how consumers approach, use and make decisions using PCWs.

Key areas addressed included:

- Motivations for using PCWs and how consumers use them;
- Reactions to the data entry stage of the process;
- How consumers engage with and respond to information and content on the PCWs;
- Reactions to the quotes provided by PCWs and how consumers respond to these;
- The main considerations and drivers when purchasing insurance through a PCW;
- The extent to which consumers felt able to compare quotes provided on PCWs;
- How far consumers research what is covered in their policy;
- Whether information from the PCWs corresponds with information and cover in the policy;
- The influence of messages and advertising on PCWs;
- What consumers end up paying, compared to what originally intended, or what appeared on the PCW results webpage;
- The extent to which consumers trust or feel confident in PCWs and the content they provide;
- Consumer knowledge and awareness of PCWs, and how they work.

This report outlines findings from this research carried out between January and February 2014.

3 Methodology

With the emphasis on individual consumer experiences, behaviour and purchase journey, a face-to-face depth interview methodology was adopted, with an online accompanied shop at its core.

The individual depth interviews proved an excellent means of exploring and understanding the GI purchase experience using a PCW. Researchers were able gain the trust of respondents and build rapport on an individual level.

In order to help capture the cognitive biases or environmental influences at play, the sessions were treated as free-flowing conversations, as open as possible, allowing the respondent to tell their story in their own words so they could create the order of the discussion and anchor on natural points of reference that occur when using the PCW in real life.

The research process was divided into three distinct parts, as follows:

Step 1 – observation

Following a brief discussion to explore general attitudes towards PCWs, respondents were invited to set about the task of researching and selecting either home, motor or travel insurance using their preferred PCW(s), at their own pace and commenting on the process as and when they liked;

Step 2 – Purchase journey

Following the online accompanied shop, participants were asked to revisit the research and purchase journey and reflect on the process, commenting on what they had seen, how they had responded and the decisions they took;

Step 3 – Reflector interviews

Within the weeks following the in-depth interview participants were re-contacted and asked to reflect on the experience and any actions they had taken subsequently.

4 Sample

50 In-depth interviews / accompanied shops were conducted in total, each lasting one hour. These were split across seven locations: London; Cardiff; Belfast; Glasgow; Leeds; Norwich; and Coventry.

The sample was split to ensure a mix of consumers researching and purchasing one of the three GI types:

- Home insurance x 18 depths
- Motor insurance x 17 depths
- Travel insurance x 15 depths

Additional recruitment criteria included:

- A spread of age, gender and socio economic group;
- A spread of self reported financial confidence;
- All consumers were planning to research and purchase one of the three GI products within the next few weeks using a PCW;
- A mix of those when buying insurance tend to purchase via the PCW vs those who jump off from the PCW to purchase direct from the provider.

A sub-sample of two per product type:

- Claimants who have been successful or had a claim rejected within the last five years.

Further information about the sample can be found in the technical appendix to this report.

Consumers were using a mix of PCWs. Many participants used more than one PCW in the research session, more so with Motor and Travel, which were quicker in the data entry stage and allowed time for multiple PCW use.

Although respondents were asked to use their preferred PCW in the recruitment process, in order to ensure representation of a broad range of PCWs, it was evident that many had confused the main PCW brands or they were influenced by the internet search part of the accompanied shop to select a different PCW.

Eight PCWs were used by participants in this research, covering over 88% of the PCW GI market.

5 Consumer typologies

A number of typologies emerged according to the way consumers approached the research and purchase of general insurance products. We have named these and grouped them into three typologies according to the key characteristics observed during the research.

Hurried Pragmatists

This typology demonstrated the following attitudes and behaviour:

- Many wanted the job of researching and purchasing general insurance done as quickly and painlessly as possible and saw the PCWs as enabling this;
- In part, this was because they tended to view insurance as a commodity and relatively low risk, and therefore not worth exploring too deeply or over analysing. They also viewed insurance policies as largely the same and offering similar levels of cover;
- Many were less concerned than other groups by the insurer brand and rarely looked beyond the 'ticks and crosses' in the search results on the PCWs, either going with cheapest option or lowest cost with the most add-ons;
- Many also assumed without looking further that cover and add-ons are the same across providers and demonstrated a reluctance to consider otherwise, with the desire for the process of researching and purchasing to remain as quick and simple as possible;
- This group was the most inclined to use one PCW, again reassured by the belief that policies and products are largely the same, and also that the main PCWs are largely the same. These consumers were the most likely to complete the research and purchase within the online accompanied shop.

"I assume they (add-ons) are all roughly the same, I don't really look because want to spend as little time as possible doing this. It's just one of those jobs you have to do once a year. As long as it's comprehensive cover then I am happy." Male, 30-40 years, Cardiff, Motor Insurance

Cautious insurers

This typology were characterised as follows:

- Many demonstrated a very risk averse mindset and tended to approach the task of researching and purchasing insurance with care, fearing that a mistake answering questions could compromise their cover;
- These consumers tended towards a 'more cover is better' mindset, preferring to include all the add-ons without considering if they are necessary or what they really do, but taking them 'just in case';
- Many had lower financial confidence in general than other consumers in the research, and looked for reassurance from the PCWs to counteract this and increase confidence in their ability to research and purchase insurance;
- As a result, many also tended to view the PCWs as a customer champion, helping them identify the best product for their needs and at the best price;
- Many used more than one PCW, less to shop around for the best price than to compare the data entry stage of the process and reassure themselves that they had completed it accurately;
- In addition, these consumers tended to phone the insurer to take out the insurance, both to ask questions that might have arisen, and for reassurance that they have the right cover for their needs. It was not that they don't trust PCWs to deliver this, but rather that they don't trust themselves to get it right at the data entry stage or to interpret information correctly;
- Overall, this group of consumers also tended to have the highest expectations from the PCWs and assumed they would deliver both best price and products.

"I have had my own car for a long time, so I know what I am like and the sort of things I tend to need. Everyone can have an accident in the car though, so it's nice to have the reassurance that something is there." Male, 30-40, Norwich, Motor Insurance

"I phone them to go through it all again because I know it's recorded so I have proof if anything goes wrong." Female, 20-30, Norwich, Motor Insurance

Avid comparers

This consumer type were characterised as follows:

- Many were investing a great deal of time and effort in the research and purchase process, using multiple PCWs as well as going direct to insurance providers in order to find ‘the best deal’, and to feel they had compared from the whole market, and compared both price and cover. Many did so by taking a methodical approach, visiting multiple PCWs and comparing levels of cover from the cheapest policies on each;
- This group also tended to be keen advocates of well known consumer champions where they had been recommended to compare and use multiple PCWs;
- In some cases tight budgets meant these consumers were very focussed on cost and willing to put in significant time and effort in order to save relatively small amounts on the cost of their insurance. They were also the most likely to take the cheapest quotes they found on the PCWs back to their current insurer, seeking a price-match;
- Many were more confident and organised about managing personal finances per se and the most experienced and savvy users of PCWs. While they viewed PCWs as enabling them to shop around for insurance, they were the most likely to understand the limitations of the information the PCWs provide and the need to look deeper into the search results at the level of cover offered by each policy.

“Even though they probably have the same insurance companies, they might have a better deal with the companies which will make my premium lower. You have to shop around in this day and age. Everyone is counting the pennies and if you can save even £2 a month then over the policy term it’s enough for a pair of shoes for the kids.” Male, 30-40 years, Cardiff, Motor Insurance

“Generally I go onto ‘compare websites’, it gives me a choice, and I go for car insurance, then it gives me a list of what the sites are, and I go through two or three of these.” Male, 30-40 years, Cardiff, Motor Insurance

“I delve down a bit more into the policy before I buy, rather than just look at the headline rate.” Male, 50-60 years, London, Motor Insurance

“That is quite easy, but I always feel you have to delve a little deeper. I have got all sorts of extra things on my policy like protected no claims and motor legal protection, which I assume would add to the price.” Male, 50-60 years, London, Motor Insurance

6 Attitudes towards the use of PCWs

At the outset, many expressed a positive view of PCWs and interpreted them as a mechanism for displaying a range of GI policy quotes. They were felt to enable the user to achieve a number of positive outcomes:

- Save money / find the cheapest quote;
- Identify ‘the right product for me’;
- Compare products from the whole market;
- Get a boring job done quickly, easily and painlessly;
- Take the hard work out of shopping around;
- Keep the consumer in control (and the insurer at arms length);
- Raise awareness of new brands/providers;
- Access complex information in an easy and accessible way.

All felt that PCWs are a good thing and enable consumers to achieve in minutes what would otherwise take hours, especially the Hurried Pragmatists for whom time spent on the task is a key factor.

“It saves me filling out screen after screen after screen. I can do it in one hit and it will compare up to 70 companies, which saves a lot of time. Prior to having a computer you used to have to spend 20 minutes on the phone going through everything, then had to do it again with the next company, and then again and again.” Male, 35-45, Cardiff, Motor Insurance

“Sometimes you are bombarded with technical jargon. It’s nice to have it all in different paragraphs, because you can absorb it better and think over what you really need.” Female, 20-30 years, Glasgow, Motor Insurance

It was evident that many took PCWs at face value: as objective facilitators, searching the market and curating results, presenting them in a simple way. Because of this, few saw the need to consider search results in any real depth, especially the Hurried Pragmatists. A small number of the more financially confident and engaged consumers expressed doubts about the reliability of the information the PCWs provide, suggesting there was more to know than the relatively basic level of information provided in the search results on the PCWs.

However, even those who felt there was more to the PCWs and the information they provide than might appear, still tended to view the PCWs as a good thing, and doing the best they can in context of complex products with a number of variables. Indeed, at this stage in the research some were

defensive of the PCWs and claimed they do the best that can be expected, and that some of the responsibility must fall on the consumer to play a part in identifying the best insurance policy for their needs.

“I think the sites do a pretty good job, but I’m not sure how much I trust the actual information – some things that the providers want to hide. They give you basic information about prices, trying to compare like with like, but quite often what I can get out of them isn’t like what I have got at the moment. It’s not their fault because they are trying to do it in a simple way, but it gets very complex.” Male, 50-60 years, London, Motor Insurance

“I see it very much as a guide to who is competitive in the market, I use it as comparison against renewals. Quite often it’s just to see if my renewal is ripping me off. If I think they’re not then I will stick with my existing insurer.” Male, 50-60, London, Motor Insurance

6.1 Emotional associations with the use of PCWs

Early in the session, participants were given a diagram called 'The Blob Tree'. This illustrates a number of characters on or around a tree, each of which can suggest a feeling or an emotion, according to individual interpretation. Respondents were asked to circle the character that best represented how they felt when using a PCW to research or purchase insurance. Reactions were extremely consistent and the characters selected, and the feelings they evoked, revealed how comfortable, confident and secure many consumers feel when using a PCW.



BLOB TREE

"Man on the platform – I feel quite confident, because I use them a lot, but not cocky about it, not at the top of the tree."
Female, 25-35, Cardiff, Home Insurance

"Probably the start of the process, and he is getting some help and I usually need some help. I am not the best at working out which is the best route to go down."
Female, 25-35, Glasgow, Motor Insurance

"This guy down here looks quite hopeful and happy, looking up for the options of what is happening above, so it's that open mind of seeing what is available and what opens up."
Male, 25-35, Coventry, Travel Insurance

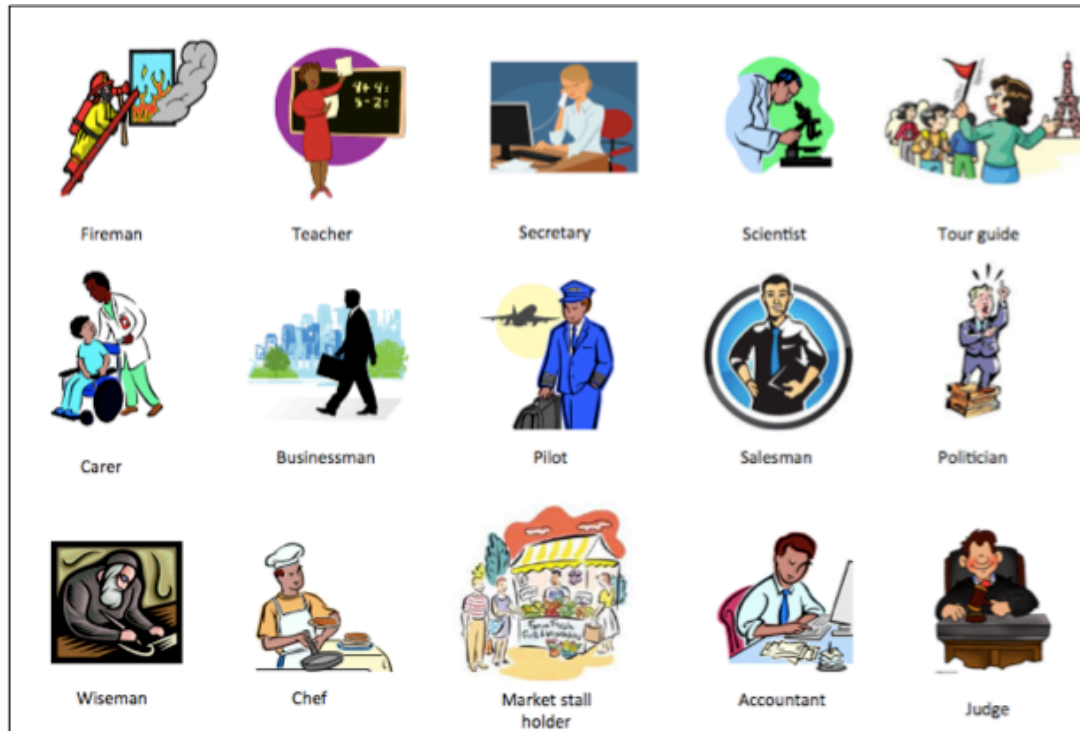
"When I start out I feel I am nowhere near the top, it's a task that needs to be done, neither happy nor unhappy about it, just getting on with it."
Male, 55-65, London, Motor Insurance

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While many consumers felt comfortable and confident when they thought about using PCWs, there was also a sense that they are beginning a journey each time, and unsure exactly what they will find in the process.

6.2 How consumers perceive the role of the PCWs

Respondents were next provided with diagrams depicting a range of occupations, and asked to circle those that best represented how they perceived the role of the PCWs.



The salesman was the default choice for many, however, consumers were also quick to explain that this was not a negative interpretation, or a 'pushy' salesman, but one that shows them all the options available and allows them to select the product for the 'best price'.

The tour guide was the next most popular choice because the PCW was felt to act in a similar way, as an impartial guide, pointing out areas of interest.

Other occupations selected included:

- The Wiseman: *"Using their knowledge to get you the best deal."*
- The Scientist: *"Analysing all the options for you."*
- The Accountant: *"Doing calculations and saving you money."*
- The carer: *"Looking after your needs by comparing them all (GI products)."*
- The Market Stall holder: *"When you go to the market there is lots on offer and the opportunity to barter and negotiate."*

Many, especially the less savvy or confident consumers, tended to interpret the role of the PCW as guiding them towards the right product for their needs, with the way the information is curated and presented within the search results guiding them toward a purchase decision.

6.3 What consumers aim to achieve by using PCWs

Consumers were consistent in terms of what they hoped to achieve by using a PCW: the lowest cost for the best cover for their needs. All considered this aim to be achievable, although some suggested there could be more work and effort required than they anticipated at the beginning of the process.

“Ultimately to find a good price for whatever insurance I am looking for. Certain sites will allow you to tick different offers to be able to compare them, which is useful. If the price is right and it covers everything I am looking for then I will go ahead and book it online.” Male, 25-35, Coventry, Travel Insurance

6.4 The GI research and purchase journey

The consumer journey, in terms of insurance research and purchase was both consistent and habitual. The renewal notice tends to trigger initial action in the form of a visit to a PCW. Many will then select the lowest cost but recognised provider brand – some will take this back to their existing provider for a price match, while others purchase direct or via the PCW. The least confident, who tend to be the ‘Cautious Insurer’ typology, phone the provider to double check they have completed the data entry part of the process accurately.

This appears to have become habitual and many consumers seem to automatically use PCWs without deeper thought or consideration. Consumers can reflect that this is what they have done in the past, and it’s worked, in so far as they have found insurance cover at what feels like a competitive price, quickly and easily: therefore, this is the right way to research and purchase insurance. As this research demonstrated, anything that becomes habitual is less likely to be considered in terms of accuracy of the process or quality of outcomes.

The research demonstrated that very few had ever stopped to consider what a PCW actually does. The assumption is that while called a **PRICE** comparison website, they are actually doing more than this, and it was clear from observing consumer behavior when using the PCWs that the results are often interpreted as a providing the means to compare both the price AND the policy. It was because of this misconception that many consumers felt able to focus on price, with a belief that they would be

comparing 'like with like' in terms of the list of policies presented on the results pages, or after focusing on headline price it would be a simple matter of looking at which add-ons are included.

This perception was reinforced by the data entry process, for example when entering personal data or how much excess they wanted, leading many to logically assume that the results must be tailored to their needs and the policies presented on the search pages comparable.

Overall, comments and observation of the reactions to the search results on the PCWs demonstrated that many viewed the outputs through the prism of tailored results: not that a particular product is the 'best price compared to all the others' but that it will also be the 'best product and cover'.

6.5 Common assumptions about PCWs

During the initial discussion about PCWs, a number of spontaneous comments were made, revealing that many consumers shared the same set of beliefs and assumptions about PCWs and how they work, as follows:

- **'All the 'big' PCWs are roughly the same.'** While many considered this the case, the Cautious insurers and Avid comparers still felt it safer to use more than one in their research and purchase of GI products. For the least engaged, however, this belief provided them with permission to use just one PCW during the research and purchase process.

"They are all much of a muchness, but some ask more questions than others." Female, 25-35, Glasgow, Motor Insurance

- **'None of the PCWs cover the whole market, but in the opinion of many consumers it is near enough not to worry.'** Only the more avid or cautious consumers have latched onto the idea propagated by popular consumer champions: to use more than one PCW to gain broader market coverage and a more dependable quote. Others felt that the big PCWs were likely to include the majority of insurers, and this belief was often confirmed on the PCW homepages, which promoted the wide range of insurance provider brands included in the comparison, and on the search results that listed a large number of policies from multiple providers.
- **'Some of the insurers buy their way to the top of the list of search results.'** This was more of a rumour than definite belief, but some expressed concern that they wouldn't spot this when and if it happens. All were adamant that they want 'genuine' impartial results or for any biased results to be clearly distinguishable in the search results page, as is currently the case with general internet search results.
- **'Search results can be inconsistent.'** Many felt that based on experience it was possible to revisit the same PCW with the same data on different days and get different results OR see the same insurer at a different price on another PCW. Consumers were unclear why this would

happen and it provided another motivation to use more than one PCW in the research and purchase process.

- **‘It can be cheaper to go direct.’** Many felt this was the case, either by getting their current insurer to price-match based on the PCW search results or by contacting a new insurer direct over the phone to adjust the cover and help reduce costs accordingly.

“The PCW has to make its money somewhere along the line, so I would say that they build that into the price they offer you through the site, so that is why I would always check direct.”
Male, 30-40 years, Coventry, Travel Insurance

(...), those safe brands, I would just look at what their quotes are looking like, and then go to a PCW. I like to just verify the quotes that are coming through. (...) all come up on PCWs, but I just like to check it’s the same as you are getting when you go direct.” Male, 30-40 years, Coventry, Travel Insurance

“I don’t doubt their authenticity and the fact that you are properly insured, but they say they give you the best deals and I’m not sure they do. There has to be a cost involved somewhere for the PCWs. If it’s exactly the same price then I have no problem booking through the PCW.” Male, 55-65, London, Motor Insurance

- **‘The amount you pay may not be the amount you first see on the search results.’** Many felt this to be the case, due to the fact that insurance often has extra features and options, and hidden extras, which when added tend to bump up the price.

Overall, many are aware that not everything on the PCW is transparent and approach them with a sense that while they are there to help and support the consumer, it is still important to do an additional bit of checking and play an active role in the process.

6.6 Reactions to statements about PCWs

In order to tease out some of the hidden assumptions and beliefs about PCWs, **towards the end of the depth interviews**, participants were presented with a number of statements about PCWs and asked to indicate the extent to which they believed them to be true. Reactions were extremely consistent across the sample.

Quotes on price comparison websites may be provided by the same insurer but under different brands

Almost two thirds of respondents felt this would be true. Few expressed concerns that it would be to the detriment of the consumer and many accepted it as the way things work in financial services, with more and more brands interlinked in this way.

“Yes, I think a lot of them have got different trading names.” Male, 40-50 years, Cardiff, Motor Insurance

The price comparison website may be owned or is part of the same company as the insurance provider

This statement was a cause for concern among many respondents. Few were sure if this was the case but many expressed concern that it would potentially bias results and undermine the assumed and expected impartiality of PCWs and the search results they provide. Many were concerned that this would result in a conflict of interest between the PCW and its parent company insurance provider. Others commented that it made them feel uneasy and would be an unethical way for the PCWs to do business.

“I’m not sure if that would be ethical. I view PCWs as independent, so to think they are linked to a certain provider isn’t what you would like to think they are doing.” Male, 60-70 years, Belfast, Motor Insurance

“The only one that worries me is the one that says they could be owned by one of the insurers, because you want an independent view of the market, not a site that is trying to push their own products.” Female, 20-30 years, Cardiff, Home Insurance

Price comparison websites cover the whole market

Almost three quarters of respondents felt this was untrue and there was good awareness that some brands are not on PCWs. However, aside from the 'Avid comparers', many felt that the PCWs cover enough of the market for this not to be a concern.

"There are obviously certain companies that say that they're not on PCWs, so they can't cover those, but generally they are able to pull information from the whole market." Male, 30-40 years, Coventry, Travel Insurance

The price quoted by the price comparison website and the price on the insurers website may be different or you may end up paying more than the amount quoted on the price comparison website

Over two thirds of respondents felt this would be true. Some have found from experience this to be the case and one of the limitations of PCWs that not all the features are included or that costs don't always align with the insurer website.

"True, because of all sorts of things they don't ask on the PCW. That's the way it has to be if these things are going to work easily. It's pointing me to who is competitive in the market and that is what I use it for." Male, 40-50 years, Cardiff, Motor Insurance

It can be hard to find out the reasons for these price differences between the price comparison website and the insurer website

Almost three quarters of respondents agreed that it was hard to understand the reasons for price differences, both between different PCWs, and between PCWs and insurer websites. This was one of the many areas where consumers wanted to see greater transparency and consistency.

It is not always clear how the results on price comparison websites are calculated

Over three quarters of respondents felt this was true and many observed that the lack of transparency about how the data consumers enter affects the quotes they receive is one of the limitations of PCWs, and one of the reasons many feel they have no choice but to take search results and quotes on trust.

It is not always clear why certain providers are not included in the list of results

Again, almost three quarters agreed with this statement and felt it was hard to understand why, even within the same search process, providers will appear on one set of search results and then not on another when options are changed or filtered, or why they appeared one year but not the next.

Price comparison websites sell customer contact information to third party companies and organisations

Just over half of all respondents felt this would be true but all expressed concern and felt it should not be the case unless permission had been given. Many were extremely unhappy with the suggestion that it could happen even without customer permission, and felt it would be a breach of trust.

“It didn’t give me an option to say no, so I would hope not. If they sold my information I would be disappointed that I hadn’t had the option to opt out.” Female, 25-35, Glasgow, Motor Insurance

If you get a quote from a price comparison website, you won’t find it cheaper even if you go to that insurance provider’s own website.

Reactions were very mixed, with a proportion of respondents feeling that the PCWs would offer the best price, and others that going direct once the quote has been obtained can result in achieving a better deal.

Overall, the statements prompted some concerns about the way PCWs work, and many felt some of these were issues they had wondered about but preferred to overlook in order to believe the best of the PCWs and remain feeling confident using them. By default, many felt they have no choice but to take PCWs at face value and hope that they deal with consumers in a fair and honest way.

6.7 Trust and confidence in PCWs

Many consumers across the segments exhibited a high level of trust and confidence in the 'well known' PCWs to offer dependable insurance quotes. There was also an assumption and expectation that the insurance providers on the well known PCWs will have been vetted in some way, and therefore could be trusted, even if an unknown brand. This was especially so among the 'Hurried pragmatists', who appeared to have less concern about unknown insurer brands in the context of a well-known PCW.

"I wouldn't like to think they worked with cowboy outfits. They are a well-known websites and I would assume they would vet these companies to make sure they are legit." Male, 30-40 years, Coventry, Travel Insurance

"I would assume there are certain criteria companies have to fulfil to be a partner of (...), I would presume checks have been done, and I would presume that if there were issues then you could go back to (...)" Female, 20-30 years, Norwich, Motor Insurance

"They (insurance providers) must be okay if they are on the price comparison website. They are so well known with all their advertising, they wouldn't let just anyone on." Female, 20-30 years, Norwich, Motor Insurance

"I trust the site enough, I used it for my home insurance and everything went through fine with that, so I would go straight ahead and buy it." Female, 20-30 years, Glasgow, Motor Insurance

However, once the search results appeared, some of the 'Cautious insurers' in particular reflected that they still felt unsure about unknown insurer brands and the PCW brand would not be sufficient to allay these fears.

Across the different consumer types, there was an almost complete trust in the PCWs in the context of data entry and many considered that if they answered questions honestly and accurately, the outputs would be reliable and they will be covered.

This view was tempered, however, by an expectation that PCWs are there to make money and some consumers were taking precautions to protect themselves against the outcomes of this fact, including: entering fake phone numbers in the belief the PCW will sell or share contact details; getting a quote direct from a trusted brand *before* using a PCW to benchmark the price.

"I can cope with sales emails – you just press delete, but not phone calls." Female, 20-30 years, Cardiff, Home Insurance

The combination of media presence and user experience resulted in a high level confidence in the PCWs. For many, this level of trust and confidence in the well-known PCWs created a positive halo effect on the research and purchase process as a whole, which appeared to translate into purchase permission.

However, at the purchase decision stage, confidence in the process was derived from a combination of the PCW and the insurance provider brands. While the 'Hurried pragmatists' in particular tended to be happy to select an unknown insurance provider from a PCW on this basis, many 'Cautious insurers' doubted the validity of the 'unknown' insurance provider brands, and too many of these appearing in search results often triggered a new search on a different PCW.

Overall, it was also evident that while the well known PCW brands cast a positive halo effect on the insurance providers, the insurer brand remains the deciding factor, especially for the 'Cautious insurers'. For many consumers across the sample, and in spite of them spontaneously expressing openness to unknown insurance provider brands, the more recognisable insurance provider brands are often selected in preference to others, even when a higher cost. *"I think it's security, I know their product and what they do, whereas I don't know (...), they could just be some guy in a back office who runs off with your money."* Male, 40-50 years, Cardiff, Motor Insurance

"I would be more tempted to go with someone I had heard of, it's that security that you have a reputable company providing that insurance for you. A lot of these names are probably trading names of bigger companies though, that one is underwritten by (...)." Male, 30-40 years, Coventry, Travel Insurance

The sense that the PCW brands provided a positive halo effect on the insurer brands was challenged when the insurer brand name was unrecognized AND appeared too 'jokey' or 'gimmicky'. Many consumers across the sample responded negatively to these and in spite of the initial belief that some form of vetting must take place by the PCW, many tended to reject these insurer brands as unreliable options in the context of general insurance, and in some cases question whether the PCW does in fact vet insurers listed in their search results.

"(...)? There is no way I would look at their quote, because there's no information about anything I can relate to there, looks a bit of a cowboy outfit to me." Female, 20-30 years, Glasgow, Motor Insurance

7 Observations from the accompanied shop

7.1 Internet search

Many began with the same open internet search: *'cheap car / home / travel insurance'*; or *'compare car / home / travel insurance'*. Consumers began with an open search because they wanted to feel they were being savvy by shopping around for a PCW and not going blindly back to the same one without having checked out the web search results first.

Anything in the internet search results that did not appear to be a 'genuine' search result was ignored due to the expectation that sponsored links will be largely irrelevant.

Respondents favoured the most well known PCWs that were felt to be largely interchangeable. The reasons for selecting one PCW over another were consistent:

- Brand recognition (via TV advertising);
- Appearing at the top of the internet search;
- A perception that they have used the PWC in the past (although many start on one PCW on this basis and realise later they have confused it with another PCW brand).

"I used the (...) one, I think the advert was good." Female, 20-30 years, Glasgow, Motor Insurance

The lack of recall and confusion between the big PCW brands, and susceptibility to advertising, means many appear to end up using a different PCW each time, reinforcing the sense that they are starting the process from scratch each year. The research suggests that brand recognition is extremely influential at this initial stage in the process and translates into trust, confidence and reassurance in the process and in the PCW search results.

It is also worth noting that some of the 'Avid comparers' were also using cashback websites alongside the PCWs to secure the best price.

7.2 Data entry

Many approached this part of the process with a desire to be as honest and accurate as possible, considering it to have serious implications in the event of a claim and that getting the data entry wrong could compromise their cover.

Although many commented that the data entry part of the process was fairly painless and straightforward, a number of issues were revealed:

- 1) Some of the questions posed a challenge for consumers to accurately answer or fully comprehend, and in spite of the consumer desire to be accurate, the need for speed and convenience can outweigh this. Many consumers opt for an educated guess or assumption to complete the process, leaving the more risk averse to worry if they will be covered in the event of a claim;

“If I don’t know the answer I usually end up bunging anything in.” Male, 40-50 years, Leeds, Home Insurance

Re. contents cover amount: *“I just chuck in a round number, but it would be nice to have a section to help you, a tool to help you get an estimate.”* Female, 20-30 years, Cardiff, Home Insurance

- 2) The importance of accuracy in the way they complete the data entry part of the process does segment according to consumer mindset, with the more cautious and risk averse were more likely to follow up any concerns or questions with the provider at the stage of taking out their insurance;
- 3) The types of question and level of detail in this part of the process varied across the PCWs, which reinforced the desire among many consumers to use more than one PCW. No one was sure why this would vary but some felt a particular approach might work better for their circumstances and result in a lower premium. For example, a couple of respondents lived near rivers and found that one PCW asked far less specific questions about this, allowing them to avoid what they felt might be an issue which would lead to an increase in their policy premium.

“If it’s something that they need to know then I wonder why one asks it and another doesn’t, I would expect a general set of questions.” Male, 40-50 years, Cardiff, Motor Insurance

Consumer behavior at this stage emphasised the extent to which many put complete faith in the PCWs and feel that if they have answered the question accurately, they will be covered by the insurance they get as a result. Findings suggest it is in the interests of the PCW and the consumer to

ensure the questions are as comprehensible as possible and accompanied by contextual examples of possible answers in order to support an accurate response, and to keep consumers within the process.

7.2.1 Length of the data entry process

Many underestimated just how long the data entry stage would take and suggested areas that could be reduced or left for the product purchase stage. Many spontaneously commented that there are too many personal questions up front that feel unlikely to influence the quote. This felt like a waste of time, especially for those who were only looking for a quote, and better placed at the end of the process when and if they decided to take up the policy.

For example, on a motor insurance quote, being asked questions about home ownership, whether a smoker, or insurance renewal dates felt irrelevant to the task at hand and too much like consumer profiling for marketing purposes.

“You are going on a PCW to make it quicker and all they are doing is lengthening the process by asking you stuff that they don’t need to know just for a quote.” Female, 20-30 years, Cardiff, Home Insurance

“This is the pain of these PCWs, you have to input all your details. I know it saves me time, but sometimes you just get fed up doing it.” Male, 30-40 years, Cardiff, Motor Insurance

It was clear that a perceived relevance of the questions being asked was the key to consumer engagement at the data entry stage. Relevant questions were felt to increase confidence in the process and consumers appeared more inclined to give their time, thought and attention when they could see how the questions they were being asked would apply to the task of achieving an accurate and reliable insurance quote.

7.2.2 Clarity and transparency of questions

Many spontaneously requested more clarity or transparency about why some questions were asked and what the implications might be on the way the quote is calculated. This is a grey area and many felt more information would help them, both to know how to answer questions more accurately, and to increase transparency about how costs are calculated.

Consumers were more worried about the cover than just the cost at this stage in the process, which is why the implications of completing the data entry were considered to be important. This was further

evidence that the PCWs at this stage are viewed as more than just a mechanism for getting a low price, it is also about the right level and type of cover.

For example, with home insurance, consumers were asked if their burglar alarm is professionally fitted and maintained. If professionally fitted but not maintained, they can be put in a quandary: Both answers will be inaccurate, but do they play safe and say 'no', potentially losing out even though they have one, or say 'yes' and take the risk that it could impact a claim. A clear rationale for the questions and their influence on the policy has potential to improve the quality of answers and allow consumers to achieve the level of accuracy they aspire to.

7.2.3 Additional observations around the data entry process

A number of other observations were made during the data entry process that applied to all GI products:

- **Excess:** Many were prompted to engage with the excess amount during the data entry stage and adjusted it to suit their own preferences. This contributed to a sense that the outputs and policies that appeared on the search results would be tailored to individual preferences;
- **Questions can be too 'black and white':** There was little room for any nuance and some questions left consumers unsure how to answer. Some wanted broader options or the ability to make an open response;
- **Enter amount of current quote:** Many paused at this question and reflected that it raised suspicions: *"They only ask so they can rip you off."* Many responded with a false number lower than current quote or ignored this question altogether. This was an example when consumers only want to enter data relevant to an insurance quote;
- **Retrieve quotes / details:** The ability to log in on the PCW homepage and avoid entering personal details again, year after year, is good in theory but few appeared to either accurately recall which PCW they had used in the past, or had forgotten their log-in details. Where they could log in, they quickly re-capped their details but did not thoroughly check them or attempt to revise preferences, even when they had expressed a desire to do so, for example, one consumer left the excess amount the same even where they had initially expressed a desire for a lower one.

7.2.4 Entering personal contact details

Many noticed and ticked the box to say they do not want further contact but felt this still happens to a degree, with the PCW continuing to make contact.

In spite of this, many consumers took this part of the process at face value and believed that opting out of marketing activity would ensure that their details couldn't be passed on to a third party.

"I think it's always worth checking that you untick your marketing thing, otherwise you buy one product and they try and sell you loads of other things." Male, 30-40 years, Coventry, Travel Insurance

Many also claimed, however, to receive unsolicited phone calls and emails directly following their use of a PCW and tended to assume they had ticked the wrong box or were tricked into doing so by complex framing of the privacy questions.

"There's no need for it, because now that I will get spam... I think that is a bit intrusive when all you want is a quote." Female, 20-30 years, Cardiff, Home Insurance

"I know I will get loads of calls from people – if I look on my phone now there's probably already a few." Female, 20-30 years, Norwich, Motor Insurance

Some see this additional contact and marketing messages as part of the transaction: The PCW allows the consumer to do a boring task easily, and they want the chance to sell us more in return.

Some were also concerned that if they didn't tick 'yes', the PCW would withhold the best quotes. This was an area that many felt lacked transparency, with a suspicion that some PCWs may not treat personal data the way consumers would like.

There was clear evidence that many misunderstood the opt-out options. The way consumers are opted in twice on some PCWs, for two different types of contact, can result in a confused response, with the way the options are framed appearing to 'trick' many consumers into believing they have successfully opted out.

For example, some PCWs required customers to opt in/out for two different types of contact before providing the quote results. The first option related to whether they would like to be contacted by the two cheapest providers and the second, whether they would like to be contacted for marketing purposes. For the first option, the PCW would have a pre-selected opt in for being contacted by the two cheapest providers and the customer would have to un-tick the box to opt out. For the second, the PCW would automatically opt in the customer for being contacted for marketing purposes and the customer had to tick a box to opt out. These opposing actions to make the same choice, that is to opt out, led participants of the consumer research participants to believe they had opted out when in fact they had opted in.

7.2.5 Data entry by GI type: Home insurance

Home insurance was considered the most complex of the three GI types in terms of data entry, and with serious potential consequences if errors were made. Consumers were keen to get it right but did struggle in places, with some of the questions hard to answer or the options too narrow.

Questions that caused consumers to pause were as follows:

- **When the property is occupied:** For many, this can be a combination of day or evening, but with no option for a mix, many commit to one with a fear it is not an accurate answer;
- **Types of lock on doors and windows:** Diagrams and photos are a huge help in selecting the correct option, but many still struggle to be sure about how to respond, especially where they have different types of lock within the same property. The level of detail on this question can differ across the PCWs and those who use more than one were unsure how and why this will affect the results;
- **Burglar alarm maintenance:** Questions about professional installation and maintenance needs to be split or there is a risk consumers will answer inaccurately;
- **Joint cover:** Some default to 'no' (spouse) just to avoid putting in more of what they consider 'unnecessary detail', feeling this question was irrelevant and unnecessarily time consuming, and more appropriate for the application / purchase stage;
- **Re-build amount:** In spite of a text explanation and a pre-calculated / pre-populated field, this question can cause confusion and many expressed doubts, assuming the market and re-build value should be the same. However, there was trust in the amount suggested by the PCW once consumers realised this was what had happened and how it had been calculated.

Reactions emphasise that what seems clear and simple can be exposed to inaccurate responses because of the way questions or pre-filled answers are framed and some worry this will leave them missing vital cover in the event of a claim.

7.2.6 Data entry by GI type: Motor insurance

Motor insurance felt less complex than Home at the data entry stage, especially for those with experience who felt they knew how to respond. Being a legal requirement, and with multiple features and options, many considered it essential to get it right at the data entry stage. However, many also sought to get the cost down and considered their answers to questions in this context.

A number of comments were consistently raised throughout the process, as follows:

- **Vehicle use:** Some paused to consider their response and the possible implications BUT most options were self-explanatory;
- **Personal details:** Some questioned the need for personal information about home ownership, marital status, children etc;
- **Voluntary excess:** Many amend this to their own preference or to match previous quote – younger drivers tending to set high amounts in order to achieve an affordable quote;
- **Car alarm:** Few felt confident answering accurately which alarm system their car had and there was low awareness of the terminology around this, e.g. Thatcham. As a result, many default to the first option on the drop down menu.

Overall, many motor insurance customers considered the process simple and effective across the PCWs, with less variation or potential for confusion than Home insurance. Many felt confident they had been able to complete accurately and would be able to depend on the results.

7.2.7 Data entry by GI type: Travel insurance

Travel insurance was considered lower importance and risk, with fewer variables and similar cover across the providers. Many found the data entry process quick and simple, which led them to interpret travel insurance as being a simple product with little to know.

A number of observations around data entry were noted during this part of the process:

- **Medical conditions:** Many were aware that pre-existing medical conditions could be a factor, but those with them were surprised not always to be asked about them in the data entry process on PCWs. This left some with pre-existing conditions wondering if the quotes could be relied upon or if they would be covered. In some cases consumers were allowed to enter details and click to buy before being advised to contact a specialist provider in relation to a pre-existing condition;
- **Sports and activities:** Many considered the activities they would be doing on their travels, prompted by questions in the data entry process, and were aware of the need to declare these in order to ensure they had the right level of cover;
- **Excess:** Where excess was not an option at data entry, many assumed the default amounts on the search results pages are the industry standard and tended to take them at face value. Only on re-visiting the process later in the sessions did consumers realise that in some cases they had accepted relatively high excesses on lost or stolen items, with the consequence that this element of the insurance would be compromised. This was one of many examples of consumers taking what they saw at face value and failing to consider the implications initially.

7.3 Reactions to search results on PCWs

Reactions to the search results on PCWs were very consistent across the sample, and initially many consumers felt these would enable them to make a good purchase decision. The simple layout and appealing format on each of the main PCWs framed the results as clear and easy to use.

All were immediately drawn to the headline price, being the most prominent piece of information on the page and one that has instant meaning and comprehension. Consumers can reflect that they may not know much about insurance, but they know one number is lower than another, and that paying less must be a good thing. For many, if the premium is less than last year or this year's renewal price, then it becomes an immediate draw and a potential purchase trigger.

"I look at the bottom line, so if it's cheaper than what I am paying now I will go for it." Male, 40-50 years, Cardiff, Motor Insurance

"Price is the main thing for me." Female, 20-30 years, Cardiff, Home Insurance

Once headline prices had been absorbed, many started to look more widely at which add-ons are included or the level of cover, but consumers tend to remain anchored to the initial lowest premium listed as the benchmark from which they base decisions and make comparisons with other quotes.

7.3.1 Insurance excess

The excess is important for many and often considered in combination with headline price as a key indicator of value and quality when selecting an insurance policy. Many engage with the excess during the data entry and search results part of the process, but selecting the right excess amount can be a challenge and depend on the perceived level of risk.

Many gauged the amount of excess they were prepared to accept in terms of what they could comfortably pay in the event of a claim. The more risk averse were more inclined towards a lower excess, though many considered the excess on their existing policy as a guide, emphasising the habitual nature of the insurance purchase process.

Across the three GI products, many indicated that a figure of £150-250 total excess was an acceptable amount, achieving a balance of keeping the policy price low while still allowing consumers to feel they are effectively insured. For many, a big excess was felt to undermine the whole principle of insurance.

"It's like you're not really covered." Male, 20-30 years, Leeds, Motor insurance

Some on tight budgets were keen to achieve the lowest headline cost BUT reflected that a high excess (£300+) could be unaffordable and leave them in difficulty in the event of a claim.

"I'd struggle to find that much (£300) if I had to claim." Female, 20-30 years, Leeds, Motor insurance

"Finding £500 if you crash your car is a lot, it's on the verge of too much for me... £250 isn't a bad quote, only £20 extra (compared to lowest quote) and it brings your excess right down to £250, that is probably better." Female, 20-30 years, Glasgow, Motor Insurance

There were some exceptions, however:

- Those more comfortable with risk tended to opt for a higher excess (£300+) considering it unlikely they will need to make a claim;
- Younger motor insurers tended to risk a higher than manageable excess to achieve an affordable policy.

7.3.2 Awareness and understanding of excess

A few of the 'Cautious insurers', who also tended to be less financially confident, were unsure what excess is or how it works, feeling they had never noticed it before or understood what it meant. In some cases, these respondents confused the amount shown in the excess columns on the search results page with the amount that would be paid out in the event of a claim: *"Is that how much they pay out?"*

The abbreviations used to describe voluntary ('Vol') and compulsory ('Comp') excess can add to confusion for some who did not understand what these meant.

Splitting compulsory and voluntary excess, or adding a compulsory amount to a voluntary amount, added a layer of complexity and can be confusing. Few realised that the voluntary amount would be added to the compulsory, and on discovering this was the case, it starts to feel like a catch and undermined consumer confidence or the desire to go ahead and purchase without checking other PCWs or going direct to the insurance provider.

"I don't really know what that means to be honest. I take it you have to pay £60, but you have the option to pay more on top of that... so they should maybe explain that a bit better, maybe say 'excess £310'." Female, 20-30 years, Glasgow, Motor Insurance

“I’ve not noticed that before, it could be missed, especially if you are doing this in a hurry. £60 is a lot of money, so that should be explained better” Female, 20-30 years, Glasgow, Motor Insurance

Initially, those who were aware of how excess worked felt that the higher the excess, the cheaper the premium. Some also suggested that the PCWs show higher excess products because that’s how they can show cheapest quotes at the top of the search results and keep consumers with that PCW.

Many commented, however, that this did not always appear to be the case and the quotes in the search results challenged their assumptions, where the lowest price policy could also be the lowest excess and a significantly more expensive policy a higher excess than some of the lower cost options. This was both confusing and unexpected.

Overall, the way the excess was presented resulted in a level of confusion and a risk that consumers will end up with the wrong cover for their needs. Many considered that to increase transparency and ease of use the excess should reflect the amount set in the data entry process and be the total including both voluntary and compulsory amounts.

“I kept it (excess) at £500 to see what the quotes were, and then changed it to £250 which increased the premium, but then I realised that you have a compulsory and a voluntary, so you’re not really getting the excess that you have budgeted for. They need to clarify that so that if you want to pay £250 then that is what you get quoted on.” Male, 30-40 years, Coventry, Travel Insurance

7.3.3 What happens when search results don't correspond with filter options

Most PCWs asked consumers to set an excess amount during the data entry stage but this rarely matched up with the excess shown in the search results. Few noticed or used the excess filter options on the results page (where available) but even when they did, the results were still inconsistent with what appeared in the search results, which was confusing for some consumers. In some cases, when the results of a search all showed a similar excess, consumers assumed this was the norm and did not question it even where it differed from the excess they had set themselves.

When the search results don’t correspond with the product preferences users have entered, either using the filter or at the data entry stage, this can affect consumers. This outcome is confusing and there was no obvious explanation why it happened. The default assumption was that *‘what I want isn’t available’*. Some also wondered if it was the PCW trying influence to buy them a particular policy. Reactions suggest many are used to getting some variation in what they request and what appears in

the search results, and work with what is presented to them at this stage, emphasising the extent to which what appears in the PCW search results can influence the purchase decision.

7.3.4 Reactions to add-ons

The add-ons in the search results were often taken at face value, and when asked, few were able to explain either how they work or, in some cases, why they had selected them. By default, there is an assumption that the more add-ons, the better the policy.

Few were inclined to interrogate the add-ons in terms of how they work, what they cover, or how they compare. Many assumed that they are the same across the quotes and insurance providers; few have had cause to stop and think about the add-ons in any depth.

"My reaction would be that they should all be roughly the same." Female, 20-30 years, Leeds, Motor insurance

"I think it's the same across the board really. Most companies offer a courtesy car, no claims protection, windscreen cover and personal injury, and some offer breakdown services." Male, 30-40 years, Cardiff, Motor Insurance

"I know I get a courtesy car when I want, but I know someone at work had to wait a couple of days for their courtesy car. I would hope they would be the same across the companies though." Female, 20-30 years, Glasgow, Motor Insurance

Some of the less financially savvy misunderstood the add-on columns completely, assuming the additional costs for add-ons that are not included in the quote, are the amount they would be covered for in the event of a claim. Usage of the PCWs confirms that many consumers make assumptions and errors about add-ons and would benefit from increased awareness of the potential differences in cover, or about how the add-ons work.

The only exceptions were those who had made a claim in the past and found they were not covered as they expected, who tended to look in more detail at what was covered and what the add-ons meant. For example, two consumers had claimed on their motor insurance and needed a courtesy car, only to discover they would not qualify under the policy they had selected, having made assumptions about this add-on at the point of purchase. During the accompanied shop, these consumers actively looked for definitions of the add-ons and the type of cover they offered.

7.3.5 How add-ons are presented on PCWs

The way add-ons and product features are presented in the search results on PCWs appeared to influence on the way consumers interpreted them. Green ticks, used by some PCWs to denote that an add-on was included in a particular policy, can act as a cognitive nudge, and many take the view the more ticks the better the product or level of cover, and the better the purchase decision. This appeared to happen even when consumers had initially indicated they wanted the bare minimum cover or were not interested in extra features and add-ons. On reflection, some also found they had opted for the add-ons without considering if they needed them, or what they do, simply because the ticks made them feel it was a better or safer option.

In contrast, the red crosses, used to indicate that an add-on was not included for a particular policy, reinforced the effect, and were suggestive of danger or a poor decision. These were often actively avoided and contrast strongly with the green ticks.

There were other examples of icons being used to indicate levels of cover for each of the product feature for travel insurance, and as with the ticks and crosses, these also appeared to prevent deeper engagement with the product and cover levels. Visually, these can suggest that the higher the amount or level of cover, the better the product, irrespective of individual needs.

Consumer reactions to this stage of the process demonstrated that because many are not engaging with the process at a deeper level, they are especially susceptible to icons and imagery, which can have a disproportionate effect on the type of cover or add-ons they select or think they need.

The research also suggested that consumers are influenced by the amounts shown in the search results. Many times, respondents assumed that travel insurance with medical cover of £20 million must be better than an alternative product with medical cover of £10 million, often without looking into this further, or considering the amount they might actually need.

In addition, the cost of add-on options was often compared by consumers with the headline cost of the policy quote. This corresponds with a central tenet of behavioural economic theory, that relativity is a key influence in decision making: the way people determine value is often by comparing and contrasting one thing to another.

Because of this effect, the way many consumers referred to the perceived value of add-ons was in relation to the overall policy cost, against which they appeared low cost and therefore good value and worth adding. This was even more powerful when options were broken down as a monthly amount.

“Yes, seeing £30 might put you off, but when you see it’s only £2.20 a month – you can’t even go out and buy a pint for that money!” Male, 40-50 years, Cardiff, Motor Insurance

Some also evaluated the value of the add-on in terms of what it would cost if they had to pay for it themselves, for example with motor legal expense insurance which many assumed to be a big expense if they were to pay for their own legal costs.

“Useful to have legal protection, because if needed legal protection it would cost me more than that, so that is value for money!” Male, 50-60 years, Belfast, Motor Insurance

Reactions emphasised how susceptible people can be to the effect of anchoring to numbers in the research and purchase process, and how the headline price becomes the reference point for further decisions about which insurance product and add-ons to select on PCWs.

7.3.6 The mismatch between search results and policy detail

The green ticks were also assumed to indicate the add-on will be included in the total cost, only for consumers to discover in some cases that they can be additional cost options or with an excess, at the policy summary or policy detail stage. A number of respondents also shared anecdotal examples of this having happened to them in the past, and in some cases only realising that the feature or add-on they thought had been included due to the way it was presented on the PCW search results, was in fact absent once they received their policy schedule post-purchase. The mismatch between what appeared on the PCW search results and what consumers found in the policy detail tended to refer most frequently to motor insurance, where add-ons play a great role in the purchase process, and included the following examples evidenced through the accompanied shops:

- Key cover was priced in the policy summary at £15 and appeared on the policy itself at £20;
- Key cover had a tick against it in the search results, indicating it was included at no additional cost, but discovered it was a paid for extra at the policy stage when they went through to the insurer website;

“I don’t think they were as honest on the first page as they have been on this page. There are certain conditions attached to the courtesy car, and I had to look here to find that out, and if you want your keys covered you have to pay extra money, whereas before it had a tick, so that made you think you were getting that as part of your quote.” Motor Insurance, Female, 20-30 years, Glasgow

“A bit disappointing, I don’t know if it’s [the PCWs] fault, or [the insurers], but would imagine that all of them would be the same. I still think I would need to phone... You are paying an extra £20 a year, so not excessive, but it is still more. They could be a bit more honest with

that. I would go back and check the other companies now I think, just to see if it was the same set-up.” Motor Insurance, Female, 20-30 years, Glasgow

- Car Hire appeared to be included on the search results but it was an additional cost option when they selected ‘more information’ on quotes from two insurers in the policy summaries;
- The consumer assumed Windscreen cover was included at no extra cost due to the tick in the box in the search results on the PCW but at the policy summary stage it was £75 excess for this, effectively making it an additional cost option at the point of making a claim.

7.3.7 Awareness and usage of filter options on the search results page

Few noticed or used the filter options due to the focus on the headline price, excess and add-ons. Some even considered out loud how useful it would be to have filter functionality on the results page, without noticing that these are in fact there. When drawn to their attention, many considered this functionality extremely useful. Placement at the top of the search results screen, however, seemed recessive and consumers appeared more likely to notice and use the filter options when placed in left hand menu.

“I didn’t notice it, because went straight to these figures, which tend to jump out at you.” Male, 50-60 years, London, Motor Insurance

“Good that it’s there, you can use it to make sure that the results you are getting are accurate. It tailors your quote to exactly what you are looking for, rather than just general offers.” Male, 30-40 years, Coventry, Travel Insurance

Filter functions were eclipsed by the search results and many suggested they should appear earlier in the process during the data capture stage and before the headline price starts to dominate the consumer mindset. Many considered that if these were part of the data entry stage they could achieve two important outcomes: forcing consumers to consider the type of cover they want or need in terms of add-ons, their level of cover and excesses; and allowing consumers to tailor the results, thereby coming closer to delivering what many want and expect from the PCWs, genuine policy comparison.

“You want to tailor your quote to your particular needs, it would be easier and more personal.” Male, 40-50 years, Cardiff, Motor Insurance

“The ones that give you the options to compare different covers are good, because then you can see what is relevant to you. It might be useful if they asked you more questions earlier on, so then you could be taken straight to a screen which shows you what you are looking for,

as opposed to using the menu to redefine criteria.” Male, 30-40 years, Coventry, Travel Insurance

7.3.8 Awareness and usage of quote shortlist and comparison functionality

Many of the most widely used PCWs include the option of selecting a shortlist of quotes and viewing them side by side in order to compare the ‘ticks and crosses’ of the add-ons, and the excesses, in a more linear format.

While many considered it was easier to compare side by side the policy quotes that have been narrowed down as contenders, the content can still be lacking the detail consumers wanted, going no further than a re-formatting of the PCW search results. It was also evident that presenting the product features and add-ons in this way can influence consumers to feel they are able to compare like with like, and reinforce perceptions that add-ons work in the same way or that the policies all have the same level of cover.

Taken at face value, compare functionality increased ease of use, but on reflection, many felt there was a risk that without more information it will perpetuate the belief that add-ons and features are the same across the quotes and insurance providers.

7.3.9 Paying by instalments

Many intended to pay by instalments and found this could add an additional layer of complication. Instalment amounts were often very recessive in the search results and eclipsed by the big, bold headline price on many of the PCWs. Consumers were largely unaware they could filter results on the total amount payable including APR on many of the PCWs, but even when they do this, the number remains recessive and hard to read on some of the PCWs.

In some cases, key information was missing and the search results showed instalment amounts and the total but not the APR, although this had limited relevance or interest to all but the ‘Avid comparers’, and many focused on the total cost and how this compared to their renewal quote.

“It’s not what I was expecting. It’s telling me what I would pay per month, but not what the bottom line is. I said I wanted to pay monthly, but it’s not telling me the total amount.” Male, 50-60 years, London, Motor Insurance

“If it’s cheaper overall then makes no difference whether I am paying more interest than one of the other quotes.” Male, 50-60 years, London, Motor Insurance

The way the information is presented meant the headline amount often remained the 'anchor' and some only became aware of instalment total at the next stage when they looked at the policy summary.

7.3.10 Accessing more information about insurance quotes

Once a preferred policy quote was identified many consumers looked for more information before committing to the next steps. While the tabs and call to action on the search results pages had good standout, the different labeling approaches prompted very different reactions.

Many were reluctant to click on anything that felt it would commit them to next steps or a purchase at this early stage, for example 'Proceed'; 'Go to site'; 'Get insured'; and 'Buy now'. It was evident from the way many responded that this was not the right moment or label for this stage in the customer journey. These labels can interrupt the process and put some consumers off looking further, and the more cautious tended to stop and go elsewhere (to another PCW or direct to an insurer).

Alternative labelling on some of the PCWs was considered more effective and appropriate, for example 'learn more' and 'more info', which invited consumers to look further without fearing they were committing to purchase. 'Click to call' was also appealing, especially to the more cautious insurers, feeling this offered a more inviting opportunity to double check the accuracy of the quote with the insurer over the phone. However, in some cases, the 'learn more' or 'more info' labels were displayed in recessive colours beneath the more dominant 'purchase' based call to action, which were in contrasting strong colours and therefore eclipsed these other, preferred options.

The observations indicate that best practice is a single 'more info' option that brings up a policy summary before allowing the user to commit to next steps.

"I am put off now, because it says 'buy now', but I want to look at some of the others first."

Male, 50-60 years, London, Motor Insurance

7.3.11 Awareness and usage of policy summaries

Policy summaries were well used and valued by many consumers, acting as a key stepping stone in the purchase process. The observations revealed that the quality of these summaries can vary and some lacked the detail required by consumers to make an informed choice. The expectation was for more detail to summarise the levels of cover or key product features, but the level of detail can vary widely and some were felt to offer little more than the PCW search results. This can reinforce perceptions that there is little more to know, or that the GI policies are broadly the same.

At this stage in the research sessions, participants were shown a sample of a Key Facts document and asked whether this format could play a role at this stage in the process. Consumers across the sample recognised the Key Facts ‘brand’ and applauded the simplicity and clarity of these documents, recognising them as a consumer document, meant to be read and used by consumers. Many agreed that Key Facts would be the ideal means of meeting information needs at this policy summary stage, and provide some much needed consistency in terms of layout, content, level of detail, clarity and accessibility.

For many, only by committing to the next steps and moving through to the insurer website do they find the policy detail they need to make a decision. While many of the insurer policy pages had the necessary detail to understand the product cover, some felt this was coming too far into the process. In addition, there were examples of consumers clicking through to look at the policy in more detail, only to struggle returning to the search results, having been taken to a new webpage but without necessarily realising this. While this content would allow for a more accurate product comparison, many felt that by this stage they would be more inclined to go ahead with the purchase than go back and compare. Only the ‘Avid comparers’ were making this extra effort, making notes and returning to the results page to compare their shortlist of quotes.

Many also discovered that key information was missing or hard to find. A typical example was a consumer looking at the policy summary, which offered little over and above the PCW results page, and wishing to learn how key cover worked. The ‘learn more’ option did not give them any further information and instead, the consumer had to use the ‘Buy Now’ tab, to find the information they wanted even though this was too early in the process for them to commit to a purchase.

7.3.12 Awareness and usage of ‘Help’ / ‘Information’ options

There was limited use or awareness of ‘Help’ / ‘Information’ options during the observations, even when consumers appeared to struggle or need it in the process. In spite of icons and automated hover-over messages, few examples appeared to engage users, many of whom demonstrated an almost complete focus on the task at hand and appeared to ‘zone out’ any extraneous information, including the ‘Help’ options. Similarly, there was very limited awareness or use of other content such as glossary or FAQs where it was available.

When examined further, the ‘Help’ content was felt to be very variable and much of it lacking the information necessary to support an informed decision. The least useful examples were felt to be text heavy, complex and confusing language or terminology. The research confirms that blocks of text are not usually expected or used on websites.

In some cases, the information revealed was entirely generic and not specific to the policy consumers were looking at, and often lacking the context consumers wanted e.g. *'It is important to have this if you are....'* or the common types of scenario a product feature or option covers.

The "Help / Information" icons did not signify for everyone and some of the least tech-savvy were unaware the 'i' symbol would allow them to reveal more information.

Providing optimal 'Help / Information' content is a challenge in view of the consumer focus on the task and, many who had concerns felt they would call the insurer rather than seek answers from the PCW. The best examples of help / information, in terms of content, included examples, scenarios and a clear rationale about what the cover is for or how it works. Without this, there is a risk consumers make inaccurate assumptions about insurance products on the basis of generic information that they then assume applies to all policies or quotes.

7.3.13 Variation in the price of quotes

There was real confusion about why the quotes towards the bottom of the search results are so much more expensive than those at top. Very few felt these quotes would be better or different from the cheaper options, and on prompting as to why this might be, many defended the lower quotes, emphasising the extent to which consumers want to believe these are a good purchase option.

"I would just say it's greed. Look at that one – (...) £505.58, and still have to pay £400 excess, even though I have got 20 years no claims." Male, 40-50 years, Cardiff, Motor Insurance

"You have to look at each one, can't just assume that the top one is the cheapest quote. Some of these prices are ridiculous – (...) almost £430, I don't get how the same information can elicit such a wide range of prices." Male, 40-50 years, Cardiff, Motor Insurance

Some were aware that the cheapest headline price might not turn out to be the cheapest when other factors are taken into account but they remain committed to the idea that they are still quality options. This belief was reinforced by the results themselves where the expensive options do not appear to offer the best cover, judged by consumers as the amount of the excess and the number of green ticks or add-ons included in the price.

Overall, many consumers disregarded the higher quotes and there was evidence that the 'big numbers' only served to make the quotes at the top of the search results seem even more appealing and like the 'good decision'.

7.3.14 Reactions to marketing messages on the PCWs

There was little or no visible response to the 'pop-ups', holding page messages or adverts that appear throughout the process. Again, the headline price, excess and add-ons fill the foreground for consumers at this stage in the process and few noticed or responded to other content.

Re. holding page message awaiting search results: *"No, not seen that before. I would just ignore that, as usually I'm doing this in a hurry."* Male, 50-60 years, London, Motor Insurance

"I see those all the time when surfing the net, so just ignore them." Male, 50-60 years, London, Motor Insurance

The way that special offers are presented in the search results can be misleading. Those who noticed them assumed they are dividing or grouping the search results, for example, by price band.

"They must be the ones they want you to buy, or the ones close to the quote you put in." Male, 60-70 years, Belfast, Motor Insurance

When prompted, many felt they have enough to take into account in selecting a policy and special offers are more of a complicating factor to be ignored than an influence on purchase decision.

7.3.15 Terms and conditions

Terms and conditions (T&Cs) were not read before being ticked, either within the PCWs at the close of the data entry stage, or at the insurance policy purchase stage. Many commented that the way T&Cs are presented framed them as 'not for me': they look and feel inaccessible, with dense, small text and legalistic language.

T&Cs were considered limited relevance or importance at the PCW data entry stage and many assumed they are just a formality, with no risk to the consumer from ticking and moving on. Indeed, it was evident that ticking without reading was an almost automatic response, and very few consumers paused or commented on the T&Cs at this stage in the accompanied shop.

"I know I should (read T&Cs). I worked in banking and always tell people to read the T&Cs, but I am the world's worst when it's something like this. I just assume it's all correct." Male, 40-50 years, Cardiff, Motor Insurance

"We are all guilty of it all the time (ticking without reading), if you read it it's probably 20 pages of small print, and if you don't tick that box you can't go any further, so you have to tick that

box to go on. I suppose it's part of the trust thing, I'm trusting the price comparison website, the well known name that I see advertised on TV, to be above board and not be doing anything untoward, so I'm just ticking that box." Male, 40-50, Norwich, Home Insurance

"Because they're so complicated, they're so long, and such small print that you would have to go over it with a magnifying glass to read and it's the same on the computer when there's page after page after page." Male, 50-60 years, Belfast, Motor Insurance

Many recognised the importance of T&Cs at the insurance policy level, containing potentially important information, but admitted they are only read when needing to make a claim, putting even more pressure on making the right purchase decision in the first instance.

7.4 The consumer purchase decision

Consumers went on a journey through the research and purchase process and often ended up paying more than they initially intended at the outset. Many began by looking for lowest cost (the benchmark is anything lower than their current quote), although some were aware they are unlikely to end up paying this amount and have an openness to increasing the cost.

Re. protected no claims: *"It's only gone up to £227, so only £6 increase, so that is well worth it."* Female, 20-30 years, Glasgow, Motor Insurance

"Loss of key cover, that is good, only an extra £1." Female, 20-30 years, Glasgow, Motor Insurance

"The headline rates of these are cheaper than I am paying at the moment, but I know that they're not necessarily going to end up as those prices." Male, 50-60 years, London, Motor Insurance

Exposure to the add-ons and other options often resulted in an upsell, and in some cases with consumers swerving from a determination for the bare minimum of cover to the full range of additional options and extras. The very presence of add-ons and other options can suggest to consumers that these exist because the likelihood of needing them is high, otherwise why would they be there?

Combined with a number of persuasive factors the pressure to increase cover and cost can be profound:

- the 'green tick' effect;
- the cost broken down into small monthly amounts;
- add-on costs appearing minimal in relation to the policy quote;
- the risk of not having them.

The increase in cost (anything up to 30%) was post-rationalised by a belief that it is still better value: covering significantly more and gaining extra peace of mind for what feels like a relatively minor amount.

Some were critical of the way search results suggest add-ons will be included, only to find they are an extra cost at the policy summary or full policy stage. This was especially so with motor insurance, where on occasion, features or add-ons appeared to be included on the results page, or were misinterpreted (e.g. courtesy car vs hire car), and turned out to be an extra cost or limited cover on the

policy summary or policy documents, potentially resulting in consumers paying more than they first expected and not achieving the cheapest option they had intended.

“You put your details and get the page at the end, and you just think you have got your courtesy car and cover, and it’s not until you actually go to the insurer’s page that you realise that you need to pay for your keys and your hire car, so think they should clarify that earlier on before you go ahead, or ask questions so that you get exactly the information you need in the prices they quote. The price you are getting here isn’t necessarily what you could end up paying, it’s a bit misleading.” Female, 20-30 years, Glasgow, Motor Insurance

“Right now you look at that and think ‘Great I have got a courtesy car’, but it might only be for one day if your car is being repaired, not if your car is written off or stolen, which is when you would actually need it, so I think they should ask you what you need from them and then reflect that in the prices.” Male, 30-40 years, Coventry, Travel Insurance

“Windscreen cover subject to excess’ – earlier on it said windscreen cover with no excess, but now it’s saying ‘subject to excess’, that is a bit of a query. And it also 60 days of EU cover, but earlier on it said between 60 and 75. It’s quite misleading, actually it’s a total contradiction.” Male, 50-60 years, Belfast, Motor Insurance

“If it was there immediately in front of you from the word go then it would be good. On the face of it that quote looked like it was £193, but now it’s making me question what cover there actually is on there and that is only because I am looking at it in detail, but if I was sitting at home needing to renew my insurance for the next day I might see that and think ‘Right, £193, not too bad, I’ll do that’ and then if something came up that contradicted what my belief of my policy was then it would make me very distrustful of the site.” Male, 50-60 years, Belfast, Motor Insurance

Many buy into to the idea of the extra features and add-ons when they see them included in the search results and in spite of then discovering that they are an extra cost, or they need to select paid for options to achieve the cover they thought they were getting, some felt more inclined to pay the extra and commit to purchase having invested time and effort to get to this stage.

Because of the inconsistencies between what consumers saw on the results pages and what they found on the policy summary or full policy pages, many began to realise there is more to know than they thought, and took a number of actions:

- Cautious insurers: tended to delay the purchase and phone the insurer (or the brand name that appears on the PCW, which may in some cases be a broker rather than insurer) to double check;

- Avid comparers: tended to start again on a different PCW (in future avoiding the PCW they have used);
- Hurried pragmatists: tended to make the purchase anyway, having invested too much time already.

“I don’t think they were as honest on the first page as they have been on this page. There are certain conditions attached to the courtesy car, and I had to look here to find that out, and if you want your keys covered you have to pay extra money, whereas before it had a tick, so that made you think you were getting that as part of your quote.” Female, 20-30 years, Glasgow, Motor Insurance

“You are paying an extra £20 a year, so not excessive, but it is still more. They could be a bit more honest with that. I would go back and check the other companies now I think, just to see if it was the same set-up.” Female, 20-30 years, Glasgow, Motor Insurance

Few felt they would have become aware of these inconsistencies without prompting from participating in the research process. As a result, many reflected that they needed to spend more time, look into the process more carefully and question their assumptions. A number of factors in terms of the way information was presented consistently caused many to pause and consider how they were using the PCWs and search results:

- The effect of the ‘green ticks’;
- Anchoring to the ‘headline price’;
- Inconsistencies in what they had selected or filtered on and what appeared in the search results;
- Inconsistencies in what appeared to be included on the search results and what appeared to be a cost option in the policy summary;
- Difficulty in making a true comparison because of the way the information was presented and limitations in the policy summaries and ‘information’ options.

“You need to pay more attention than you think. It can be worth scrolling down and comparing them, not as straightforward as you think.” Female, 20-30 years, Glasgow, Motor Insurance

“I thought you could just do it in 5 minutes, however now that I have looked into it more it’s made me really think. I think things should be clarified a bit so that you get the bigger picture, it’s not all as sewn up as you think, it definitely takes more looking into.” Female, 20-30 years, Glasgow, Motor Insurance

“Although it’s a comparison website you can only compare them to a certain extent. You might think ‘That is a good price for that and that, but then that one is a good price for that and that’. I think I end up baffling myself and they end up baffling me with numbers and a lack of information. Too much information is a bad thing, but not enough is also a bad thing.” Female, 20-30 years, Cardiff, Home Insurance

In spite of their initial intentions, very few committed to purchase in the accompanied shop, in part due to the research process and the new perspective it prompted by asking consumers to reflect on their experience. A minority did make a purchase, and these were characterised by the same attitudes and mindset, all were ‘Hurried Pragmatists’ and the least engaged with the subject, with a single aim: to get cover as quickly and painlessly as possible.

“I’m happy with that one, I expect they are all the same so no point spending more time than you have to.” Male, 40-50 years, Leeds, Home Insurance

For the Avid comparers, this was just part of their research and purchase journey, and they went away to continue the process. Comparing the preferred policy quote with those on other PCWs and contacting insurers direct (current insurer).

“I just print out the policy summary and add it to the pile and then take it to the next one (PWC) to see how it compares.” Male, 60-70 years, Cardiff, Travel Insurance

The majority felt they had identified a preferred policy but the effect of taking part in the research caused them to pause and reflect that they may not be comparing like with like, or that key questions about level of cover were hard to answer.

“I need to go away and think about this. It’s not showing me what I thought it was.” Male, 20-30 years, Leeds, Motor insurance

Some went full circle and realised that once add-ons, excess and instalment fees were added, they were better off staying with their current insurer, and the promise of the low headline rate did not always deliver.

“£226 is great, I would have gone for that, but because the total amount is £277.90 I would be better off staying where I am. It’s all about the price at the end of the day.” Male, 30-40 years, Cardiff, Motor Insurance

“There wasn’t enough of a saving so I stayed with my current insurer, it’s the first time that has happened in years.” Male, 30-40 years, Cardiff, Motor Insurance

7.4.1 Purchase decision split out by GI type: Home insurance

Home insurance was considered the most important of the GI products in terms of protecting the home, and many were engaged with the research and purchase process and keen to identify the best cover. The rigorous nature of the data entry process meant many had considered levels and types of cover before the research results appeared, and of all the GI products, it appeared to consumers that the results were largely accurate, reflecting what they had selected. This reassured many that the search results could be relied upon to provide the right cover.

Although cost of the policy dominated initially, many looked beyond this to reassure themselves they have the right level of cover. This was also the most likely of the GI products for consumers to phone the insurer and check they have got the right cover, and for some it was too big a decision to depend on the PCW or internet alone. The need for reassurance also resulted in many opting for a well-known insurance provider brand, even where this resulted in a higher cost.

“At the moment I look at those and don’t expect them to have as good cover for things like freezer cover as companies such as (...).” Female, 20-30, Cardiff, Home Insurance

Buildings and contents cover were the priorities and having engaged with the amount needed at the data entry stage, many felt able to make a good decision once the search results appeared.

The way results were presented varied across the PCWs. Many were considered clear and transparent, but others included add-ons and options that lacked clarity or relevance for many consumers:

- Legal cover was not felt to fit with home insurance and few understood why it was an option. Many accepted it if included in the policy but none opted for it as an extra at this stage;
- Few were aware what Home Emergency was and it prompted a range of interpretations. Help functions and policy summaries did little to clarify exactly what it would cover;
- New for Old was taken at face value and had strong appeal influencing decision-making where it appeared;
- Building and content excess was well laid out and understood, and corresponded in most cases with what consumers had inputted at the data entry stage;
- The amount covered felt transparent and reassuring but on some PCW results pages, the building cover amount can vastly exceed the re-build estimate or value of the home, which confused some and raised concerns they would be paying for more for this excessive or unnecessary cover.

Although some of the add-ons did not feel relevant, their presence at this stage in the process still caused pause for thought, some assuming that if they are here, there must be a need for them.

Overall, search results were felt easy to use and understand but as with other GI products, the policy summaries were felt to offer little additional information.

“They can baffle you with numbers and science and it can be overwhelming if they give you too much information, too much small print that you don’t want to have to read, but at the same time they baffle you by not giving you enough information, because it doesn’t always give you the exact information on the policy until you get the policy.” Female, 20-30 years, Cardiff, Home Insurance

Once again, the lack of detail about the policy made true comparison difficult and left many to assume that the different policies work in the same way or cover the same things.

7.4.2 Purchase decision split out by GI type: Motor insurance

Motor insurance was felt by consumers to be more of a ‘grudge purchase’ and as a consequence many wanted to play with cover options and features in order to achieve the lowest price. However, the range of features and options meant few ended up paying the prices initially shown in the search results.

Many also came to Motor Insurance with a set of pre-conceptions about what cover, excess, features and add-ons they need. Often based on what they have had cover for in the past, the process of selecting cover was largely routine, with many anchoring to what they first decided or learned about Motor Insurance without questioning whether it still applies or means what they thought.

“I look at the cover to see if it’s got windscreen cover, that is a good thing to have, and so is a courtesy car. I have got six years no claims, so I would try and protect that, so that I don’t lose it.” Female, 20-30 years, Glasgow, Motor Insurance

“My Grandad always told me I needed legal cover so I always make sure it’s there... It’s there if you have a crash and they say it’s your fault but it was theirs and it all has to go to court.” Female, 20-30 years, Norwich, Motor Insurance

Initially, the level of information provided in the results page and the policy summary appeared sufficient, but on reflection significant gaps were identified. The PCW policy summaries are often taken at face value and initially felt to meet needs – there was a sense that if this is all there is, it must be all there is to know.

"I thought it was okay, gives you the one-off payment and also shows you monthly payments if you can't afford to do it in one go... Gives you some optional extras and gives you a breakdown, which is helpful." Female, 20-30 years, Glasgow, Motor Insurance

"Broadly speaking it's probably enough, I can work out what is important and the extra benefits. You can only read so much." Female, 20-30 years, Glasgow, Motor Insurance

Only on further reflection or prompting did a number of issues emerge:

- Some add-ons appear to be included on results page and policy summary BUT as extras at application stage;
- Some add-ons have significant limitations in terms of what they cover compared to expectations or assumptions.

The way many approached motor insurance meant there was the biggest potential for errors or assumptions in terms of the add-ons and the cover they opt for. The observations showed many think they know what they are getting but on reflection they may not be getting the cover they expect. Consumers interpreted add-ons, features and options as follows:

- **Protected no-claims (PNC)** was considered essential, especially by those with many years driving experience. It was perceived to be a simple product feature that would allow 1-3 claims until the no-claims would be removed. Some also believed that a maximum amount for PNC is nine years and enter this number even if they have built up more than this. Consumers also understand PNC to mean that their insurance cost would remain stable in the event of a claim;

"It keeps your insurance low, and accidents always happen, and I think it allows 1 or 2 claims and it's still protected." Female, 20-30 years, Glasgow, Motor Insurance

- **Breakdown cover** is often taken at face value. Only those who read detail in the policy document become aware that levels of cover vary across the quotes provided. In some cases it was unclear what type of cover they were buying into, and again there was the risk that consumers are not be not comparing like with like;

"It can be cheaper to buy breakdown direct, but that's a good price so I might add it in this time." Male, 40-50 years, Cardiff, Motor Insurance

- **Windscreen cover** is considered an essential, and while many were aware of an excess, some assumed this would be fully inclusive where the green tick appears. Consumers were able to make a more informed choice when the excess appeared on the results page;

“I thought that was included but it says here it’s £75 for replacement. That wasn’t clear, it looked like it was covered.” Female, 20-30 years, Norwich, Motor Insurance

- Many misinterpreted the **Courtesy Car** option and what it might include. Interpreted as a car for customers to use in the event of a claim where their car is off the road, many felt this was an important element of their cover and chose to include it in their purchase decision / consideration set. There was very little awareness of any limitations and few spontaneously felt there was any need to interrogate it further. On prompting, many had to dig deep into the policy detail to find out more, and were shocked to discover the limitations:
 - It does not apply in a write-off scenario (the one time you would really need it)
 - A time limit is placed on how long they can have a car.

It became clear many had not appreciated the difference between Courtesy Car and Hire Car in the add-ons and features. All felt the courtesy car add-on should be clarified on the PCWs and time limits included in the results column, and policy summary / more information pages;

- There was very low awareness or recognition of the **telematics** option. This caused some confusion and many disregarded it at the results stage, suggesting it was the wrong time and place to engage consumers with a new concept or product option. However, when referred to at the data entry stage, many took the time to understand what it was and make an informed decision, suggesting this is the right time and place to engage consumers with cover options or more complex issues relating to the policy.

7.4.3 Purchase decision split out by GI type: Travel

The initial stage of the purchase journey for travel insurance was consistent across the sample:

1. Many started by typing ‘Holiday Insurance’ into a internet search engine; tending to ignore the ‘sponsored links due to a perception that they will throw up spurious results and waste time;
2. The headline price within sponsored search results often caught attention of consumers with evidence some anchor to this number as a reference point;
3. Many selected the first recognised PCW in the list or scrolled down to find one they felt familiar with.

It was evident from the way consumers responded that appearing towards the top of the ‘genuine’ search results can be reassuring and a cognitive prompt to select that PCW even though many were aware that website optimisation is another marketing tactic.

Search results tended to feature many of the same insurance providers but few recognised or well-known brands. Many were unsure why this was the case and reactions segmented. The more cautious consumers did one of the following:

- Went to other PCWs (often only to find exactly the same brands and results);
- Went direct to a recognised travel insurance brand or provider;
- Re-considered taking travel insurance with their travel / holiday provider in spite of perceptions that this can be a more expensive option.

The more confident either put their faith in the PCW to be presenting credible brands or did an internet search on the brand of their preferred quote in the search results in order to look for information and reviews to reassure themselves about the provider.

The relatively low cost difference by level of cover led some to feel that comparing on price alone was less relevant or valuable for travel insurance as compared to other GI products. The lower cost for travel insurance also tended to position it in the mind of consumers as a lower risk purchase and many were less concerned or engaged than with other GI products. This was perpetuated by a 'holiday' mindset among many consumers who tended to focus on the more fun elements of planned travel. As a result, many took travel insurance options on the PCWs at face value and few felt the need to interrogate cover at a deeper level.

Many initially felt comfortable with the search results and how to interpret these:

- **Cancellation:** was considered low risk but easy to calculate – as long as it covers the cost of the trip;
- **Medical:** was considered the most important and potentially complex element of travel insurance but many assumed it would work the same way across all quotes and the huge numbers quoted in terms of level of cover e.g. £x million were enough to reassure many initially;
- **Baggage:** was also felt easy to calculate and all assumed it would provide the same type of cover - the replacement of lost or stolen items;
- **Airline insolvency:** was felt to be low risk and covered elsewhere (via ABTA).

Many assumed by default that while the excess and amount of cover varied, the way travel insurance works and what it covers would be largely the same across the quotes.

The way results were presented was felt to contribute to a number of misconceptions and was used by consumers to judge what levels of cover they needed. The levels of medical cover lack any context and by default many anchored to the biggest number and interpreted it as the best option, assuming it

must cover everything. Few looked further than this but on prompting, many found it hard to identify exactly what was covered in the policy.

“Seeing the amount of cover and knowing that I don’t have any medical conditions then I assume that I would be covered.” Male, 30-40 years, Coventry, Travel Insurance

Levels of excess varied widely but many felt that in comparison to the level of cover, even a high excess appeared minimal and appropriate. Some also overlooked the implications of a high excess on the other, lower claim value elements, such as lost or damaged items.

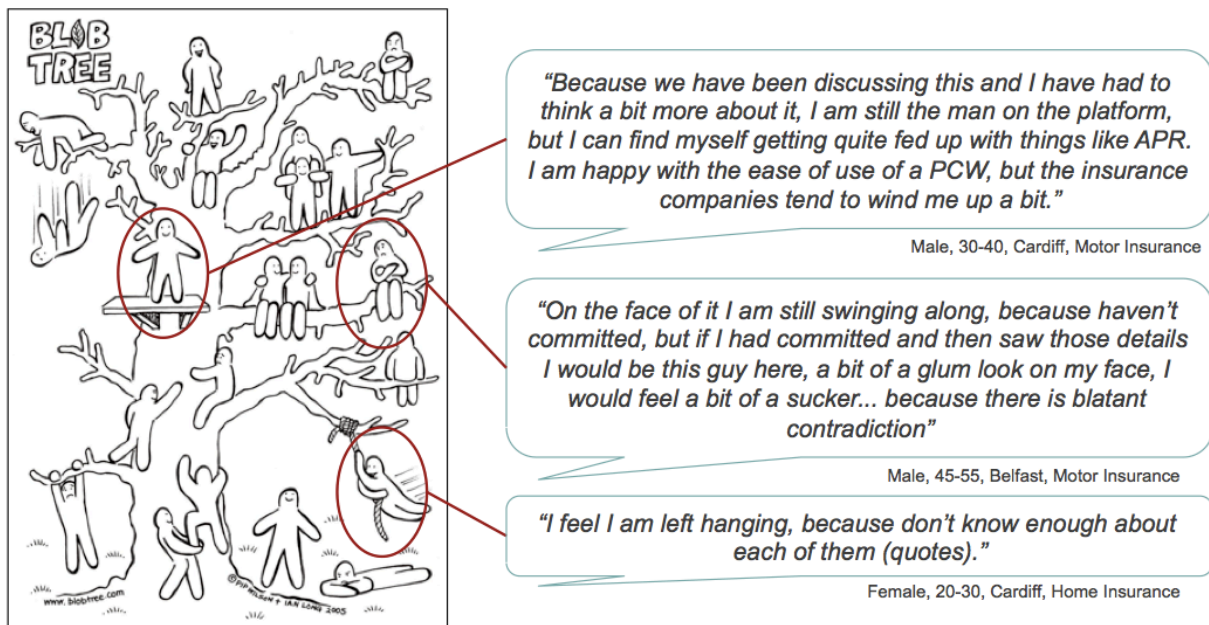
Re. Excess: “It’s so much less than the medical fees, it hardly seems to matter much.” Male, 20-30 years, Norwich, Travel Insurance

“I’m not necessarily happy with it but it’s a catch you expect with insurance, it’s just there.” Male, 20-30 years, Norwich, Travel Insurance

Those who attempted to interrogate the cover found it hard to locate usable detail about how it worked. The policy summaries or overview lacked sufficient detail, while in many cases the policy schedule / summary of cover felt inaccessible and overly detailed. Across the sample, many felt that information about the policy and level of cover was lacking in relation to travel insurance and even basic questions were hard to answer at every level. Combined with the relatively unknown brands that appear after a search, some of the more risk averse feel it safer to go direct to a specialist. Others felt less engaged or concerned due to the relatively low cost of travel insurance, and happy to select a low cost option without interrogating further.

7.5 Revised attitudes to PCWs

Following the accompanied shop, participants re-visited to the blob tree exercise and tended to reflect that the experience of using PCWs to research and purchase a GI product had not met their initial expectations. It should be noted that there was likely to be a research effect here, with participants being asked to reflect on the process in a way that would be unlikely to happen in the real world, but also in a way that enabled them to access the emotional feelings they associated with the experience as a whole.



BLOB TREE

"Because we have been discussing this and I have had to think a bit more about it, I am still the man on the platform, but I can find myself getting quite fed up with things like APR. I am happy with the ease of use of a PCW, but the insurance companies tend to wind me up a bit."

Male, 30-40, Cardiff, Motor Insurance

"On the face of it I am still swinging along, because haven't committed, but if I had committed and then saw those details I would be this guy here, a bit of a glum look on my face, I would feel a bit of a sucker... because there is blatant contradiction"

Male, 45-55, Belfast, Motor Insurance

"I feel I am left hanging, because don't know enough about each of them (quotes)."

Female, 20-30, Cardiff, Home Insurance

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Comments emphasised the extent to which many felt there was more to know than initially expected, but in spite of mixed experiences and reflections, many still felt positive towards the PCWs as a whole and tended to blame themselves or the insurance providers for the lack of clarity around selection and purchase of GI products.

However, comments revealed that the PCWs are currently more limited in terms of what they allow consumers to do in the research and purchase of GI products, than was initially expected:

Consumers can...



- ...quickly and easily get a large number of quotes for insurance
- ...easily compare the price of the quotes presented / view them in price order
- ...gain a very high level sense for what features or add-ons are included OR the levels of cover

Consumers can't...



- ...compare the actual policies in a meaningful way (although they thought they could)
- ...be sure that the add-ons that appear in the search results will be included at no extra cost when they go to purchase that policy
- ...rely on the filter options at the data entry stage to appear in the search results
- ...easily interrogate the policies or find out exactly what they are covered for, how the policy works or differences between providers in the way the add-ons work

Many consumers felt there was good reason to be concerned about their decision-making and the way they had used the PCWs, and spontaneously suggested they would approach the task with more care in future and include extra steps to ensure they got what they wanted:

- Looking at the excess amounts overall and for each add-on;
- Looking into what each add-on covers and how they differ across quotes.

Some also raised doubts about how accurate previous purchases using PCWs might have been.

"I would probably play about with it a bit more, now that I have noticed the compulsory and voluntary. I would try and bring the excess down as much as possible, because it's not necessarily what you think it will be in the first place." Female, 20-30 years, Glasgow, Motor Insurance

"I had used them for my home insurance, I had seen the adverts, and it was really straightforward, but now I am thinking perhaps I should have looked into it a bit deeper. I am hoping I have got the right home insurance. (...) is well advertised, so I do trust it." Male, 30-40 years, Glasgow, Home Insurance

"It makes me question whether I would be so quick to use them and buy the insurance. I think I would get a rough guide, and would contact a few insurance companies to get quotes to make sure that I am getting the exact thing I am looking for, but not sure that if I clicked on that box I would get the exact cover I am looking for." Female, 20-30 years, Glasgow, Motor Insurance

The customer journey undermined confidence in the PCWs and their outputs, but on balance trust in them remained strong and many felt they would continue to use and depend on PCWs to research and purchase insurance in future.

7.5.1 Results from the reflector interviews

A proportion of participants were re-contacted in the weeks following the depth interviews and reactions reinforced the extent to which PCWs remained popular. While respondents were continuing to use and rely on PCWs, many also took additional pre-cautions:

- Comparing search results across multiple PCWs;
- Contacting the insurer by phone to go through the process and check they are covered as expected and questions were answered correctly;
- Spending more time looking at the search results and what they include; the level of cover; how the add-ons work;
- Looking more closely at the pre-set excess and adjusting this to preference using the filters;
- Looking more closely at documents for their current / previous insurance policy and ensure they match with new policy quote;
- Not assuming that the first product / provider that appears on the search results is the right one for them.

Many were more wary but wanted to continue using PCWs, describing them as a trusted and valued resource. Any misconceptions or shortcomings identified with the way PCWs work were still outweighed by the perceived ease and speed with which they enable comparison and selection from multiple insurance quotes.

“You can spend half an hour filling out all the tick boxes and get back results that don’t match what I want... but that is the way the world is going, everything is online and I need to be up with it.” Female, 40-50 years, Norwich, Motor Insurance

“An essential tool when you’re so short of time, they give you a broader view of the market.” Male, 30-40 years, Cardiff, Motor Insurance

Many also confirmed that they had been contacted by PCWs and / or insurers, following the accompanied shop. This was in spite of many feeling they had ticked or unticked to select ‘no further contact’. These contacts comprised:

- A mix of phone and email contact;

- Some from unknown insurance provider brands;
- Offering lower cost insurance but often unable to match current renewal quote.

While consumers don't like the unrequested contacts, none of the participants felt this experience would put them off using PCWs in future.

"I can't say I like them but they are just a fact of life these days." Female, 30-40 years,
Glasgow, Home Insurance

7.6 Suggested improvements to PCWs from consumers

7.6.1 Improved filter options

Consumers consistently suggested the PCWs could work harder to deliver what they need, and what many thought they were getting: a policy and price comparison.

Many felt this could be achieved by introducing a series of product filter options at the data entry stage of the process. This would ensure that the search results delivered a smaller number of product options based on these preferences, allowing consumers to compare 'like with like' products. This was also felt to have the added advantage of engaging consumers with product options more effectively, and before the headline price in the search results dominated their attention. Combined with a more accurate excess filter, many felt this would result in both a more accurate purchase decision, and increased trust in and usage of PCWs.

"I wouldn't mind an extra page of questions in order to get a narrowed down list of companies, and then it's more tailor-made to you. I think that would make a lot of difference to the policies that people choose." Female, 20-30 years, Cardiff, Home Insurance

"You can't always compare them against each other. You can compare the prices, but you can't compare the policy. I like to know what I am paying for and would like to be able to compare some of the main policy features." Female, 20-30 years, Cardiff, Home Insurance

"The majority of them are quite easy to use but I think there is opportunity for them to offer more bespoke results initially, rather than just bringing up hundreds of results." Male, 20-30 years, Coventry, Travel Insurance

"One of the first things I look at is price, but I would choose the quality of cover over price. If I chose something of a lower price but didn't have the quality there then there is no point me having had it to start with. I know mine is coming up, so I have spent weeks looking online. I have to look at things like (...) as well, who don't participate in this sort of website. I think sometimes you can be baffled with too many numbers, rather than just showing me what the numbers include. It's nice to see things new for old ticked, the visual aids, but it would be a lot of columns. Maybe if I could tick what I wanted them to show me then that would be awesome." Female, 30-40 years, Cardiff, Home Insurance

"The adverts do say it's a price comparison site, so they're not misleading you, but that is why I spend hours on it, because I am forever thinking 'I can get that with that one, but this one is offering that but not that'. I think a policy comparison site would be better than a price

comparison site. If I left it to my husband it would be a price thing, but I like to know that I am getting something decent for my money.” Female, 30-40 years, Cardiff, Home Insurance

7.6.2 Improved policy information

Many discovered that key information was missing or hard to find when re-visiting their purchase journey, and identified a need for a more consistent approach to providing consumers with information about the policy. It was felt this should comprise a clear explanation of what is included, the level of cover and excess amounts, allowing users to interrogate the quote without feeling they have to commit to buy. In summary, consumers were looking for three levels of information:

1. **Search results:** a basic summary of level of cover and add-ons included;
2. **Policy summary:** accessible from the search results but labelled ‘more detail’ vs ‘buy now’. Key Facts would be the ideal at this stage being recognised, accessible and a consistent look, feel and content. Some spontaneously mentioned Key Facts as the optimal format, while others were prompted with a sample version during this stage in the research sessions;
3. **Policy schedule:** available at the purchase stage on the insurer website and with full detail about the policy.

Without this information consumers felt they could end up with a more expensive product or not being covered for what they want, undermining the perceived benefit of using the PCWs.

7.7 Attitudes towards regulation and PCWs

Few noticed, looked for or mentioned financial regulation during the accompanied shops, and on prompting there was an implicit assumption the PCWs are checked and regulated. Few wanted to know more about how PCWs work, rather they want reassurance that the PCWs are honest and transparent: that what you see is what you get. The main concern was that quotes should appear in genuine price order and are not influenced by the PCW or insurers buying their way to the top. A few spontaneously suggested that more about how they are regulated would reassure them when using the PCWs.

“More confidence in terms of who these companies are would be good, perhaps the site saying that all the companies are regulated, which gives you that extra security.” Male, 20-30, Coventry, Travel Insurance

“Maybe it could be a general thing when you go into the site – ‘(...) says that all providers we advertise through our site are FSA regulated’, because then at least you don’t have to check for each one you go into.” Male, 20-30, Coventry, Travel Insurance

Some were aware of the FSCS but few could describe what they do, emphasising that regulatory bodies are not playing a key role in the context of PCWs. Following the accompanied shops, many realised they made assumptions when using the PCWs and reflected how important it was that they are regulated to ensure they work in a fair and transparent way.

Appendix 1:

1 Behavioural economics principles in evidence

The qualitative research drew on theory from the field of Behavioural Economics (BE) to understand and explain some of the consumer behaviours witnessed. The following outlines some of the BE principles that appeared to influence aspects of consumer behaviour identified in the research.

1.1 Status quo bias

This is the theory that people often prefer things that stay the same and show resistance to change. When faced with a difficult or complex choice, the tendency is to carry on doing what we've always done and avoid making a decision. This was in evidence when consumers who have had a particular excess or add-ons with their insurance in the past, find it easier to carry on doing so, rather than questioning or changing their decision (the 'non-decision').

1.2 Authority bias

In decision-making, Authority Bias is the tendency to over value the opinion of someone who is seen as an authority. There is a perception that the PCWs and insurance providers must know better than the people who use them, and defer to their better judgement or knowledge. For example, where consumers see pre-populated excess amounts, there can be an assumption these are the right levels, or when a filtered search doesn't deliver the expected results, an assumption that what they want doesn't exist. This extends to additional features and add-ons, which simply by being offered by insurance providers are felt by many consumers to be meeting a need or addressing a risk. The interpretation is that the insurer knows the risk exists, and brings this inside knowledge to bear for the benefit of the consumer in the form of additional cover options.

1.4 Framing, salience and limited attention

Framing, salience and limited attention was observed in the way consumers overestimated the value of certain GI quotes on the PCW search results because they were presented in a particular way, allowing the consumer to believe that this was all the information they needed to make a 'good enough' decision. This was especially evident in the way icons, such as green ticks or red crosses were viewed and used to gauge the quality of the quote, often without looking beyond this surface level.

1.5 Herd instinct and social norms

Herd instinct and social norms describes how people are heavily influenced by what other people do. This was an influence for many to rely on PCWs – because everyone else does it and wisdom lies with the masses, not with the individual. There was also evidence that discussing achieving lowest cost insurance is acceptable social currency, and people discuss or compare at renewal times and PCWs are a core part of this discussion. This influence persists even following the research with a sense that ‘all those people can’t be wrong’ results in participants adjusting their use of the PCWs but not blaming them for the shortcomings or limitations that were revealed as a result of the research process.

1.6 Reference dependence

This theory demonstrates that consumers may not assess outcomes in their own right, but rather as gains and losses relative to a reference point. Psychologically, losses are felt roughly twice as much as gains of the same magnitude. As a result, consumers under-estimate gains and over-estimate losses. However, the same outcome can be framed as a gain or a loss depending on the choice of reference point. So consumer choice can be unstable and vary depending on which reference point is chosen.

In this instance, reactions appeared to show that the reference point is often the cost of the insurance premium for the previous year, and consumers set out to ‘match’ this for the current year. Paying more than the previous year can feel like a ‘loss’ and many seek to avoid this at the exclusion of other factors such as the quality or range of cover. In many cases, consumers also reference the lowest cost that appears following the PCW search, and use this when assessing the cost of other premiums.

1.7 Present bias

Some consumers admitted to being over-reliant on price comparison websites, taking the simple way they present information and options at face value rather than interrogating the policy or exploring what it covered. Many consumers described doing this because they felt that interrogating the detail would be hard work and present them with difficult choices. This is potentially an example of ‘present bias’, where people can have excessive urges for immediate gratification, overvaluing the present over the future. Present bias can lead to self-control problems such as procrastination, or in this instance, a preference to get the job done quickly and easily rather than fully engaging with the product or its implications.

Appendix 2:

1 Technical report

1.1 Qualitative research method

For the qualitative research, a face to face depth interview approach was adopted, comprising an observed online accompanied shop, where consumers set about the task of researching, shortlisting, selecting or purchasing one of the three GI products: home, motor or travel insurance. Following the observation, participants were asked to retrace their steps and reflect on what they had seen and the decisions they had made.

1.2 Sample

The total sample from the qualitative research was 50 respondents, with a broad and representative cross-section of consumers, including a mix of gender, social grade, age, lifestage and financial confidence, and included a sub-group of those who have claimed or tried to claim on their insurance in the past 2-3 years.

1.3 Recruitment criteria

- All were the main or joint financial decision maker and the one making the decision about which insurance product to select and purchase.
- Using a set of attitudinal questions, all considered themselves comfortable or confident using the internet, with those who considered themselves 'expert' or complete novices screened out at this stage.
- All were planning to purchase at least one of the three GI products within the next few weeks: home x18, motor x17 or travel x15.
- All were planning to shop around before purchasing their insurance using their preferred PCW(s).
- A mix of different PCWs being used by participants.
- A mix of those who purchase their insurance directly through the price comparison website and those who get their quote from the price comparison website but then go to the insurer to purchase the product.
- A minimum of 10% of respondents to have made a claim on their insurance in the last five years, half of these successful and half unsuccessful claims.
- A mix of higher and lower financial confidence and capability.

- All intended to complete the GI research and purchase during the accompanied shop.

1.3.1 How financial confidence was determined

Consumer financial confidence was determined by using a set of attitudinal statements within the recruitment-screening questionnaire, which was itself designed to ensure we recruited a good mix of respondent types.

This was as follows:

Q. Thinking about your general attitudes to dealing with your money and finances, can you tell me which of the following best reflects you?

I'm generally confident when dealing with my money and finances. I often feel I know which financial products are going to be right for my needs.

I am fairly confident when dealing with my money and finances, but I do sometimes struggle to know which financial products are right for my needs.

I'm not at all confident dealing with my money and finances, and I often find choosing which financial products are for me a real challenge.

1.4 Areas of questioning

The following discussion guide illustrates the areas of questioning and exploration that was employed within the sessions.

Attitudes to PCWs – 5 minutes

Exercise 1: Hand out a diagram of the Blob Tree and explain: *before we begin, please look at the diagram and circle the character that best represents how you feel when you set out to select or purchase insurance using a PCW. The characters have no defined meaning, but can mean or represent whatever you think (write number 1 next to this diagram and ask respondent to write a brief explanation of their choice on the back of the sheet).*

- Discuss findings – why do they feel this way

Exercise 2: Hand out diagram of the archetypes and explain: this sheet shows a range of occupations and professions. Thinking again about PCWs, which occupation best represents or comes closest to reflecting the role of PCWs in your life.

- Discuss findings – how do they describe the relationship they have with PCWs – reasons for this

Accompanied Shop – 20-30 minutes

Hand the laptop to the participant and ask them to imagine they were where they would normally be when researching or purchasing insurance, and do whatever they would normally do.

Explain: *This is not in any way a test, we are purely interested in what you do when you go through this process. Please feel free to talk about what you see or how you feel as you go through the process BUT there is no need to try and give reasons for what you are doing, we're just interested in how you and other people like you normally use PCWs.*

Moderator: Observe consumer behaviour and make notes using reporting template throughout.

Lookout for:

- how they respond to the way products are presented / the information provided
- whether they hesitate or pause at any stage
- what appear to some of the drivers influencing decision making
- Look out for pop-up messages and call-outs throughout the process and if/how these influence behaviour (e.g. messaging that their quote can only be guaranteed if they purchase immediately)
- Capture time taken and the extent to which they appear to research product details.

Once completed, and before discussing, **revisit the Blob Tree diagram** and ask the respondent to consider if there is a different character that best represents how they feel now they have completed the research / purchase process (write number 2 next to this diagram and ask respondent to write a brief explanation of their choice on the back of the sheet).

- Discuss reasons for selection / has anything changed – how / why

Then explore:

- Initial impressions of the experience
 - o Probe: what else in life feels similar - reasons
- How do they feel about the decision they have made / the product they have purchased – reasons
 - o What they had wanted before they started the process – how does this compare with what they ended up with
- Did they end up paying what was originally quoted
 - o Did they spend more or less than they had intended – reasons
 - o Anything they would like to be done differently
- Was the total cost of the policy clear (esp. the annual premium)
 - o For those who pay in instalments, did they understand the cost or implications of this or the cost of any Add-ons

- How do they feel about the point at which the Add-on price is disclosed
- How do they describe the role of PCWs in the process
 - What do they see as the advantages / disadvantages of PCWs
- Is there anything about what they have just experienced that causes any concern – reasons
- Was there anything that worked well for them - reasons
- Is there anything they feel they don't understand or want to understand better
- Was there anything about what they saw or the way products were presented that influenced them
- Is there anything about the PCW they would like to change or improve – reasons

Consumer Journey Evaluation – 15-20 minutes

Ask respondents to go back to the PCW(s) and as far as time allows, revisit the different steps of the journey and ask:

- What were they thinking at each stage
- Reactions to what they see / the way products and information are presented
 - Probe: Add ons / excess / exclusions
- Is there anything in what they see that gives them confidence either in what they are doing or in the products they find
- Was there anything that caused them to pause or hesitate - reasons
- What information did they look at and what did they not notice
- Was there anything they were looking for or wanted to know
- Did they use help boxes – reasons why / why not
- Did they notice any advertising on the PCW homepage – what impact did this have
- Impact of pop-ups and call outs on web pages

Purchase decision:

- What did they take into account when deciding which product to buy
 - Probe: extent to which the additional products or features (add-ons) influence their decision making
 - If they looked at a certain feature/ add-on but did not include this in their final purchase, ask them to reflect on why
- Any specific considerations relating to insurance types – motor / home / travel – do they have priority needs
- Travel:
 - do they consider activities they will be doing on their trip;
 - how far they disclose medical conditions (their own and medical condition of others that may prevent them from travelling).
- How did they decide which policy to choose

- How easy or difficult was it to compare quotes provided, e.g. compare the main product features, add-ons and the amount of excess on the main products and on the add-ons
 - o Which criteria do they compare / select on
 - Probe: are they able to search or compare by Add-ons – do they want to be able to do this – reasons
 - o Extent to which headline price dominates
 - o How easy / difficult to compare on other criteria
- Were they aware that the 'voluntary' excess selected was in addition to a compulsory excess – reactions to this
 - o Probe: Did they change / reduce the overall excess - reasons
- Was there anything about the way information is presented, or the way the PCW works that might have influenced their decision for better or worse – reasons
- How much do they understand about what they have purchased

Information gaps:

- Was there anything they weren't able to find out
- Was there anything they found hard to understand
- Do they look at any additional information on the PCW, e.g. the terms and conditions / more information / about us information – reasons why / why not
- Did they research what is and isn't covered in their policy - reasons why / why not
 - o Probe: What are their thoughts on the information provided on PCWs about what is and isn't included in the policy, including any Add-ons
- Do they buy through the site or go to individual insurance firms to check and arrange the policy – reasons
 - o Have they ever seen or heard of a 'Key Facts' document – reactions to this

Hand out copy of a Key Facts document and ask:

- o Could Key Facts play a role here
- o Where would they want to find a Key Facts document
 - Probe: displayed on a PCW vs the insurers' site?

Trust / confidence:

- How do they describe the level of trust or confidence they have in the PCW / Insurance companies – reasons
 - o Where does this come from – the insurance provider or the PCW or a combined effect - reasons
- How confident / trusting are consumers of the insurers that appear on PCWs
 - o Does their appearance on PCWs influence this
 - o Is there anything they see on the PCW that gives them confidence in the provider / product – if so, what

- How would they describe their knowledge or awareness of PCWs and how they work
 - o Extent to which they would like to know more – if so, what
 - o Awareness of how some PCWs might use customer data
- To what extent do they feel there is any risk to them in the way they use or depend on PCWs – reasons why / why not
- Are they aware of or interested in how insurance companies are regulated or what their consumer rights are
 - o Probe: awareness of Financial Services Compensation Scheme (FSCS) - extent to which a factor in decision making

Attitudes towards PCWs – 5 minutes

- What are their motivations / reasons for using price comparison sites
- Revisit Archetypes diagram – has anything changed, are there any professions they would now choose to reflect the relationship with PCWs - reasons
 - Who benefits from this method of presenting insurance – reasons

Hand out self-completion task 3 and ask respondents as honestly and accurately as possible to indicate the extent to which they believe each statement to be true:

- *Some quotes may be provided by the same insurer under different brands*
- *The insurance provider may be owned or is part of the same company as a PCW*
- *PCWs do not cover the whole market*
- *The price quoted by the PCW and the price on the insurers website may be different / the consumer may end up paying more than the amount quoted on the PCW*
- *It can be hard to find out the reasons for these price differences*
- *It is not always clear how the results on PCWs are calculated or why certain providers are not included in the list of results*
- *Some PCWs sell customer contact information to third party companies and organisations*

Discuss reactions to each statement

How does each make them feel about PCWs

Would they do anything differently next time

Extent to which PCWs should be communicating this to customers – how / why

Re-visit the Blob Tree – which character would they now circle (mark with a no.3)

Probe: has anything changed in terms of how they feel about the PCWs – reasons why / why not

Summary Evaluation – 5 minutes

- Reactions to what has been discussed
- What do they feel they have learned from the process

- Anything that causes concerns about how they go about researching and purchasing insurance
- Anything that worked particularly well for them - reasons
- Anything they would do differently next time - reasons
- Anything PCWs could do to improve the experience e.g. customer ratings; clear explanation of how they work / the relationship with providers / how they get paid
- Imagine they were the financial regulator in charge of all PCWs and financial service providers – anything they would want to change about the way these operate
 - o Probe: anything the PCW or provider should do to help people like them choose the right products for their needs

Thanks and close

Stimulus materials:

- Blob Tree diagram
- Archetypes diagram
- Sample Key Facts document
- Statements about PCWs

1.1 Follow-up reflector telephone depth interviews

Finally, a proportion of respondents were re-contacted following the face-to-face sessions. These short conversations were extremely revealing and designed to capture views from respondents once they have gone back into the real world, and their everyday lives, when they automatically reflect on what was discussed in the research.

The following discussion guide illustrates the areas of questioning and exploration that was employed within the reflector interviews:

Part 2 - Reflector Telephone Interviews – 5-10 minutes

- What do they recall about session
- How do they summarise their views of:
 - o The purchase journey / experience
 - o PCWs
- Has anything changed since the session – reasons
- How do they feel about the purchase decision
- What did they intend to purchase
 - o Did they end up with what they intended or something different – reasons / what changed
- How do they know / what do they know about the product they have
- Have they received anything from the insurance provider
 - o Did they look at the T&Cs or policy summary – reactions to these
- Were they subsequently contacted by the PCW for marketing purposes – reactions to this
 - o Probe: Did they think they had opted out / would they have liked the option to opt out

Ask those who were not able to complete the purchase during the session to describe what they did next

- was there anything else they needed to know or wanted to do - reasons
- did they do anything further online – describe in detail
- did they make contact with the insurance provider – reasons
- how did they make their final choice / decision
 - o what was the role of the PCW in this