

UK consumers - leading the way at saving money on insurance

LONDON, UK: Under pressure UK consumers are the saviest in the world when it comes to getting a good deal on their insurance cover and the least likely to blindly renew year after year, finds Datamonitor.

DATAMONITOR

Research* by the independent market analyst has revealed that we're far and away the most determined to shop around for a good deal for our insurance, and the least likely to stay loyal as we're not automatically renewing our policies. Only 11% of us automatically renew our car insurance compared to a global average of 36%. Comparing prices is now so easy that we're choosing to search for a new deal instead of going through a renewal process.

Andrew Haslip, analyst at Datamonitor said: "When we're shopping for car, home and travel insurance we're consistently shopping around more for the cheapest insurance than any other major market. In fact when looking at car insurance 64% of us said we were shopping around for the cheapest deal, compared to 46% in the next nearest market Italy. This was followed by 44% in Sweden, 42% in Australia, 36% in Canada and Germany and only 32% in the US.

UK's love affair

"In part this is down to the UK's love affair with online price comparison websites as again we're the most likely to use these to find the best insurance."

This has been facilitated by a number of high profile price comparisons websites which offer a number of sophisticated tools making it easier for consumers to find the best deal.

This doesn't mean the major insurance brands have been content to simply let the consumer come to them, recognising that multiple factors go into an insurance purchase, even on a price comparison site. Haslip continued: "Brands such as Churchill have identified that consumers are trusting friends, family and online recommendations more and as a result have utilised social media, in addition to traditional advertising, to build their brand presence among more than just insurance purchasers."

For example on top of appearing on price comparison sites, Churchill has opened up five different social media contact points including YouTube, Twitter, Facebook, iPhone apps and a Flickr photo gallery in which the brand can interact with consumers.

Haslip added: "During the recession we've become so used to offers and discounts that insurers will have to go a long way to encourage us to choose a policy based on other factors besides price. Insurers will therefore need to concentrate on offering added value to ensure margins aren't continually squeezed by a price sensitive UK consumer."

**Key Consumer Trends for Insurance Providers Post-Recession*

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