



Buying Car Insurance Online:

WHAT INSURERS NEED TO KNOW ABOUT THEIR CUSTOMERS

THE **RUNDOWN**

How do UK internet users research, purchase and renew car insurance? With 82% of customers now researching online before buying, often across multiple devices, car insurance providers must adapt to meet the expectations of increasingly tech-savvy consumers. The following analysis was carried out by Google, GfK and Nielsen. Below we lay out our findings and make recommendations for car insurance providers.

How to get car insurance right online

FOUR GOLDEN RULES

1 Create great online content

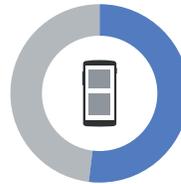
Among all car insurance purchasers,
% who researched online:



Even among those who auto-renewed,
% who researched online:



2 Optimize for mobile



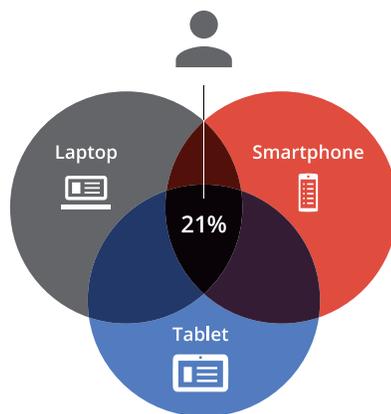
52% of UK consumers used a smartphone or tablet during their purchase of car insurance



Only 53% of UK insurance websites offered a positive experience on a smartphone

3 Implement cross-device tracking

21% used a PC / laptop, smartphone AND tablet during research:



4 Answer questions that consumers are asking

Consumers are mostly asking for general advice and for pricing information.

TOP 6 SEARCH QUESTIONS:

1. What insurance group is my car
2. How to get cheap car insurance
3. How much is car insurance
4. What is comprehensive car insurance
5. How to get cheaper car insurance
6. How to check car insurance

■ General advice ■ Pricing information

Sources: GfK Digital Panel. All purchasers of motor insurance, online population only (n=620). 2013.

Nielsen UK Android Panel. All researchers of motor insurance, Android smartphone users (n=301). 2013.

Google Internal. Questions asked on google.co.uk containing who, what, when, where, why, which or how. 2014.

"Positive experience on a smartphone" is defined as whether both the insurer's landing page, and the first page of the "obtain a quote" journey were optimised for a smartphone. August 2014.

Introduction

In the UK motorists are required by law to purchase car insurance. When people search online for car insurance they'll often research the product and obtain quotes, take some time to think about their options, and then return later to purchase their preferred policy.

As smartphones and tablets have become the norm, Google, GfK and Nielsen have found that people use their mobile devices to research insurance when they are away from their laptops and desktops. In this paper we examine more closely two macro trends:

1. RESEARCHING ANYWHERE, ANYTIME

People looking to buy car insurance conduct a significant amount of research: 82% of consumers with internet access research online before purchasing.¹ Even 60% of the consumers who chose to auto-renew their policy carry out online research before doing so.²

2. INSURANCE RESEARCH HAS GONE MOBILE

Cross-device usage is significant among people buying car insurance: 52% of those who research online use a smartphone or tablet at some point during their purchase.¹

Researching anywhere, anytime

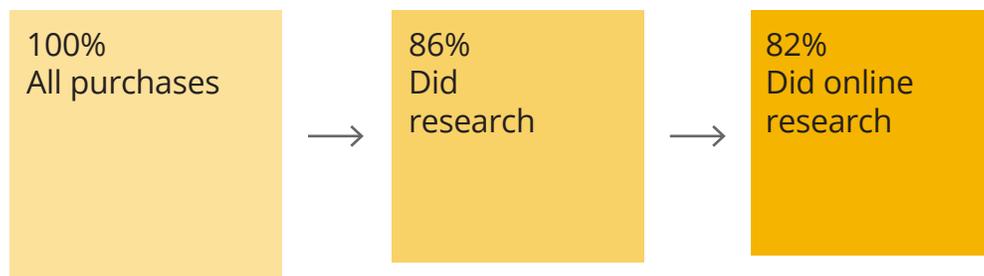
Consumers, even those who rollover their existing policy, do a significant amount of research in the course of purchasing car insurance.

Online research has become the norm for car insurance purchasers. Despite the maturity of the product's market, there are a number of issues around which consumers still have questions.

86% of all consumers carry out research before purchasing motor insurance, while 82% conduct research online specifically.¹ What is particularly notable is that a significant number of those who auto-renew their policy also conduct research (62%), with 60% carrying out such research online.²

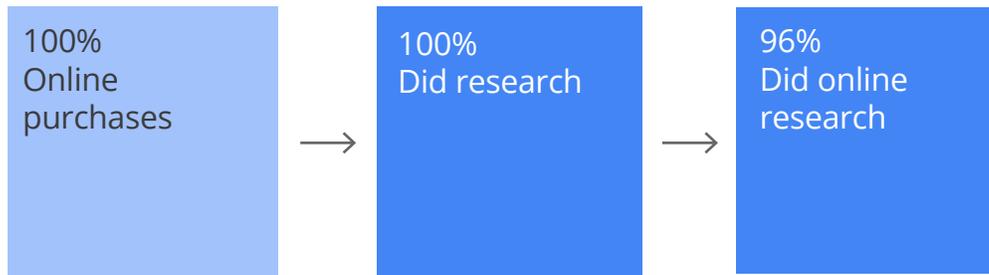
Return on Investment (ROI) attribution systems used by insurance providers need to account for cross-channel journeys, in order to ensure effective marketing decisions are made. For example, are providers recognising that 93% of offline purchasers carry out online research, prior to purchase?²

Amongst all customers:

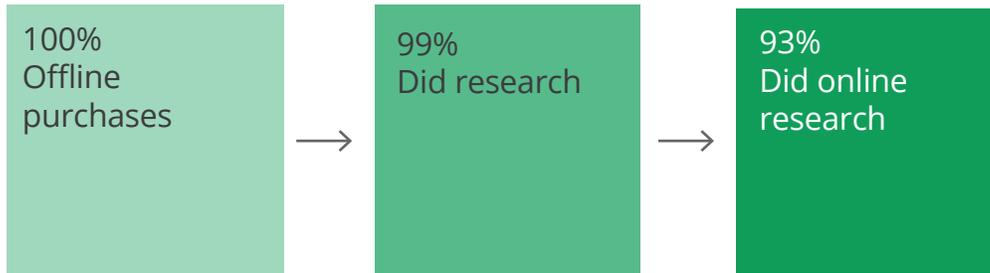


Source: GfK Digital Panel. All purchasers of motor insurance (n=620). January – October 2013.

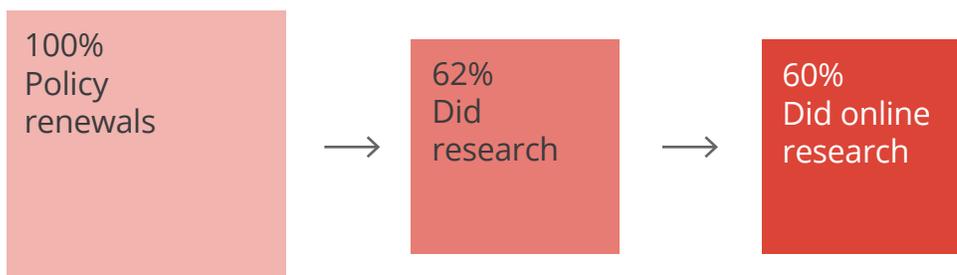
Amongst those who purchase online:



Amongst those who purchase offline:



Amongst those who rollover their pre-existing policy (no purchase):



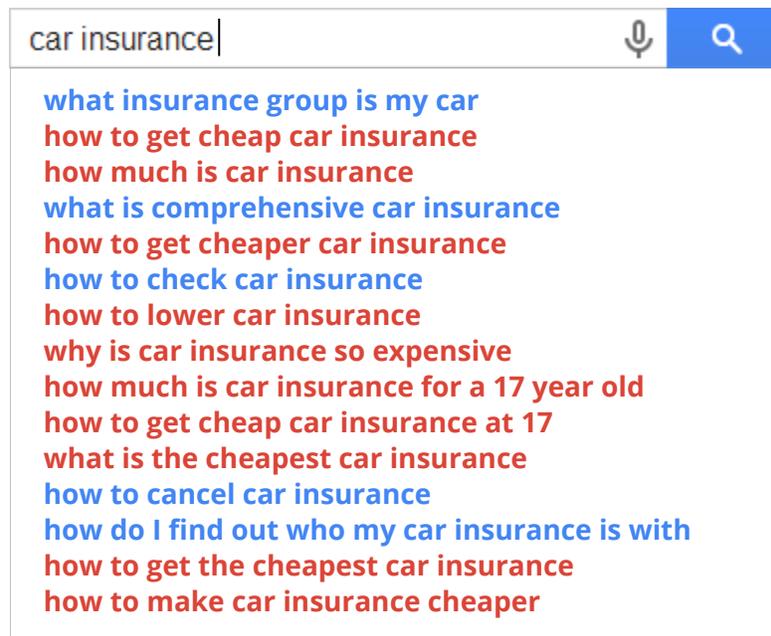
Source: GfK Digital Panel (n=620). Purchase online (n=212). Purchase offline (n=146). No purchase - auto rollover (n=229). January - October 2013.

WHAT QUESTIONS ARE CONSUMERS ASKING?

We investigated the “who, what, when, why, where and how” questions that Google users in the UK asked about car insurance between January 2013 and July 2014.³

The results below (ordered by popularity) revolve around insurance groups, how to get the lowest prices, and the costs for new (17 year old) drivers. They show that purchase decisions are led by price, and that despite the fact that car insurance is a mature product, consumers are still looking for information and guidance.

We suggest that insurance providers make sure that when consumers have questions like these, they can find the *answers* they need first – *selling* car insurance should come second. By providing useful, relevant content at the critical point of a consumer’s search for information, car insurance providers will be building trust – a great asset for an online brand.



■ General advice ■ Pricing information

Source: Google Internal. Most frequently occurring questions asked on google.co.uk containing who, what, when, where, why, which or how. January 2013 – July 2014.

Insurance research has gone mobile

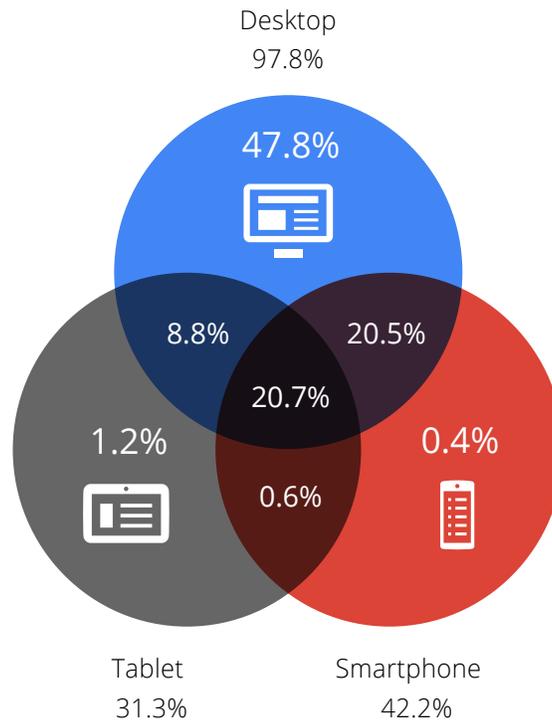
Modern consumers research and purchase car insurance across a range of devices.

Cross-device usage is significant: if insurers don't have a platform optimised for smartphones and tablets they are likely to be disregarded by tech-savvy consumers.

52% of UK motor insurance purchasers use a smartphone and / or tablet device at some point during their purchase journey. Nearly all (97.8%) consumers use a desktop / laptop; one in five (20.7%) consumers use a desktop / laptop, smartphone and tablet.¹

Implementing multi-device attribution allows insurers to track usage and see the added value of investing in a strong mobile platform.

CROSS-DEVICE USAGE: OVER HALF OF ALL PURCHASERS USE MULTIPLE DEVICES TO RESEARCH MOTOR INSURANCE



Source: GfK Digital Panel. All purchasers of motor insurance (n=620). January – October 2013.

USAGE ACROSS WI-FI AND MOBILE NETWORKS

People who use a smartphone to research car insurance do 54% of their research via Wi-Fi networks. In other words, they spend roughly the same amount of time using their smartphone at home / work as they do on the move, using 3G / mobile networks.⁴

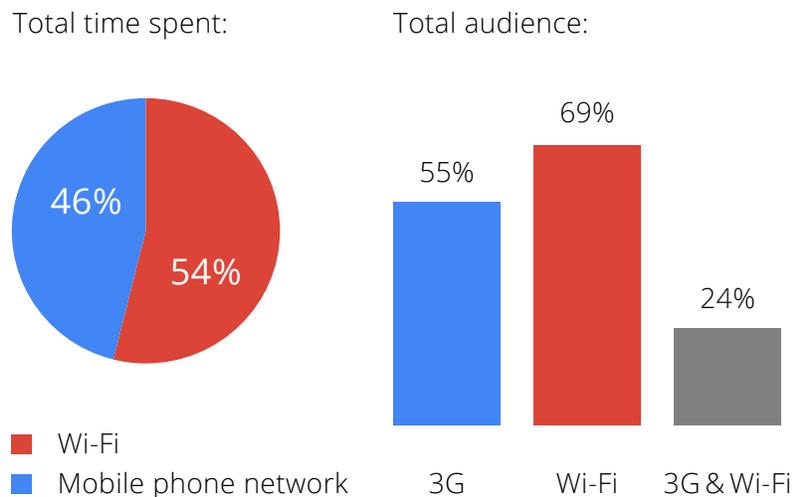
Of consumers who researched car insurance on their smartphones, we found that:⁴

- 69% used Wi-Fi networks at any point during their car insurance purchase journey
- 55% used mobile networks at any point during the purchase journey
- 24% researched motor insurance on both mobile and Wi-Fi networks

People use smartphones to research their car insurance options, both at home as an extension of the desktop / home computer and when they are out and have a few minutes to spare.

This use of the smartphone as an extension of the home computer means that it's a good idea for insurers to work through models of how consumers will search for their brand. It's important to assess whether they are meeting consumers at these touch points, for example:

- Is a commercial's brand message present in search results?
- Is that TV commercial easily available on YouTube?
- Is the Twitter stream able to answer any follow-on questions consumers might have?
- Are they leveraging the full impact of TV campaigns across the digital media?



Source: Nielsen UK Android Panel. All researchers of motor insurance (n=301). January – October 2013.

GENERAL QUERY TRENDS FOR MOBILE DEVICES

Consumer demand for information, quotes and purchasing on mobile platforms is growing; insurers need to be certain that they are meeting consumers where demand is.

As of August 2014, additional Google research found that only 53% of UK insurer websites were offering a positive experience on a smartphone, taking into account whether both the insurer's landing page, and the first page of the "obtain a quote" journey were optimised for smartphone use.⁵

Often problems arise once the user is past the mobile landing page, and into their quote journey, where they encounter a poor interface. Insurers must enable customers to get quotes and make purchases on a mobile device. Quotes should persist across devices, so that a user can begin their research on a mobile device and seamlessly pick up on a desktop later (or vice versa).

Summary

Research is a vital stage in the car insurance purchase process - 86% of all consumers conduct research while 82% of consumers research online specifically.¹ Car insurance providers (and UK financial services in general) are still slower than other sectors, notably retail, to optimise their websites for consumers who use mobile devices.

We have shown that a significant proportion of research and purchase decisions are now made by people when they are using their mobile devices, and that 52% of consumers will use a smartphone or tablet at some point during their purchase of car insurance.¹

If consumers are faced with a website (or purchase journey) that is not optimised for mobile use, they are more likely to look elsewhere.

RECOMMENDATIONS TO INSURERS

1. Throughout the user journey, from landing page to purchase confirmation, your website needs to be optimised for a mobile interface.
2. Understand as much as you can about how consumers are using different devices on your website by implementing cross-device tracking and attribution.
3. You can help and influence consumers throughout their purchase journey by creating content that engages with them, and reaches them at relevant touchpoints.

Sources

- 1** *GfK Digital Panel. All purchasers of motor insurance (n=620). Measured usage of desktop / laptop online activities, plus surveyed offline purchases and behaviour. January – October 2013.*
 - 2** *GfK Digital Panel (n=620). Purchase online (n=212). Purchase offline (n=146). No purchase – auto rollover (n=229). Measured usage of desktop / laptop online activities, plus surveyed offline purchases and behaviour. January – October 2013.*
 - 3** *Google Internal. Most frequently occurring questions asked on google.co.uk containing who, what, when, where, why, which or how. January 2013 – July 2014.*
 - 4** *Nielsen UK Android Panel. All researchers of motor insurance (n=301). Measured usage of smartphone activities. January – October 2013.*
 - 5** *“Positive experience on a smartphone” is defined as whether both the insurer’s landing page, and the first page of the “obtain a quote” journey were optimised for a smartphone. Google research. 11th August 2014.*
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