



Study on comparison tools and third-party verification schemes

ECCG– 25/03/2015

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Introduction

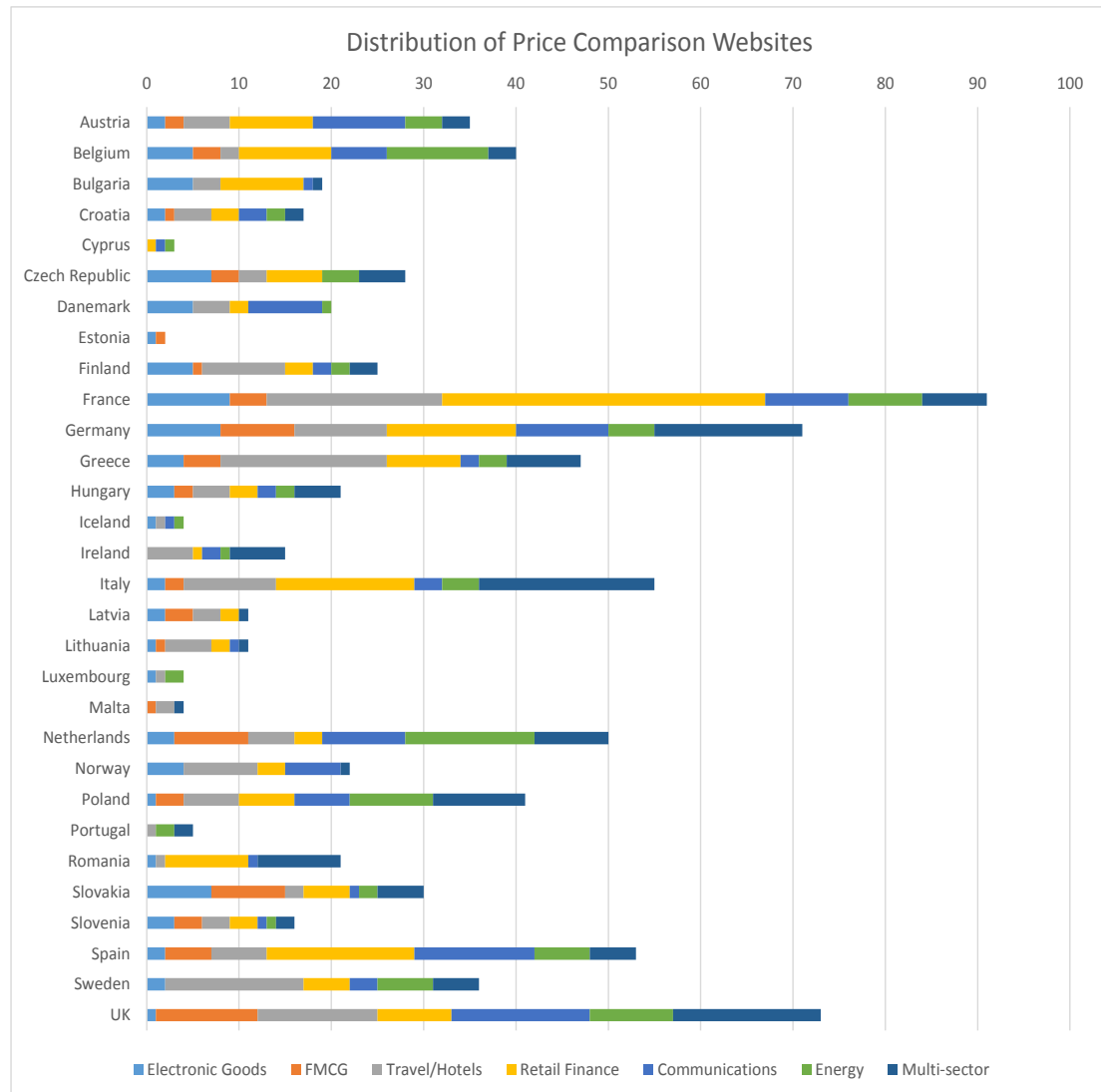
■ Study objectives

- ⇒ Explore **consumer behavioural patterns** in the use of comparison tools and their influence on consumers' decision-making;
- ⇒ Conduct an extensive **mapping exercise of the comparison tools** available in the EU accompanied by a **survey on consumer perception and experience** of comparison tools (analysis by sector and by country);
- ⇒ Carry-out an **analysis of existing accreditation and trustmark schemes** for comparison tools;
- ⇒ Highlight **how improvements can be made** to ensure comparison tools are reliable, transparent and user-friendly and benefit consumers.

Number of comparison tools captured by study

The mapping of comparison tools was conducted across all 28 EU member states plus Norway and Iceland.

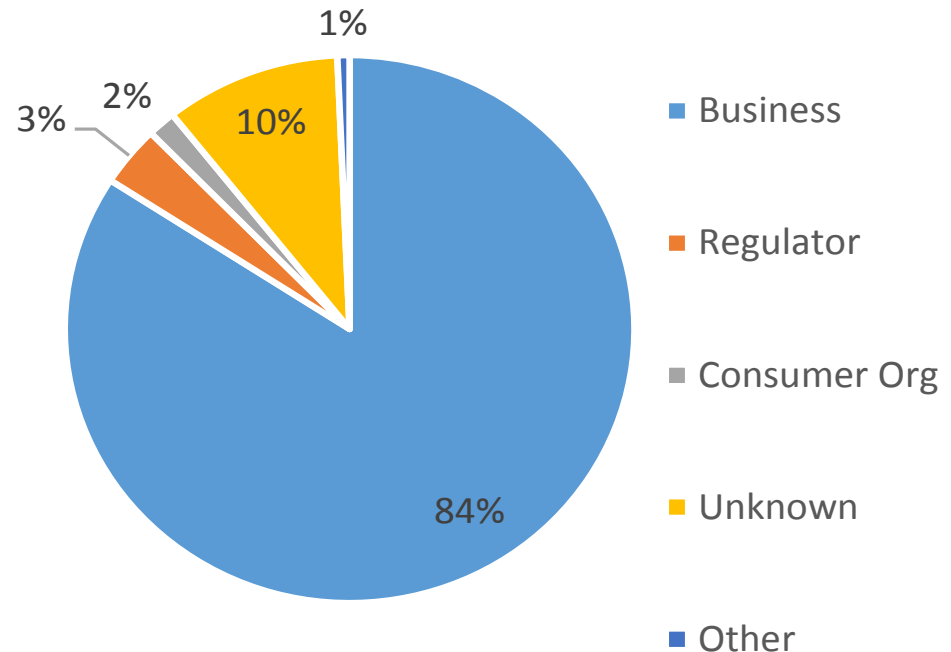
- A total of 1042 comparison tools were mapped and analysed, being:
- 910 unique price comparison tool websites; and
- 132 unique mobile apps.



Breakdown by sector and operator

- Our mapping of the price comparison tools displayed an industry which is overwhelmingly private sector driven
- These ratios were supported by our consultation as well
- Responses showed that 91% of comparison tool companies were privately owned and operated. According to survey responses, 8% were operated by regulators and/or are funded by the government, while consumer groups operate 2% of comparison tools.

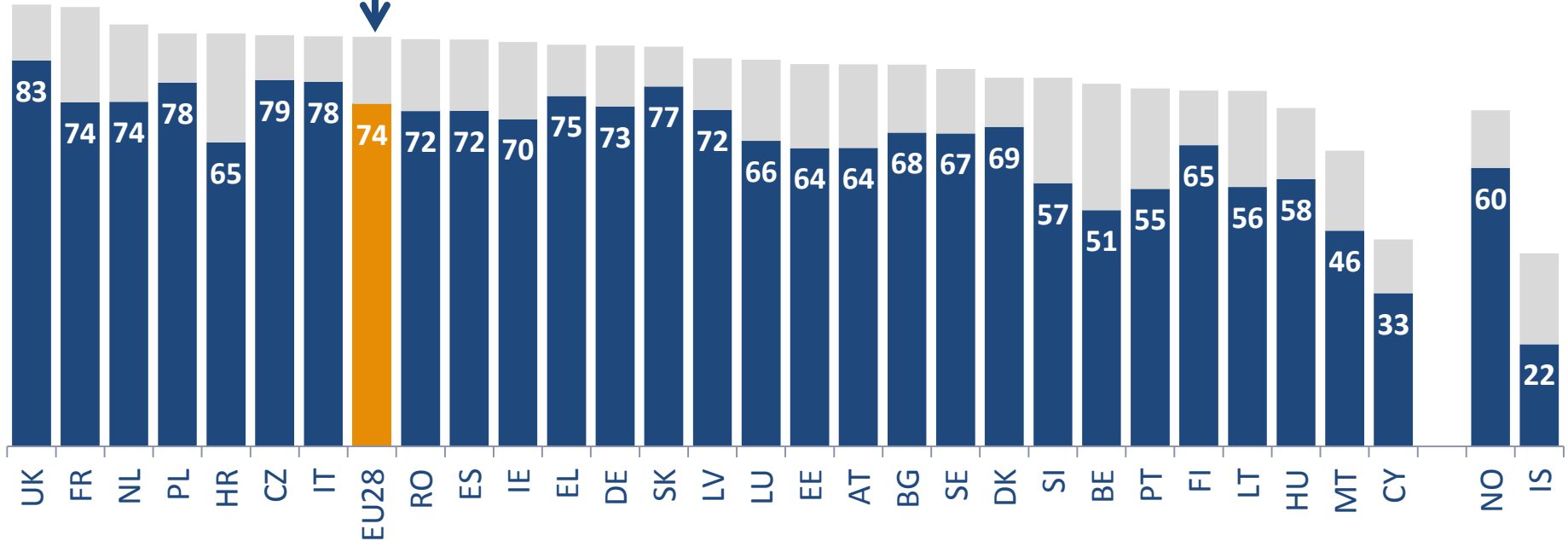
Comparison Tools by Operator



EU28: 74%



% of consumers who used CTs in the past 12 months



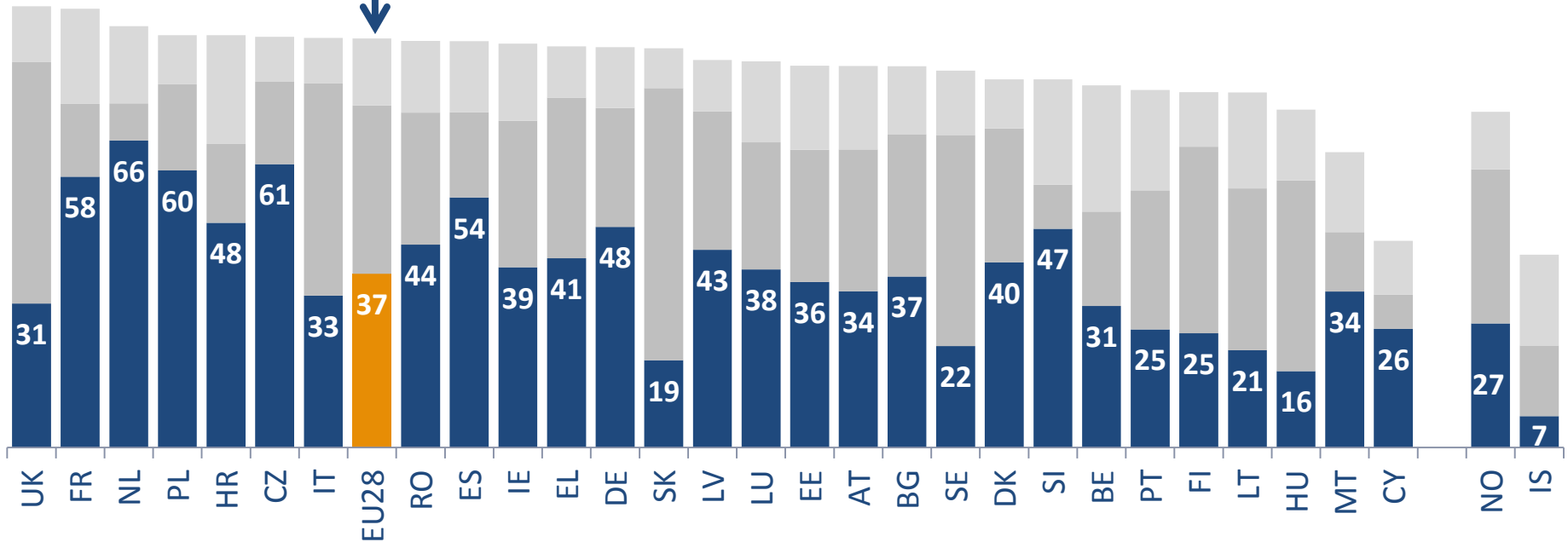
Q5. Over the last 12 months, HOW OFTEN on average have you used comparison tools?

%, Base: all respondents

% of “regular”* comparison tool users

* “regular”: once a week + once every 2 weeks + once a month

EU28: 37%



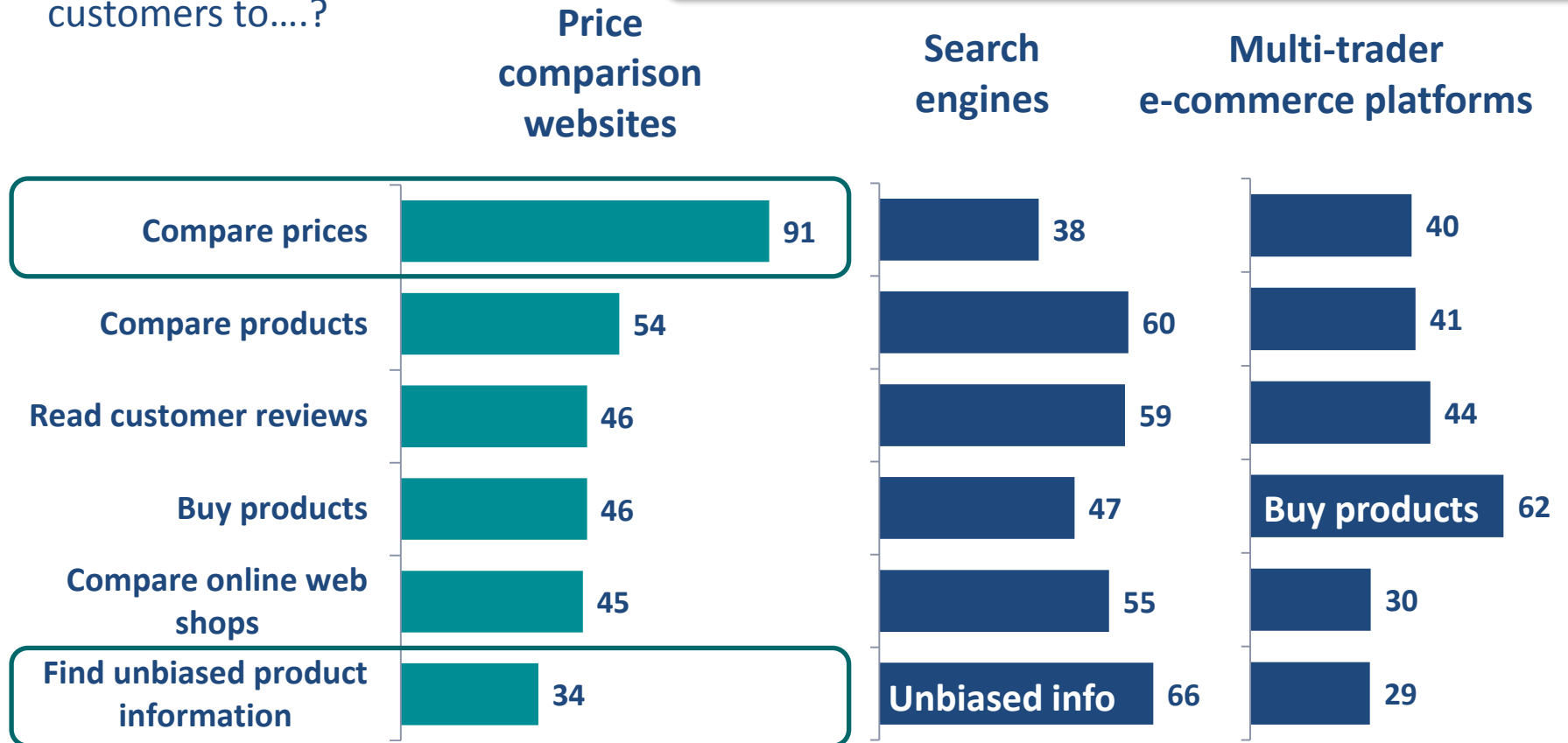
Q5. Over the last 12 months, HOW OFTEN on average have you used comparison tools?

%, Base: all respondents



Do you think that the following tools allow customers to....?

Motivations to use comparison tools



Q13. Do you think that the following tools allow customers to....?
%, EU28, Base: respondents who have heard about comparison tools

Screen shot

Search Experiment



Suppose you decide to use a comparison website. You enter the words "compare electricity deals" into an internet search engine and get the search results shown below. Which of the following links would you click on as your first and second choice?
Please select 2 answers

Ads related to **compare electricity deals**

[Electricity Comparison - Switch & Beat The Price Rises Now](#)
www.switch_provider.com/Electricity-Comparison
Save Money On Energy Bills.

[Choose Energy for Cheaper Energy - Beat The Energy Price Rise](#)
www.cheapest_energy.com/JustReward
★★★★★ 500 reviews
Possible Energy Bill Savings!

[Electric Price Comparison - Low electricity quotes](#)
www.nabonadgas-business-electricity.com
Low electricity quotes, call or go online to save!

[Who is the cheapest gas and electricity supplier?](#)
www.view_electricity_providers.com • Gas & electricity • Guides
Finding the cheapest gas and electricity supplier is all about finding the cheapest energy supplier for you.

[Compare Energy Prices | Cheapest Gas and Electricity](#)
www.change_provider.com/gas-electricity/
Compare gas & electricity plans across the whole market to get the cheapest energy deal for you. Switching is quick & easy, and you could save money. Cheapest gas and electricity • Find a cheap energy supplier • Compare gas prices

[Gas and Electricity - Compare Energy Prices Online](#)
www.unsure.com/gas-electricity
★★★★★ 100 reviews
No one wants to spend more money than necessary on electricity. Luckily, our utility comparison engine makes it easy to find cheap gas ...

[Compare Energy Prices | Cheap Gas & Electricity](#)
www.moneyshop.com/gas-and-electricity
Save money on your energy bills with MoneyShop.com. Compare gas & electricity prices from multiple suppliers & switch to a cheaper tariff today. Find my supplier • Switching Energy Suppliers • Compare Electricity Prices

[Energy - Compare Gas and Electricity Suppliers | Compare](#)
https://www.compare_providers.com/energy/
Compare gas and electricity prices from leading energy suppliers and

The higher positioned a link on a search page the more likely it is to be selected

Adverts tended to be selected less frequently than natural links

Links that carried a review were chosen more than twice as frequently as those with no review

Screen shot: Choice experiment



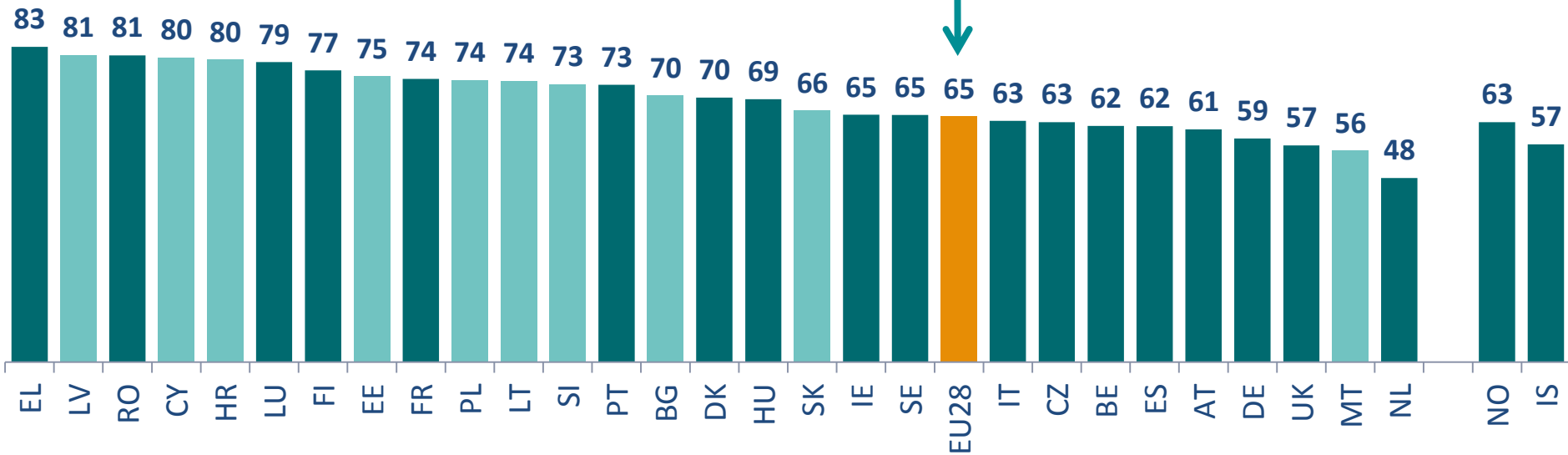
The position of a deal on a comparison tool page has a significant effect on the likelihood that the deal is chosen: the higher up the page a deal is the more likely it was chosen.

The way in which deals are ranked on a comparison tool page has an effect on consumer choice of a product

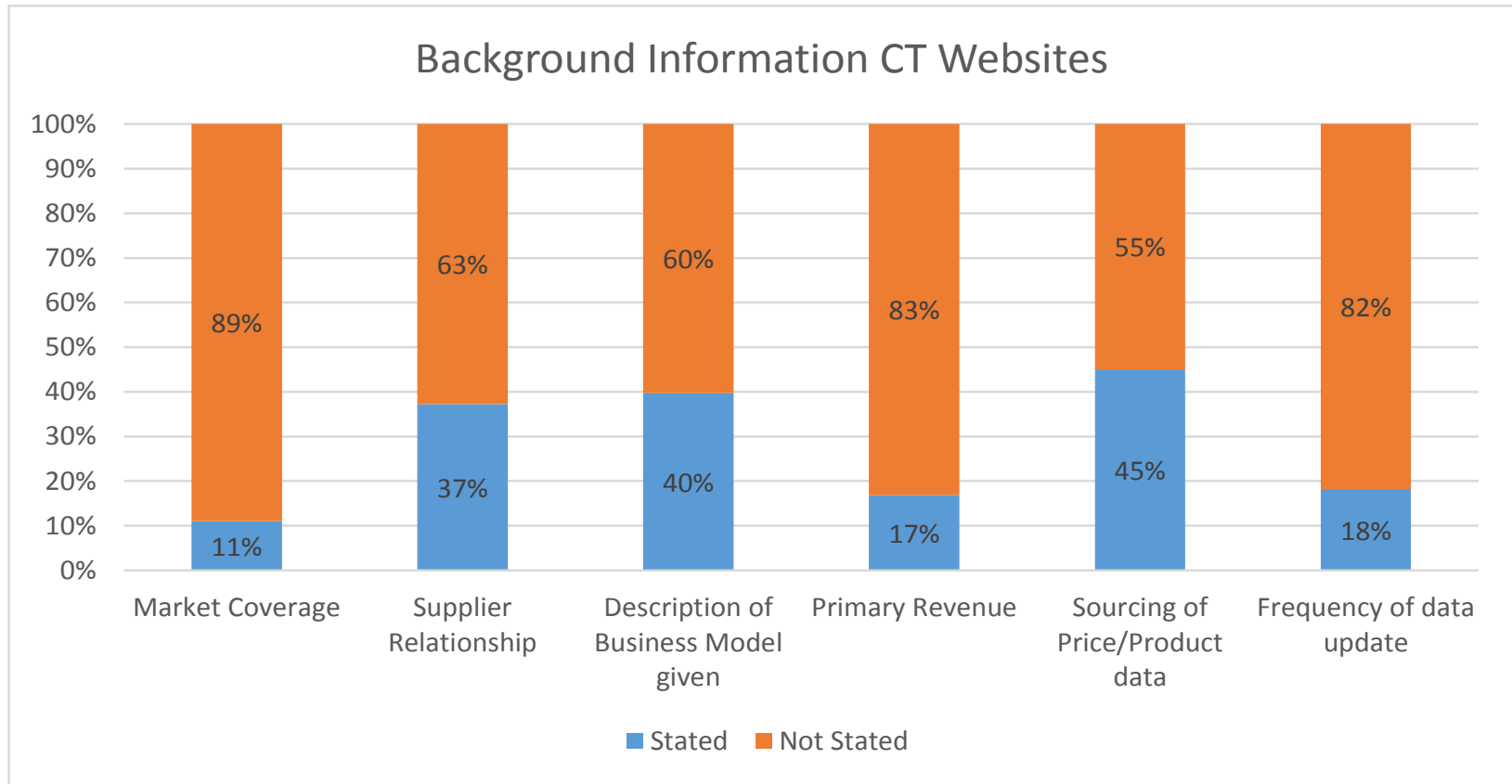
	Annual cost ⁱ	Customer service ⁱ	Rate type ⁱ	Contract duration ⁱ	Sustainable energy ⁱ
Electricity deal 1	£301.89/year	★★★★★	Fixed	2 years	✓
Electricity deal 2	£319.14/year	★★★★☆	Variable	1 year	✓
Electricity deal 3	£336.39/year	★★★★★	Fixed	2 years	✓
Electricity deal 4	£353.64/year	★★★★☆	Variable	1 year	✗
Electricity deal 5	£370.89/year	★★★☆☆	Fixed	2 years	✗
Electricity deal 6	£388.14/year	★★★☆☆	Variable	1 year	✓
Electricity deal 7	£405.39/year	★★★☆☆	Variable	1 year	✗
Electricity deal 8	£422.64/year	★★★☆☆	Fixed	2 years	✗

% of consumers who experienced problems when using CTs

EU28: 65%

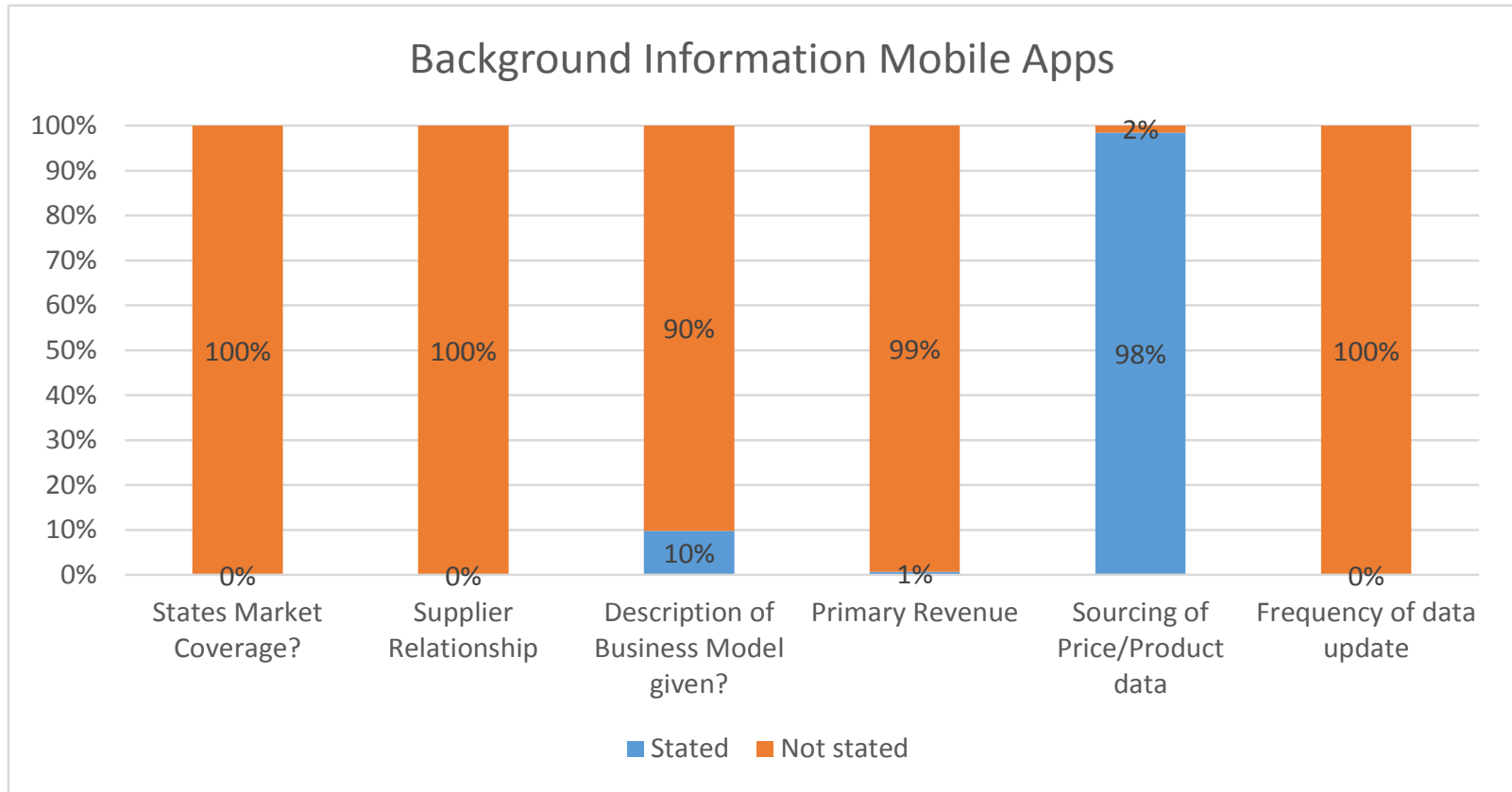


The Great Unknowns



- Comparison tool websites fare poorly in giving information on the background of their business model, coverage, revenue sources and frequency of data updates

The Great Unknowns



- Mobile applications are even worse than their website counterparts when it comes to disclosure, with the exception of the sourcing of price and product data (due to the majority of this sample being involved in the Travel & Hotels sector)

Ranking, ordering and filtering

Initial list of quotes:	Explanation on ranking	Cheapest ranked 1st	Can reorder list	Can filter list
All markets	28%	52%	69%	66%
Hotel	36%	32%	89%	85%
Flat screen TV	31%	34%	83%	76%
Perfume	25%	31%	74%	68%
B'band Internet	20%	73%	67%	61%
Electricity	25%	78%	48%	61%
Car insurance	22%	89%	36%	33%

Base: all mystery shops (questions 21, 22 and 22b)

- 28% of CTs explained how the initial list of quotes was ordered
- 52% of CTs were initially sorted in price order
- **large variation across markets in options to reorder and/or filter the initial list of quotes**

To assess accuracy, shoppers were instructed to find the selected product on the supplier's website

- 17% could not find the exact same product/booking or its price on the supplier site
- 25% of comparisons showed a price difference between the CT and the supplier website

Price comparison CT versus supplier website				
	Could not find product/price	Supplier site cost was:		
		same as price on CT	higher than price on CT	lower than price on CT
All markets	17%	58%	15%	10%
B'band internet	13%	69%	13%	6%
Flat screen TV	9%	68%	13%	9%
Perfume	11%	67%	12%	11%
Electricity	25%	58%	10%	7%
Car insurance	24%	57%	11%	8%
Hotel	25%	35%	24%	16%

Base: all mystery shops (questions 46, 46a)

RECOMMENDATIONS (in the process of being finalised):

- **For Comparison tools:** *respect a series of criteria to ensure the transparency, impartiality and quality of the information provided and to improve compliance with existing legislation as well as access to redress for consumers.*
- **For the Commission and Member States:**
 - *Strengthen enforcement:*
 - *Coordinated enforcement at EU level*
 - *Update Guidance on existing legislation (for instance Unfair Commercial Practices Directive)*
 - *Promote adoption of best practices:*
 - *Issue Guideline and/or promote Code of Conduct*
 - *Improve the involvement of comparison tools operators with decision makers*
 - *Awareness-raising campaigns*
 - *Investigate in related issues (e.g. personalised pricing, other types of intermediaries online, look into the methodologies used for calculation...)*

Thank you for your attention

Links:

- Study on comparison tools:

http://ec.europa.eu/consumers/consumer_evidence/market_studies/comparison_tools/index_en.htm

- Study on user reviews in the hotel sector:

<http://bookshop.europa.eu/en/study-on-online-consumer-reviews-in-the-hotel-sector-pbND0414464/>