

Car Insurance: Inc Impact of COVID-19 - Ireland - May 2020

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"Despite the impact of the COVID-19 virus, the legal necessity of car insurance is set to see the total value of gross written premiums for private motor insurance remain stable, with the value expected to reach €2.2 billion."

– **Brian O'Connor, Senior Consumer Analyst, 27th May 2020**

This report looks at the following areas:

- The impact of COVID-19 on consumer behaviour and market dynamics in the car insurance sector
- How have car insurance premiums changed between 2018-20 and what impact will the COVID-19 lockdown have
- What types of car insurance do drivers prefer
- Examining renewal behaviours and what factors are most important to Irish drivers when renewing their car insurance
- What car insurance policies do drivers prioritize

Among Irish consumers, minimising the cost of car insurance remains the chief goal – with consumers more likely to shop around for better quotes, and placing price above other considerations such as inclusion of breakdown cover when choosing an insurance supplier. This goal is likely to only get stronger in light of the COVID-19 outbreak, with Irish consumers likely to worry about the future of the economy and their own finances – thus likely to tighten spending on policies. Furthermore consumers delaying spending on new cars will impact the level of new policies on new vehicles further restraining growth.

A dramatic reduction in new car purchasing (and in turn policies for these vehicles) and consumers likely seeking to maximise cost saving, it could dampen growth in the short-to-medium term. Consumers are likely to work harder to get the best quote possible when renewing, and more likely to use price comparison sites as a result.

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The Consumer – What You Need to Know

Comprehensive cover favoured by most drivers

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