

Price Comparison Sites in Financial Services: Inc Impact of COVID-19 - UK - September 2020

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“Price comparison sites have taken a hit from the impact of COVID-19 on consumers’ demand for travel-related financial services products and credit, and the restrictions placed on car sales and home moving by lockdown.”
– Rich Shepherd, Associate Director – Financial Services

This report looks at the following areas:

- The impact of COVID-19 on price comparison sites and consumers’ approach to researching financial services products.
- Use of price comparison sites for financial services products, and conversion rates from research to sales.
- Consumer attitudes towards transparency in price comparison.
- Consumer preferences with regard to price comparison sites and researching financial services products.

75% of price comparison site users say that they think aggregators should make it easier to compare product terms and conditions. The rise of aggregators as an accepted part of the product research process has been driven by a focus on price, but consumers are now looking for comparison to go further and give greater consideration to product features.

COVID-19 has had a harmful impact on PCWs by removing key prompts to switching in car and home insurance, and massively cutting demand for travel and credit products. However, it has also given consumers time to consider their existing products and research new ones. As the economy bounces back and financial services markets recover, so too will demand for price comparison.

Price comparison sites are well positioned for the future. However, threats remain, primarily through innovation in other financial services sectors. Open Banking and other technological developments are enabling banks and other types of providers to offer aggregation services. PCWs therefore need to keep innovating to stay ahead.

Innovation in consumer credit comparison represents a particularly promising opportunity for PCWs. 70% of PCW customers who have compared consumer credit in the last 12 months would like to be able to get more personalised results.

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This report is part of a series of reports, produced to provide you with a more holistic view of this market

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...and rising unemployment will threaten discretionary business

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Lockdown removed key prompts to research home and motor insurance

Travel and credit demand was almost non-existent during lockdown

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Financial pressures will boost demand for comparison...

...and dampen interest in discretionary products

Time to review existing products

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Switching strategies to match changing consumer needs

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Confused.com Rewards offer choice of free gift

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