



*CMA: Market Study  
Of  
Digital Comparison Tools*

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## Introduction

Experian is a leading global information services company, providing data and analytical tools to clients in more than 80 countries. The company helps businesses to manage credit risk, prevent fraud, and automate decision making. Experian also helps individuals to check their credit report and credit score, and protect against identity theft.

Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Experian employs approximately 17,000 people in 37 countries and has its corporate headquarters in Dublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil.

Experian is one of three main UK consumer credit reference agencies whose regulated activities are governed by the FCA.

## General Experian Comment

Experian welcomes the opportunity to provide a response on the CMA's invitation to comment on the notice of the Market into Digital Comparison Tools.

Experian supports the 4 themes that the CMA propose to consider. Experian believes that comparison services help promote competition, choice and the empowerment of consumers through the availability of more personalised information. That said, it is vital that consumers are able to trust the comparison services available to them. It is therefore particularly important that such comparison tools:

- (1) Are transparent,
- (2) strike the right balance between the tools being easy to use, and the consumers having the ability to filter the information and rank it in different ways; and
- (3) permit factors other than price to be considered within the offering.

Experian currently operates in the comparison site market in and through its following offerings:

- **CreditMatcher** – [www.experian.co.uk/creditmatcher](http://www.experian.co.uk/creditmatcher) which allows consumers to look at credit options available to them in a manner which is more personal to them, including by providing an indication of likely eligibility for various products based on their credit information;
- **HD Decisions** – [www.hddecisions.co.uk](http://www.hddecisions.co.uk) which has developed a pre-qualification application for use by lenders and price comparison services that leverages a detailed understanding of credit data and lenders' credit policies to ensure that consumers are able to see which products they are most likely to get accepted for before applying. HD Decisions does not provide its own comparison site.
- Through a contractual arrangement with Money Saving Expert's **MSE Credit Club** – <http://www.moneysavingexpert.com/creditclub>, a comparison site run and controlled by Money Saving Expert; Experian feeds in an Experian Credit Score module to help consumers to better understand their financial standing through their credit score.
- As part of the **Credit Reference Eco-System**, Experian provides credit reference information to lenders to help them make better decisions as to the creditworthiness and/or affordability status of their customers.

Experian considers that it has led the way with comparison sites being able to provide a view of a consumer's likely eligibility for products based on credit information held by Experian. The benefits that this brings are clear:

consumers can filter the information that they are being presented with based on their realistic likelihood of being accepted for that product; and consumers may use their own credit reference information to help them make better financial decisions. An important feature of these eligibility services is the “soft search” – any search of Experian’s credit reference databases made to provide an eligibility indicator does not leave a footprint on the consumer’s credit file which other lenders are able to see, thus ensuring that there is no adverse effect on the consumer’s credit rating as a result of using the comparison site. The footprint is visible only to the consumer her/himself when they view their own credit report.

### **Experian Comment on regulation in the future**

At this stage, Experian does not have any fixed ideas about exactly how comparison services should be regulated in the future, but (as noted above) fully recognises the seriousness of the issues raised in the CMA’s scoping document. However Experian would ask the CMA to consider:

- It is important that if any further regulation were required (over and above that already in place with regulated firms in and through the FCA and other regulators) it should not be so rigid that it prevents innovation;
- Availability of data to comparison services is essential to give credibility and rigour to the results consumers can filter.
- One of the current issues in the financial services sector (as is probably also the case in other sectors) is that the rules applying to comparison services have not been created specifically for them; for example, they are credit broking rules which have to be applied into this space, which means that interpreting them can sometimes be very challenging).

We would be happy to provide further information to the CMA in support of the market study if this would be helpful.

**Experian**  
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