

Resolver response to CMA Update Paper on Digital Comparison Tools

At Resolver, we fully support any changes designed to make the decisions consumers face online simple and comprehensive – or failing that, clear about their limitations.

We welcome the increased use of digital comparison tools and competition across markets, from utilities to financial services. We are encouraged by the findings of the CMA's recent survey, as it mirrors what our users are telling us about consumer awareness and how people interact with digital comparison tools.

Most of our concerns relate to the accessibility and accuracy of information provided to consumers. We believe clearer information and transparency will lead to greater trust of digital comparison tools, increased uptake in their use, and a more competitive market with better products, prices and procedures for consumers.

We also have a wider concern about how consumer's data is being used (or misused). We know that some data given when using digital comparison tools is passed on to third parties. But finding out how this happens and the channels under which this data is traded has proved elusive. This will clearly become a much more significant issue over the next few years as data security becomes of increasing importance to all of us.

Product information

Consumers should be able to trust the information presented to them, and be sure that no key information is being omitted, such as exit fees or cooling off periods. Consumers should also be made aware that the lowest price may not always be best, and that a low price may mean several product features have been left out. Consumers should be informed that search results do not necessarily show the whole market. Prices displayed should be the final price that a consumer will end up paying for the product, there should be no additional charges. 'Service' issues, such as; an item not being as described, a product not saving the consumer money, or unfair contract terms, accounted for 26.2% of PCW complaints raised through Resolver.

Accurate product information should be set out in a prominent position on the site, it should not require lots of effort to find this information.

Fair pricing

Displaying different prices for identical products to consumers based on their perceived geographical location or demographic group should not occur. All consumers should be entitled to see the lowest price available. 16.3% of the complaints Resolver received about PCW's related to pricing issues.

If a DCT is advertising different prices to consumers for the same product they should have to make this known to the consumer. A disclaimer on the product page should be visible saying that prices are not necessarily the lowest available on the market.

Customer service

Consumers should always have the option to interact directly with an individual expert at the company providing digital comparison, should they need support. This should be offered throughout the consumers' journey, from setting up and using the service, through to cancelling

purchases and complaints. 38.4% of PCW complaints raised through Resolver related to customer service issues.

Customer service contact routes should be clearly displayed and accessible on the website. Every digital comparison tools website should have several contact methods.

Digital comparison tools inputs

Use of “Midata” should be encouraged, but consumers need to be informed about what it is and how it could benefit them. Consumers should also be made aware of how that data will be used, if it will be stored, and what to do if something goes wrong.

A dedicated Midata web page explaining how It works should be available to inform consumers.

Data security

Consumers should be informed as to how their data is being stored. There should also be transparency over whether their data is ever shared with third parties, and if data is shared it should be explicitly outlined who these third parties are and what they might do with data.

A clear and transparent data sharing policy should be outlined on website e.g. a table with ticks and crosses on whether the site does certain things with the consumers’ data. The use of cookies should be transparent with an explanatory sentence informing the consumer what they are used for.

Complaints procedures

Companies offering digital comparison tools should have a clear and prominently displayed complaints procure, outlined on the main site. This should include a clear contact method for raising a complaint, and the information on how to escalate a complaint to the relevant ombudsman, regulator or ADR. It should be made clear that consumers need never pay an organisation to make a complaint on their behalf.

This information should be displayed clearly and methodically on a dedicated complaints web page.

Regulation

Consumers should be informed of relevant accreditation schemes where they exist and companies offering digital comparison tools should be encouraged to sign up to them. Where they do not exist, they should be created and consumers informed accordingly.

A set up standards for all accreditation schemes should be created focused on ensuring there are clear understandable and measurable criteria for membership. All accreditation schemes should run an independent dispute resolution service accredited with Chartered Trading Standards Institute.

Resolver data

| PCW complaint issue | % of PCW complaints |
|----------------------------------|---------------------|
| Switching | 6.4 |
| Marketing | 12.8 |
| Pricing | 16.3 |
| Service (e.g. didn’t save money) | 26.2 |
| Customer Service | 38.4 |