

9 April 2017

To Whom it may concern

I've read the document relating to the update paper regarding the Digital comparison tools market study. It concerns me greatly that the review focuses a survey of customers yet customers are not the ones with the knowledge to understand how their outcomes are being impacted by comparison sites actions.

I as a broker we see many examples of potential poor customer outcomes due to comparison sites approach and mistakes and lack of meaningful regulation including :-

- Defaulting the excess to a high value to drive down price
- Mapping issues with locks –stating on feeds to brokers that customers had locks conforming to British Standards when the customer had declared that they don't.
- Mapping issues with claims – recently a major aggregator transmitted data as if customers were claim free yet they had declared claims
- Defaulting questions as the aggregator decides it is no longer required with no understanding of the underwriting relevance. A recent example being the removal of the question “are you a first time buyer”
- Software houses (CDL) inability to rate correctly for specified items
- Prices would be lower for consumers if the aggregators CPA were not so excessive

This is just a flavour of the day to day issues that we experience when dealing with comparison sites that negatively impact customer outcomes yet they have the power as the major distributors of personal lines insurance products.

I believe the cause of many of these issues is that price comparison sites core competency is not insurance. They are focused on short questions sets delivering the cheapest price possible with little regard for representing the risk accurately and thus negating issues at point of claim.

The solution to this would be meaningful regulation of aggregators to the same level as insurers and brokers thus ensuring adequate competency levels and the correct outcomes for customers.

As a broker we are required to disclose our fees and believe the same level of transparency should be applied to aggregators. This level of transparency may lead to more competition between the aggregators and a lowering of fees. This would drive lower prices for customers.