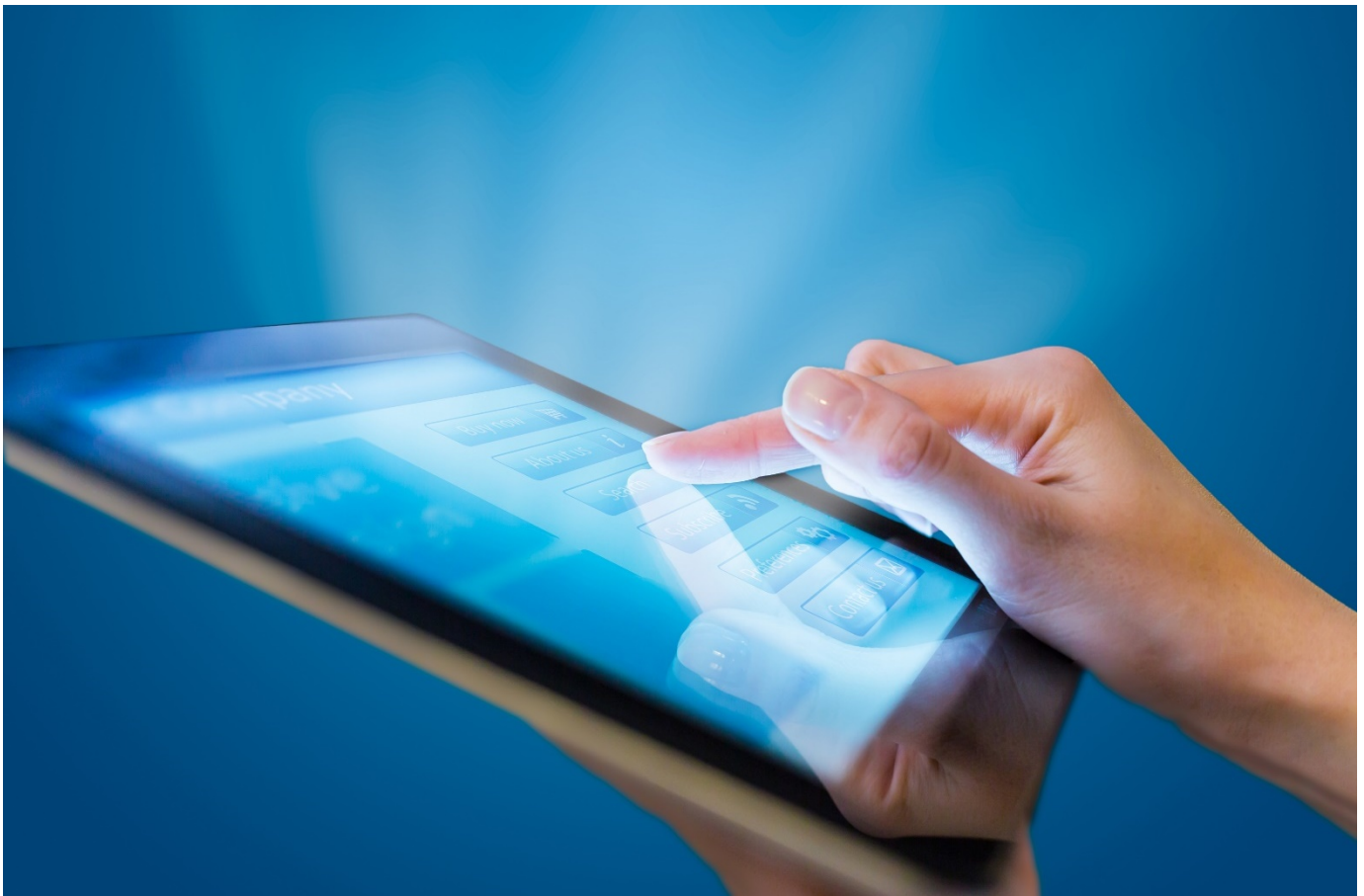


Digital comparison tools market study

Final report

Paper B: How digital comparison tools treat consumers



26 September 2017

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How digital comparison tools treat consumers

Introduction

1. DCTs can play an important role in helping consumers to shop around. As we set out in Chapter 4 of our Final Report, their behaviour should support three outcomes:
 - (a) **Trust.** Consumers need sufficient trust and confidence in DCTs to be prepared to use them at all.
 - (b) **Choice between DCTs.** Consumers need to be able to make sufficiently well-informed choices between DCTs, both for the sake of their individual decisions and to support effective competition between DCTs.
 - (c) **Choice between suppliers.** Consumers need to be able to use DCTs to make well-informed choices between suppliers – again both for their individual decisions and to support effective competition, this time between suppliers.¹
2. We have looked at what information DCTs provide about themselves and the products they compare, drawing on the responses we have received to the study, the findings of our own websweep and the mystery shopping exercise² we commissioned.³ We have also taken into account the findings of the ‘sweep’ of travel comparison and booking websites carried out by the European Commission and EU consumer protection authorities in October 2016 (the EU Sweep).⁴

¹ A supporting Glossary is [available on our case page](#).

² Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017. The websweep was of 35 DCTs to identify what general information they provide – for example, whether reviewers could find contact details, information on the site’s market coverage, how often the site updates offers and how it handles complaints. The mystery shopping exercise involved 478 assessments across 56 DCTs, where mystery shoppers enacted typical shopping scenarios, looking for particular products, and recorded their experiences – including what information was requested by DCTs, how the results were presented, how suppliers’ quotes compared to those on the DCT and what happened when consumers revisited the sites.

³ It is important to note the caveats for this research (see pages 11 to 12 and 17 to 18 of GfK’s report). In particular, that the aim of the websweep was to give a high-level indication and general picture of what information appeared to the reviewers to be available on a sample of DCTs, rather than to provide precise, detailed site assessments; also that the exercise was not intended to review sites’ compliance with regulatory requirements and that the reviewers did not seek to assess whether particular information should or should not have been present. The mystery shopping exercise involved shoppers recording what sites appeared to be showing them: in most cases this was clear to them, but they sometimes needed to apply their own interpretation and in a few cases, the contractor also had to interpret results by reviewing the screenshots taken by the shoppers.

⁴ European Commission, *Results of the 2016 screening of travel comparison and booking websites*, April 2017.

3. In the main, many sites appeared to be treating consumers well in terms of most aspects of information provision and usability, and our consumer research shows that almost all users are satisfied when using DCTs.⁵
4. While in general we have not seen evidence of significant problems, we have identified some potential areas of concern. It is important that, where necessary, DCTs take steps to address these potential concerns to prevent them from developing into more serious problems and undermining the positive outcomes outlined above.
5. In a number of sectors, DCTs are likely to play an increasingly important role in the way consumers shop. As the use of DCTs continues to grow and new and innovative technologies and business models appear, it is essential that DCTs continue to provide reliable information and that consumers are able to trust them – to ensure that they deliver the benefits set out above.
6. We have therefore set out some potential areas of concern below, and why it is important for DCTs to maintain or improve their practices in these areas. In some sections we have included illustrative examples, to help explain some of the differences in DCTs' practices. These are fictional examples, but based on the types of information we saw. We go through the following subjects in turn:
 - (a) The way in which important information is presented to consumers.
 - (b) Information about how DCTs make money and if they have links to suppliers.
 - (c) Information about whether a DCT favours any suppliers.
 - (d) Information about how much of the market a DCT covers.
 - (e) Information about how DCTs present results.
 - (f) The accuracy of results.
 - (g) Complaints handling.
 - (h) Reviews and quality ratings.
 - (i) How DCTs collect and use people's personal information.
 - (j) Accessibility.

⁵ Page 163 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

(a) The way in which important information is presented to consumers

7. Basic information about a DCT – such as how it works, who owns it, how to contact it or how to complain – is potentially important to whether consumers consider they can trust it, but also how they use it.
8. Overall, our websweep found that quite a lot of the information reviewers looked for appeared somewhere on DCTs' sites. However, the exercise did suggest that in some cases important information was not always in the most useful place, clearly presented or obviously signposted. For example, in some cases information about a DCT's complaints procedures did not appear to be included on the homepage or an 'About us' page, but instead appeared elsewhere on the site.⁶ For some sites the reviewers could not find some pieces of information at all – this was most frequently the case for DCTs in the travel sector.⁷
9. Almost all DCTs reviewed appeared to give information about the identity of the DCT provider and all gave some form of contact details,⁸ although in a few cases this information was not particularly comprehensive or easy to find – for example not all DCTs appeared to provide their postal or email address and in some cases where they did this was in their Terms and Conditions or Privacy Policy.⁹ This is consistent with the results of the EU Sweep, which found that a few DCTs (4% of the 352 reviewed) gave no information about the identity of the DCT provider, and some (23% of those reviewed) only provided limited information.¹⁰
10. The Office of Fair Trading's (OFT) report on Price Comparison Websites (PCWs) in 2012 suggested that consumers understand more quickly when information is transparent, and that a lack of transparency can have the effect of allowing often unfounded concerns to develop.¹¹ It is therefore important, particularly as new technology and business models develop, that DCTs ensure important information about how they work and what they do is clearly provided to consumers.

⁶ Pages 24 to 25 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

⁷ Page 26 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

⁸ Page 27 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

⁹ Pages 25 to 27 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

¹⁰ European Commission, *Results of the 2016 screening of travel comparison and booking websites*, April 2017.

¹¹ Office of Fair Trading, *Price Comparison Websites*, November 2012.

(b) Information about how DCTs make money and if they have links to suppliers

11. There are a number of ways in which insufficient information about DCTs' commercial models could lead to poor decisions by consumers, either about which DCT to use, or which supplier to pick from among those presented by a DCT. For example, if DCTs give the impression of being independent or on the consumer's side, but the results they show are in fact influenced by commercial factors, consumers may be led to assume they are being given impartial advice.
12. There also appeared to be some lack of consumer awareness about how DCTs make money. Our qualitative consumer research suggested that not all consumers may appreciate that DCTs are typically commercial undertakings, with some characterising them as being for the benefit of consumers.¹²
13. As we noted in our Update Paper, DCTs typically generate revenue from commissions paid by suppliers (eg pay per click or pay for sale) or through advertising.¹³ Our websweep found that, although most DCTs in the energy, broadband and financial services sectors appeared to provide at least some information about their business model, only around a third of DCTs in the travel sector appeared to provide this information.¹⁴

Figure 1: Illustrative examples of information about business model



Source: CMA.

14. Our websweep also found that almost all of the DCTs assessed appeared to provide some information about their ownership.¹⁵ Just under two-thirds also appeared to provide information on whether or not they were owned, partly owned or affiliated to a supplier on their site (although the reviewers were not

¹² Pages 80 to 83 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

¹³ CMA, *Digital comparison tools market study: Update paper*, March 2017.

¹⁴ Page 26 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

¹⁵ Page 27 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

able to assess whether sites had failed to disclose any information or the accuracy of any disclosures).¹⁶

15. Although in some contexts it is clear that a business is acting for commercial purposes, there does appear to be scope for some DCTs to provide better information about how they make money, for example to help address any potential concerns about independence or perceived bias.

(c) Information about whether a DCT favours any suppliers

16. Our consumer survey found that consumers tend to focus their attention on the top ranked results, with 51% looking at one to three offers¹⁷ and some assuming that the cheapest deals were shown first.¹⁸
17. A literature review conducted by the CMA found that there is strong evidence suggesting that, across different digital channels such as search engines and DCTs, consumers disproportionately focus their attention, clicks and purchases on links at the top of returned search results. On average, the first three links seem to account for 40% to 65% of the total clicks on desktop devices. On mobile devices, this tendency is even more accentuated, with the top three links on average accounting for more than 70% of the total clicks. The evidence suggests that this is not simply due to the fact that top links are more likely to be relevant to consumers' searches, but also to the fact that consumers seem to display an inherent bias to click on links in higher positions.¹⁹ This is consistent with what we heard from suppliers in the course of our market study.
18. Our qualitative consumer research suggested that people did not typically think that the comparison site they had used was pushing any particular supplier or product. Comparison sites were often described as 'unbiased', as merely 'aggregators', and in some cases as being there for the benefit of the consumer.²⁰ Furthermore, some suggested that where they did see any apparent bias in results, this was mitigated by the perception that they were in control – for instance, they could ignore results they considered to be 'sponsored'.²¹

¹⁶ Page 27 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

¹⁷ Page 128 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

¹⁸ Page 139 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

¹⁹ CMA, *Online search: consumer and firm behaviour - A review of the existing literature*, April 2017.

²⁰ Page 80 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

²¹ Page 81 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

19. The more consumers focus their attention on the top results, the more likely it is that commercial relationships affecting the top ranked providers/offers could influence consumers' choices. Similarly, the larger the group of consumers who believe that DCTs offer recommendations and treat suppliers equally, the more likely these consumers are to consider fewer options and focus their attention on the top of the ranking. Where DCTs do not make clear that commercial relationships have affected how offers are presented, consumers are less able or likely to factor this into their decisions.
20. Where 'sponsored' results did appear, our mystery shoppers seemed to be able to identify and distinguish them from 'organic' results.²² However, our websweep did suggest a general lack of information about whether or not commercial relationships could influence the results presented (eg in terms of ranking and prominence), with only about one-third of DCTs appearing to say anything about this²³ – although it could be the case that some DCTs appeared to say nothing because commercial relationships do not affect how they rank results.

Figure 2: Illustrative examples of information about favouring suppliers



Source: CMA.

(d) Information about how much of the market a DCT covers

21. A DCT's coverage is an important feature of the service it offers – “compare a large number of suppliers” was the second most important reason people in our survey used a DCT.²⁴ As we describe in Chapter 4 of our Final Report and in Paper C, this does not imply that DCTs should be required to show all suppliers – that has other perverse consequences. However, given the apparent appeal of “a large number of suppliers”, if consumers think a site searches more suppliers than is actually the case – for example if the site is

²² Pages 55 to 58 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

²³ Page 29 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

²⁴ Page 88 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

unclear about this, whether intentionally or otherwise – their choice of DCT may be undermined, or they may be more inclined to rely on just one.

22. In our survey, a significant proportion of recent DCT users (30%) did not know how much of the market was covered by the last DCT they had used.²⁵ On the other hand, across all sectors we looked at, one-in-ten (11%) thought that the DCT had covered all suppliers and in most cases they were likely to be overestimating coverage (for instance in insurance, where we know some providers are not listed).²⁶
23. The lack of awareness of coverage or a false impression of it among some consumers may in part reflect variation in how sites explain their coverage. In our websweep, many sites appeared silent on the issue of coverage (for instance, in broadband only about a third of the sites reviewed seemed to offer information up-front on coverage), and those that did explain their coverage did so in varying ways.²⁷ While reviewers saw a number of examples of clear statements on coverage, some sites provided less useful information about how many suppliers the DCT compared for the relevant sector. Most of the sites offering energy that commented upfront on their coverage appeared to say that they covered all the market, but some only said they “aimed to”. Some sites in other sectors, where they offered information on coverage, appeared to state the number of suppliers or a percentage coverage, while others appeared only to say that they offered ‘many providers’.²⁸

Figure 3: Illustrative examples of information about coverage



Source: CMA.

(e) Information about how DCTs present results

24. The extent to which sites explain how they first present results (the default basis on which offers are ranked) and how consumers might adapt these

²⁵ Page 63 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

²⁶ Page 64 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

²⁷ Page 33 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017. This was an assessment of whether sites appeared to say anything ‘up-front’ about their coverage for the sector – ie prior to conducting a search for a specific offer.

²⁸ Page 33 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

results by filtering or sorting them, could affect how informed and thus appropriate consumers' choices of supplier are.

25. A lack of transparency about how results are ranked may harm consumers by causing them to take poorer decisions, particularly about which products or offers to view or purchase. This issue could become more acute if the use of sophisticated ranking algorithms becomes more widespread – these might help people make decisions, but are likely to be harder for people to understand.
26. As we note above in paragraphs 16 to 17, consumers tend to focus their attention on the top results shown. Furthermore, although our mystery shoppers found that DCTs typically allowed consumers to filter or re-order the results,²⁹ in our survey, of all consumers who had used a DCT in the last three months, just under half (46%) said they had re-ordered or filtered the results, while 41% said that they did not adapt the results in either of these ways.³⁰ Users' apparent tendency not to filter or sort results is important because in our qualitative research many were not generally aware of the reasons behind the order of results. Some also assumed that the cheapest deals were shown first, although others thought they were randomised or that the order reflected what was 'best' for them.³¹
27. During the observed comparison exercise in the qualitative research consumers rarely ranked or filtered results, with some saying later that they did not notice these features. Of those that did use these functions, some used the re-ranking and filtering incorrectly – although they often did not realise this. Others became confused with the functionality or the results. Only the most confident users were using these tools correctly and to their advantage.³²
28. The order in which results are first presented can therefore have a significant impact on which products or offers consumers choose to view or purchase. If DCTs fail to explain their default ranking well, consumers are less able or likely to factor this into their decisions and may select offers that are inappropriate or miss better offers.

²⁹ Pages 51 to 54 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

³⁰ Page 126 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017. As we note in Paper E, we also gathered data from some DCTs on the proportion of visits where users re-ranked or re-ordered results on their webpages. This analysis considered a few of our focus sectors: home insurance, broadband, flights and energy. The results show that, consistently across these sectors, consumers do not tend to re-rank or re-order results and, even less so, when using DCTs on mobiles as compared to desktops.

³¹ Pages 139 to 140 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

³² Page 140 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

29. In line with evidence provided to us by DCTs, our mystery shopping exercise found that DCTs, for most of the sectors examined, typically first presented results ordered by price (ie price was the ‘default ranking’), or by level of saving, so it was relatively obvious how results had been ranked. This was particularly the case in insurance, flights and energy. Credit cards, however varied quite considerably with some DCTs presenting offers ranked on ‘representative APR’, and others on ‘balance transfer offer’, ‘likelihood to be accepted’ and benefits or rewards. The hotels sector also differed from the others, with two-thirds of the sites first ordering results by ‘recommendation’.³³ In some cases it was not clear to mystery shoppers what default ranking criteria had been applied.³⁴
30. However, most sites in our websweep appeared to provide little information up-front (ie prior to search) on their approach to ranking offers. Those that did provide some information on their approach also seemed to vary in their explanations, and in some cases DCTs’ explanations about their default ranking criteria seemed unclear.³⁵ Although in some cases DCTs clearly explained the factors which they took into account when generating results, others provided rather less useful, high-level descriptions of their methodology. Our findings echo those in the Office of Fair Trading’s report on Price Comparison Websites (PCWs) in 2012, which found that some websites provided only limited information about ranking methods.³⁶

Figure 4: Illustrative examples of information about ranking



Source: CMA.

31. Given the potential for comparisons to become more sophisticated, for example reflecting consumer usage data or quality metrics, it is increasingly important that consumers are able to understand the order in which results

³³ Pages 46 to 51 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

³⁴ Pages 46 to 51 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

³⁵ Page 34 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

³⁶ Office of Fair Trading, *Price Comparison Websites*, November 2012.

appear and what they can expect when using a DCT to compare products or suppliers.

32. The way in which prices are presented has the power to influence, and sometimes mislead, consumers.³⁷ The EU Sweep raised concerns about DCTs, with 30% of sites reviewed failing to make clear the total price or the way it was calculated.³⁸ In a small number of cases, our mystery shoppers reported that the price shown on the DCT was apparently different to the price on the supplier's website because of additional fees or charges.³⁹
33. We have already identified this as an issue in the car hire sector, and have been working with intermediaries to improve the information they display. In 2016 we wrote to leading businesses that operate as car rental brokers or meta-search providers setting out our expectations under consumer protection law and requiring them to make any changes necessary to ensure that consumers get clear prices when they search and book car rental through an intermediary.⁴⁰

(f) The accuracy of results

34. Research suggests that consumers consider accuracy and reliability to be the most important feature for a comparison.⁴¹ If DCTs present users with inaccurate and/or out-of-date information, consumers are more likely to take poorer decisions and to have wasted time searching. Quite apart from the direct consumer harm arising, to the extent that consumers become aware that information presented is wrong then consumer trust in DCTs more generally may be undermined.
35. As we report in Paper A, most consumers aware of DCTs trust at least a fair amount that comparison tools provide accurate and reliable information, offer the best products based on the requirements of users and provide them with the best price (although only a minority trust them a lot).⁴² Less than one in five (17%) of consumers did not trust sites' accuracy very much or at all.

³⁷ Office of Fair Trading, [Online Targeting of Advertising and Prices: A market study](#), May 2010.

³⁸ European Commission, [Results of the 2016 screening of travel comparison and booking websites](#), April 2017.

³⁹ Pages 85 to 99 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁴⁰ CMA, [Drivers to benefit as CMA takes action on car hire websites](#), July 2016.

⁴¹ Research by Consumer Futures found that 52% of comparison site users specified 'getting accurate and reliable information' as one of the three factors that were most important to them when they use a PCW – the highest ranked feature overall. Consumer Futures, [Price comparison websites: consumer perceptions and experiences: A report by RS Consulting for Consumer Futures](#), July 2013.

⁴² Page 67 in Kantar, [Digital Comparison Tools: Consumer Research Final Report](#), March 2017.

36. Overall, our mystery shopping exercise suggests that the large majority of results appeared to match what the shopper was looking for and that the offer on the DCT matched what they saw when they clicked through to it. However, some shoppers identified examples of apparent differences between DCT results, what they were looking for and the offers on suppliers' sites that they clicked through to.⁴³
37. In some cases, the results shown on DCTs did not appear to correspond exactly with the search criteria used by the shopper – more so in travel and broadband than in sectors like insurance and energy.⁴⁴ This may, however, have reflected in part differences between sectors in terms of the volumes of information DCTs request to tailor results, or the availability of the various specific combinations of requirements in the scenarios.
38. In a relatively small number of cases, the original quote was not available when the shopper clicked through to the supplier – again more so in travel and broadband than in insurance.⁴⁵ There were also instances where there appeared to be differences between the offer as described on the DCT and as described on the supplier site when the shopper clicked through – sometimes because features suggested by the DCT did not appear or appeared differently on the supplier site, but also sometimes because a feature appeared on the supplier site that had not appeared on the DCT.⁴⁶
39. Although it was not always possible to carry out an exact comparison, some mystery shoppers reported apparent differences between the information shown on DCTs' and suppliers' sites about the prices of the products compared, without any obvious explanation – with the most numerous examples being in travel and broadband.⁴⁷ Some shoppers also reported having to re-enter details when directed to a supplier and not being shown the same offer.⁴⁸
40. The EU Sweep, which looked at travel comparison and booking websites, also highlighted concerns about prices on DCTs not matching the price on

⁴³ Pages 85 to 99 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁴⁴ Pages 58 to 65 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁴⁵ Pages 82 to 84 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁴⁶ Pages 85 to 89 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁴⁷ Pages 90 to 99 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁴⁸ For example, page 94 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

suppliers' websites (32% of sites reviewed) and DCTs showing special prices and offers which were not actually available (21% of sites reviewed).⁴⁹

41. In most cases the results on DCTs appeared to match what the shopper was looking for and what they saw when they clicked through to it. But given the importance of accuracy and reliability to consumers, it is particularly important that, wherever necessary, DCTs take steps to address potential concerns over accuracy.

(g) Complaints handling

42. Some parties we spoke to noted the importance of clear complaint and redress processes and responsible complaints handling. This is consistent with the findings of the OFT's report on Price Comparison Websites in 2012, which highlighted this as an issue which could undermine trust in DCTs and found that some websites did not have clear complaints and redress policies.⁵⁰ As with any business, where consumers are unhappy with how a DCT treats them, they need to be able to raise this with them and seek a resolution. If they cannot, they may be put off using DCTs in the future.
43. Our survey found that just 3% had made a complaint, but of those who had not 73% did not know who they would complain to.⁵¹ In itself, low levels of awareness of who to complain to may reflect the fact that consumers appear largely satisfied with their experience of DCTs and consider they have had few occasions to complain.
44. We would expect sites to provide clear explanations about complaints handling in relation to their comparison service, but our websweep suggested that about one-third of DCTs reviewed appeared not readily to provide this information.⁵² Information on how to complain also did not appear prominently on some sites.⁵³

(h) Reviews and quality ratings

45. As we discuss in our section on hollowing out in Chapter 4 of the summary report, reviews and quality ratings have the potential to play a positive role in

⁴⁹ European Commission, *Results of the 2016 screening of travel comparison and booking websites*, April 2017

⁵⁰ Office of Fair Trading, *Price Comparison Websites*, November 2012.

⁵¹ Page 75 in Kantar, *Digital Comparison Tools: Consumer Research Final Report*, March 2017.

⁵² Page 30 to 31 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

⁵³ Page 25 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

supporting choice by consumers. Some stakeholders also emphasised the potential benefits of reviews and quality ratings, provided they are handled properly by DCTs. However, as our recent project on online reviews and endorsements found, they can also mislead consumers if not managed responsibly.⁵⁴

46. Our websweep found that of those sites appearing to provide a feedback platform for consumers to share their experience on purchases via the DCT, or about the suppliers listed, only a relatively small number of DCTs appeared to mention whether they verified if comments were made by someone who had purchased a product, or that they took steps to discourage fake reviews.⁵⁵

(i) How DCTs collect and use people's personal information

47. Use of personal information is an important factor in consumers' trust in DCTs. We would be concerned if DCTs' practices contributed to mistrust, even if the link through to whether people use DCTs or not is not as direct as might initially be expected.
48. There are many aspects to consumers' trust in relation to DCTs, and the nature or extent of their trust may affect their behaviour toward comparison sites and the outcomes for them. The implications could be complex. For instance:
 - (a) Consumers who lack trust in DCTs generally may not use them at all; use them more sparingly than would otherwise be the case; and/or be more likely to use them in combination with other channels (for instance by contacting suppliers directly). In these cases:
 - (i) consumers who, because of their concerns, use DCTs less than might otherwise be the case may be missing out on the potential benefits from using DCTs; and
 - (ii) consumers who address their concerns not by reducing their use of DCTs but by increasing their use of other channels may benefit more as a result of it. For instance they may identify more and better options than they might have done by relying solely on DCTs, or they may use DCT results to negotiate with suppliers.

⁵⁴ See paragraphs 70 to 71 of Appendix 2 in Paper C for more detail on this work.

⁵⁵ Page 29 in Annex A: GfK, *CMA Digital Comparison Tools (DCT) Mystery Shopping and Websweep Research Report*, September 2017.

- (b) Conversely, consumers who trust DCTs a lot may be more likely to rely on one DCT (single-home) and less likely to use other channels and, as a result, make less informed decisions than they might otherwise have made. Indeed, our survey found that for a number of aspects of trust mentioned,⁵⁶ those consumers who trusted DCTs a lot were less likely to multi-home than those who trusted them a fair amount or did not trust them at all.⁵⁷
49. Our survey showed that people's concerns about how their personal information is treated is the main driver of consumer mistrust of DCTs.⁵⁸ We found that consumers showed lower levels of trust in DCTs' storage and treatment of their personal information than for other factors: 54% of DCT users trusted such sites to store their personal information securely and only 45% trusted them to ensure their data is not shared with third parties without their permission.⁵⁹ The level of trust in supplier websites was higher than that in DCTs when it comes to storing information and not sharing data without permission.⁶⁰ Our qualitative research also suggested that some consumers may be concerned about receiving unsolicited communications from DCTs or third parties.⁶¹
50. Despite this, consumers' concerns about data appear to have a less negative effect on take-up of DCTs than might initially be suspected – we see the same phenomenon as in our project on commercial use of data,⁶² which is that some people might not trust DCTs' treatment of their data but go ahead and use them anyway (the 'privacy paradox').
51. Although users' concerns may have a positive impact if they mean consumers stay alert, there are reasons why they may be a particular issue for DCTs. Our report on the commercial use of consumer data noted that PCWs are key players in the collection and use of consumer data, since sharing data with potential suppliers is a fundamental aspect of their business model. Many DCTs require a substantial amount of consumer information to enable comparisons. This means that DCTs are likely to be particularly exposed to any fragility in the level of consumer trust associated with data collection and use.

⁵⁶ I.e. trust that comparison sites treat all providers equally, that they offer the best products based on the requirements of users, and that they provide the best price.

⁵⁷ Source: [Kantar Public survey data tabulations](#).

⁵⁸ Page 67 in Kantar, [Digital Comparison Tools: Consumer Research Final Report](#), March 2017.

⁵⁹ Page 67 in Kantar, [Digital Comparison Tools: Consumer Research Final Report](#), March 2017.

⁶⁰ Page 73 in Kantar, [Digital Comparison Tools: Consumer Research Final Report](#), March 2017.

⁶¹ Page 95 in Kantar, [Digital Comparison Tools: Consumer Research Final Report](#), March 2017.

⁶² CMA, [The Commercial Use of Consumer Data](#), June 2015.

52. Our websweep identified some apparent weaknesses in how well DCTs explain their, and third parties', use of data and consumers' control over it. DCTs generally convey information about how they, and third parties, collect and use data about consumers and their behaviour, by means of privacy policies, terms and conditions, and cookie notices. These are generally found through links on the home and other pages which consumers need to click through to obtain information.⁶³ As we outlined in our report on the commercial use of consumer data,⁶⁴ these may not be effective at informing consumers or seeking consent.⁶⁵
53. When we looked at what information DCTs provide, in many cases the use of the DCT required general acceptance of the privacy terms of a range of third parties without consumers being able easily to understand or have effective itemised control over how their data may be used or passed to others for various purposes.
54. While DCTs appeared to provide consumers with at least some information on how their data is handled, many appeared to state that they might (or would) pass on data to third parties without explaining to whom they would pass it.⁶⁶
55. While most appeared to give consumers some control over whether the DCT itself could contact them in the future for marketing (generally by means of an opt-out and typically by suggesting they contact the DCT directly, or by providing an unsubscribe link in emails), about half did not appear to offer information about how consumers could exercise control over whether third parties could do so.⁶⁷ Where they did, this appeared often by means of an opt-out rather than an opt-in mechanism.⁶⁸

⁶³ Pages 29 to 30 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁶⁴ CMA, [The commercial use of consumer data](#), June 2015.

⁶⁵ In research accompanying its thematic review, the FCA also found that while consumers' rights are normally included in terms and conditions on DCTs, no consumers were observed to click to read them before ticking them. See Atticus Market Research Consultancy for the FCA, [Price comparison website: Consumer market research](#), June 2014 (page 53).

⁶⁶ Pages 29 to 31 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁶⁷ Pages 29 to 31 in Annex A: GfK, [CMA Digital Comparison Tools \(DCT\) Mystery Shopping and Websweep Research Report](#), September 2017.

⁶⁸ Our findings echo those in the OFT's report on PCWs in 2012, which found that some sites could improve their privacy policies by making them clearer, especially with regard to the uses that third parties might make of the data (if it is passed to them) and the identities of those parties. It also found that websites could do more proactively to draw consumers' attention to the privacy policy before they provide personal information. See Office of Fair Trading, [Price Comparison Websites](#), November 2012. We also note that in relation to general insurance, the FCA found in 2014 that some DCTs did not explain clearly to consumers how they would use their data and that the nature and explanation of opt in/out was not always clear. See FCA, [Price comparison websites in the general insurance sector](#), July 2014.

56. There was little indication that DCTs had followed ICO good practice to secure consent for the collection and use of different data for different purposes through, for example, a range of unticked consent boxes or ‘just in time notices’.⁶⁹
57. Given these issues, we discussed in more depth with some DCTs how they handle consumer data. In broad terms, while the position is complex,⁷⁰ we found that when a consumer uses a DCT, a large amount of personal and non-personal data may be collected by DCTs and third parties, for the following broad purposes:
- (a) DCTs collect information necessary to provide comparison services. This may vary by sector and may include personal data.
 - (b) Suppliers also need information, including personal data, to provide quotations. This is generally passed to them by the DCT, and they may collect data directly once consumers ‘click through’ to their sites.
 - (c) DCTs or suppliers may also pass data to other third parties to undertake related services such as conversion tracking, fraud and credit checks etc.
 - (d) DCTs may use data analytics or customer insight businesses to help advertise or market their services. These businesses generally do not collect personal data but typically collect aggregated or anonymised data.⁷¹
58. We heard that a number of DCTs took steps to ensure that the suppliers with which they engage take appropriate measures to handle consumer data fairly, securely and in accordance with consumer expectations. Consumers’ trust in the use of data by DCTs was also an important commercial consideration for businesses offering DCTs. Examples of practices we were told about included:
- (a) Undertaking due diligence before contracting with suppliers.
 - (b) Contractual protections – eg as to marketing, sale or onward transmission of data and requiring compliance with data protection law.
 - (c) Annual audits, questionnaires or external third party testing.⁷²

⁶⁹ Information Commissioner’s Office, [Guide to data protection, privacy notices, transparency and control](#).

⁷⁰ For further detail about how consumer data is collected and used by businesses, see: CMA, [The commercial use of consumer data](#), June 2015.

⁷¹ Based on responses from a number of DCTs.

⁷² We were told of an example where a supplier had been removed from a DCT panel for falling below an acceptable standard in their handling of consumer data.

59. However, in some cases DCTs provided only vague information about their security measures, which may undermine consumers' trust in DCTs.

(j) Accessibility

60. As we set out in Paper A, we sought views from consumer organisations and held a roundtable event with some, to understand how DCTs impact on vulnerable consumers. Broadly, some considered DCTs to be potentially helpful tools for vulnerable consumers to shop around – particularly benefitting those with mobility issues or with mental health conditions who find it difficult to speak to multiple suppliers by phone or face-to-face. However, they also had some concerns about:

- Vulnerable consumers receiving a poor user experience from DCTs by being offered no or limited choice.
- Whether DCTs are fully compatible with web accessibility guidelines⁷³ – a review of the biggest DCTs in 2012 had found poor compliance⁷⁴ and some parties we spoke to felt that sites could do better.⁷⁵ Aspects of the design of some DCTs mean that they are not always universally accessible, particularly for the visually impaired and those using screen readers.⁷⁶ Our own high-level assessment identified examples where DCTs might not be complying with minimum standards.
- Consumers with limited digital skills who might struggle to use them.⁷⁷
- Vulnerable consumers (particularly those in debt) being more likely to be worried about switching more generally – for instance, making a costly mistake or experiencing service disruption.

⁷³ While there is no specific legal requirement to comply with any particular set of website accessibility guidelines, the Web Content Accessibility Guidelines 2.0 have been recognised as an ISO International Standard ([ISO/IEC 40500:2012 \(W3C\)](#)) since 2012.

⁷⁴ AbilityNet, [Price Comparison Websites](#), April 2012.

⁷⁵ Additionally, in 2015, the Extra Costs Commission noted that "...generic [market comparison] websites are not accessible or do not provide specific enough search and comparison options to meet the needs of disabled consumers. For example, there are multiple energy switching websites, but not all have accessible websites or offer a telephone or postal option, which may be important considerations for many disabled people". It recommended more generally that businesses should improve website accessibility. Extra Costs Commission, [Driving down the extra costs disabled people face – Final Report](#), June 2015.

⁷⁶ Screen readers convert text content into either voice or braille. With appropriate formatting screen readers should be able to process most webcontent. Where graphics are used 'alt-text' tags can be used to provide a description of the graphic. Developers not including alt-text is an example of how users of screen readers may not be presented with the same information as other users, whilst empty alt-text (where the code indicates there is alt-text but none is provided) can cause confusion as to whether there is relevant content present.

⁷⁷ See, for instance, [Lloyds Bank Consumer Digital Index 2017](#), March 2017. This suggests that 11.5 million people in the UK lack Basic Digital Skills.

61. We also spoke to DCTs about their approach to vulnerable consumers. They told us that they cannot identify whether a consumer using their service is vulnerable and that consumers do not tend to consider themselves to be vulnerable, or wish to be identified as such. Some, however, estimated that vulnerable consumers make up a small proportion of their customer base. One DCT explained how it had identified that a service it was providing had proved to be of particular value to vulnerable consumers and more commercially viable than expected.⁷⁸
62. Most DCTs said that they comply with web accessibility guidelines and some offer offline services such as a helpline. Some have also worked with consumer organisations to improve their service. However, most DCTs we spoke to said they had no specific policy or guidance on this area and do not offer account delegation or other assistance to vulnerable consumers.

⁷⁸ This DCT also pointed out the opportunities that comparison apps can give to consumers on low incomes. While these consumers may be less likely to own computers or have broadband at home, they are likely to own a smartphone and use apps.