

## Digital comparison tools market study glossary

<b>ABTA</b>	Association of British Travel Agents.
<b>Add-ons</b>	Additional products sold alongside the primary product which the consumer can opt to include either on a DCT or after they click through to the supplier's website. In the case of insurance policies, the definition does not include setting an excess or sum-insured – these are not additional products that the customer may obtain in connection to the primary product.
<b>Affiliate network provider</b>	A firm which a supplier engages to help it acquire new customers through online channels including through DCTs. The affiliate network providers sign up and pay commission fees to affiliate marketing partners (publishers). These publishers include DCTs, cashback websites and other recommendation websites. The affiliate network provider uses cookies to track potential customers' online research and purchasing journeys and can provide product information to supplement publishers' marketing content.
<b>API</b>	Application programming interface, a means by which to electronically transfer data from one party (eg a DCT) to another party (eg a supplier).
<b>App</b>	Application. Self-contained software programs that fulfil a particular purpose or enable a user to perform a task. Apps are normally individually downloaded and installed on a device such as a smartphone or tablet.
<b>APR</b>	Annual percentage rate.
<b>Artificial intelligence</b>	A branch of computer science concerned with making computers behave more like humans. ie able to perform tasks normally requiring human intelligence such as visual perception, speech recognition, decision-making, and translation between languages.
<b>Automatic switching service</b>	See <b>digital concierge</b> .
<b>Balance transfer</b>	A balance transfer is when a customer transfers all or part of the balance outstanding on one credit card product to

another credit card product. A fee is typically charged and added to the transferred balance.

<b>BEIS</b>	The Department for Business, Energy and Industrial Strategy.
<b>Best match</b>	In relation to comparison results, a DCT may present a ranked list of all products included on its panel, or present a single 'best match'. This is most common on digital concierge services in homogeneous product markets such as energy.
<b>Big 4 DCT</b>	Comparethemarket, Confused, GoCompare and MoneySupermarket.
<b>Big 5 DCT</b>	Comparethemarket, Confused, GoCompare, MoneySupermarket and uSwitch.
<b>Broker</b>	A broker is a firm which arranges transactions between a buyer and a seller in relation to financial products, typically for a commission fee. DCTs are considered to be brokers for credit products but not for insurance policies as DCTs have commercial relationships with insurance suppliers rather than underwriters.
<b>CC</b>	Competition Commission, one of the two predecessor organisations to the CMA.
<b>Chatbot</b>	A sophisticated rules-based, AI or natural language processing program used for practical purposes such as providing customer service or conversational interaction, replacing text based dialogue or web page interaction.
<b>CMA</b>	Competition & Markets Authority.
<b>Collective switching service</b>	A service which seeks to negotiate exclusive tariffs or deals on behalf of a pool of consumers. Negotiations are conducted periodically with new offers presented as a result. Consumers then choose whether to accept the proposed offer.
<b>Cost per acquisition (CPA)</b>	A charging structure for the commission fees that DCTs levy on suppliers for each product or policy purchased.
<b>CPRs</b>	The Consumer Protection from Unfair Trading Regulations 2008. The CPRs consist of a general prohibition of unfair commercial practices, prohibitions of misleading and

aggressive practices, and 31 practices prohibited in all circumstances.

<b>CRA</b>	Credit reference agency, a firm which collects information about consumers' financial standing to inform the decisions of consumer credit firms.
<b>CTM</b>	Comparethemarket.
<b>DCT</b>	Digital comparison tool. Web-based, app-based or other digital intermediary services used by consumers to compare and potentially to switch or purchase products or services from a range of businesses. Comparison parameters may include price, product characteristics or various measures of quality. DCTs typically do not enter into the primary contract with consumers. The term 'DCT' is used in our report to describe both the tool itself and the business operating the tool according to the context.
<b>Digital concierge</b>	An online service which automatically reviews a consumers' usage and periodically either automatically switches services or proposes one or more short listed offers to choose from.
<b>Dimming</b>	The practice of a DCT de-emphasising the listing for a supplier in results returned from a search so that the hyperlink to the supplier's offerings is less prominent than other suppliers.
<b>Dynamic listing</b>	The practice by which DCTs generate results by pulling product and tariff information from a supplier's (or the supplier's agent's) systems. Examples of this are home and motor insurance where a customer's details are provided to an insurer to generate a quote.
<b>Dynamic pricing</b>	Dynamic pricing is a pricing strategy in which businesses set prices based on current market demands. Businesses change prices based on algorithms taking various factors into account.
<b>FCA</b>	Financial Conduct Authority, the regulator for financial services firms and financial markets in the UK.
<b>GC</b>	GoCompare.

<b>GDS</b>	Global distribution system operator. A firm which operates a computerised-reservation system for flights and other travel products. GDSs were originally created by several of the largest airlines to distribute their flights through travel agents but have since become independent. They generate their revenues primarily from airlines.
<b>Hollowing out</b>	A reduction in product quality as a result of an undue focus on price.
<b>Matching services</b>	A service which analyses a consumer's existing products or usage to identify the most appropriate service across a variety of criteria. These are beginning to emerge in insurance.
<b>Metasearch</b>	In the context of DCTs, the process of searching across multiple suppliers and intermediaries for offers which match a certain specification.
<b>MFN</b>	Most-favoured nation, a clause within a contract which limits the price at which the supplier of a product can offer it through other sales channels. These are sometimes referred to as 'parity clauses'. See also Narrow MFN and Wide MFN.
<b>Midata</b>	Midata is a UK government initiative to facilitate the electronic transfer of customers' data (with their consent) from a supplier's system to a third party such as a DCT using an API. This initiative is most advanced in relation to customers' energy consumption and banking transactions data.
<b>MSE</b>	Metasearch engine, an online firm which allows its users to search for offers for, for example, flights and hotels, satisfying a specification the user has requested (eg flight from London to Berlin), across a number of different suppliers and intermediaries (such as OTAs) who offer products for sale online. In general customers click through / are redirected / referred to the relevant supplier / intermediary.
<b>MSM</b>	MoneySupermarket.com.

<b>Multi-homing</b>	A consumer (or supplier) using more than one DCT when searching for (or advertising) a product or service.
<b>Narrow MFN</b>	See MFN. It specifies that a supplier sets a price on the DCT which is no higher than the price offered through its own website, but does not stipulate conditions for sales via other channels.
<b>Negative matching</b>	Adding another advertiser's brand name (eg that for a particular supplier) to negative keywords when bidding in a search engine auction process. This is done in order to prevent the bidder's ad appearing in the search results for a query containing the specified negative keyword.
<b>Non-brand-bidding</b>	Refraining from stipulating another advertiser's brand name (eg that for a particular supplier) as a keyword when bidding in a search engine auction process. This is done in order to prevent the bidder's ad appearing in the search results for a query containing the specified brand name.
<b>Non-resolicitation agreement</b>	Non-resolicitation agreement relates to a term in a contract between a DCT and a supplier whereby the DCT agrees not to resolicit customers who have purchased the supplier's product via that DCT (in respect of the same product type), typically for a certain period.
<b>Ofgem</b>	The Office of Gas and Electricity Markets, the UK's energy sector regulator.
<b>OFT</b>	Office of Fair Trading, one of the two predecessor organisations to the CMA.
<b>OTA</b>	Online travel agent. An online travel firm which allows its customers to search for offers for, for example, flights and hotels, satisfying a specification the customer has requested across a number of different suppliers with whom it has a contractual relationship. Depending on the terms negotiated between the OTA and a supplier for an individual offer, the OTA will typically either be remunerated for any purchase either on a commission basis (ie agency business model where the supplier such as a hotel sets the price payable by the customer) or earn a margin on buying the product on wholesale terms from the supplier (ie

	merchant business model where the OTA sets the price payable by the customer).
<b>PCW</b>	Price comparison website, a type of DCT.
<b>Personal data</b>	Also referred to as personally identifiable information, data that can be used alone or in combination with other data to identify specific individuals.
<b>PMI report</b>	Report published by the CMA in 2014 on the conclusion of its market investigation into private motor insurance.
<b>Reverse auction</b>	A service which presents a consumer's details to a panel of suppliers and invites bids. Through subsequent rounds of bidding, suppliers can make revised bids.
<b>Single-homing</b>	A consumer (or supplier) using only one DCT when searching for (or advertising) a product or service, rather than multiple DCTs.
<b>Smart speaker</b>	A combined speaker and microphone that allows a user to undertake various tasks by voice control.
<b>Sponsored listing</b>	A listing included in comparison results which has greater prominence as a result of an enhanced level of commission or other payments.
<b>Unbundling</b>	The restructuring of products by separating out and pricing separately certain components of the offering.
<b>Web-scraping</b>	A range of techniques to capture structured or unstructured data and information from public facing webpages and process into a structured format.
<b>White-label DCT provider</b>	An online firm which allows a DCT to use the comparison tool and supplier commercial relationships the firm has developed to extend the range of sectors in which the DCT offers comparison services. The online firm shares commission fees it receives from suppliers with the DCT. The online firm may or may not itself operate as a DCT under its own branding.
<b>Wide MFN</b>	See MFN. It specifies that a supplier sets a price on the DCT which is no higher than the price offered through its

own website or through any other sales channel (including other DCTs).

**WoTM requirement** Whole of the Market. A requirement for a DCT to display in its search results all offers from all suppliers that are available in a particular market regardless of whether commercial relationships exist between individual DCTs and suppliers or not.