

# Analysis of home insurance market – Q1 2009

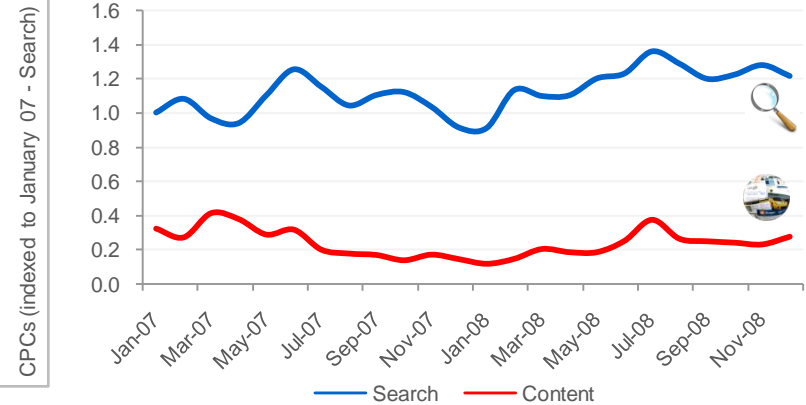
## Industry Fast Facts

Home insurance is rapidly becoming as commoditised as car insurance. Advertisers and regulators face a challenge of remaining price competitive without any detriment to quality and coverage of policy terms.

- 74%** Proportion of new home insurance purchasers who buy a policy based on price. (83% for online purchasers)
- 78%** Proportion of home insurance purchases that were made online in 2008 (up from 72% in 2007)
- £123** Average price of a home insurance policy in UK (January 2008)
- £716** Value of goods the average UK consumer carries around with them on a daily basis and which is often not covered by stripped down insurance policies.

## CPC Trend – Search vs. Content

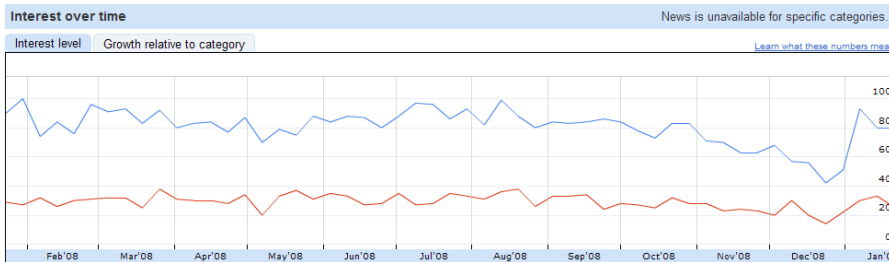
CPCs have stayed flat relative to other sub verticals despite the reduction in new home purchases. Home insurance is still viewed as a necessity despite falling disposable incomes.



## Changing consumer behaviour and reaction to events



Totals  
 home insurance 81  
 house insurance 29



With the exception of Q4, demand for home insurance stays constant.

Search terms: related to home insurance | United Kingdom, Last 12 months

Top searches	Rising searches
1. <a href="#">barclays home insurance</a> (100)	1. <a href="#">axa insurance</a> (+70%)
2. <a href="#">barclays insurance</a> (95)	2. <a href="#">natwest home insurance</a> (+40%)
3. <a href="#">axa insurance</a> (55)	
4. <a href="#">zurich home insurance</a> (50)	
5. <a href="#">zurich insurance</a> (45)	
6. <a href="#">axa home insurance</a> (45)	
7. <a href="#">natwest insurance</a> (35)	
8. <a href="#">natwest home insurance</a> (35)	

Strong offline campaigns have led to the growth of brand specific queries

## Where does a search for the main terms lead to?

Google home insurance Search Advanced Search Preferences

Web Results 1 - 10 of about 55,100,000 for home insurance. (0.33 seconds)

**Sponsored Links**

- [Go Compare Home Insurance](#)  
www.GoCompare.com/Home-Insurance Compare home insurance quotes, get a home insurance quote in minutes.
- [Quote Me Happy Home Cover](#)  
NorwichUnion.com/Home-Insurance Buy buildings insurance and you can receive contents cover free!
- [Compare Home Insurance](#)  
www.confused.com Fill in 1 form to get quotes from over 50 home insurance providers

**Sponsored Links**

- [Direct Line Home Cover](#)  
50% off contents cover with contents replaced new for old  
www.directline.com
- [TESCO Compare](#)  
New TESCO Home Compare - We'll help you find an unbeatable deal!  
www.TescoCompare.com
- [Cheapest Home Insurance](#)  
Save time & money! Compare 43 UK insurers in minutes & apply online.  
moneysupermarket.com/home-insurance
- [Home Insurance Cash Back](#)  
£30 Cash Back from the UK's largest high street broker  
www.swinton.co.uk/home/cashback
- [NatWest Home Insurance](#)  
1/3 OFF - one week only.  
Runs 17/01/09 - 24/01/09.  
www.NatWest.com

Competition between leading aggregators has intensified over the last 12 months, presenting direct providers a chance to take online share of voice...

## % downstream clicks to different sites – Q4 2008

	home insurance	house insurance
	8%	34%
	33%	28%
	12%	4%
	1%	<0.9%

...if they invest wisely in the volume driving generic terms

## Will market leaders compete on price or quality?

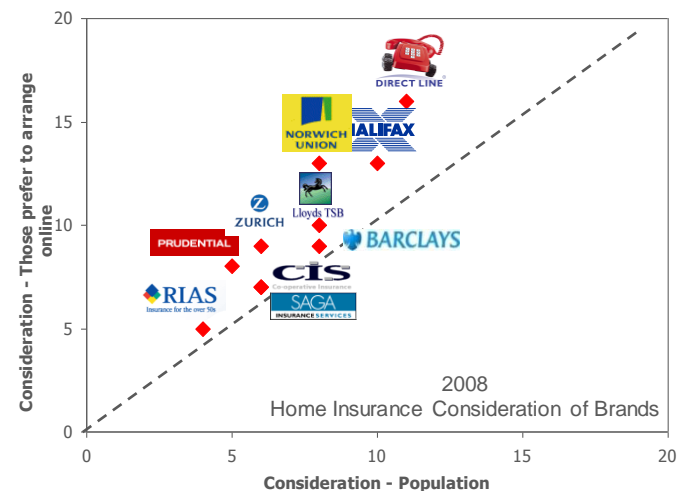
The latest news for financial services buyers

### Defaqto and Halifax: Quality over price

Consumers are being urged to take into account cover provided in home insurance policies rather than make decisions based only on price.

Consumers who purchase their home insurance cover based on price alone, are in danger of purchasing a product that does not provide the cover they really need warns a general insurance expert at Defaqto.

Price conscious consumers are forcing increased commoditisation...



...what will the impact on your brand consideration in 2009 be?