

NEWS RELEASE

Contacts: Peter Keli
+61 2 8873 7116 / 0410 420 656
peter.keli@acnielsen.com.au

2.87 million Australians shopping online for insurance

- **Rise in consumers accessing insurance information online – up 11 percentage points over the past two years**
- **Majority of Aussies covered for their home and car but not insured for income, life and travel**
- **Internet becoming an increasingly important tool for obtaining quotes**

Sydney, 4 October 2006: Almost two in five (38%) Internet users have accessed insurance information online in the past 12 months, up 11 percentage points from two years ago - equating to 2.87 million Australians, a report by market research company ACNielsen has revealed.

ACNielsen's *Insurance Report*, released today, compiled the views of approximately 23,000 regular Internet users on their insurance preferences, online behaviours and attitudes, research methods and preferred providers for home and content, motor, health, income protection and life insurance.

The report found that the number one insurance policy among Australian consumers is motor insurance with 79 percent - followed by home and contents (74%) and Compulsory Third Party (CTP) insurance (59%). However, insurance policies for

income protection, life and travel, appeared to be less important with the majority of Aussies choosing not to be covered in these areas.

Findings also showed that the market is quite sluggish when it comes to shopping around at renewal time. Only around one in three consumers stated that they were *highly likely* or *likely* to shop around when renewing their home (38%) and motor insurance policies (35%), and less than half chose not to get a quote at renewal time (refer to Chart 1). As a result, over four in five respondents chose to stay with their current home (84%) and motor insurance provider (81%) at their last renewal.

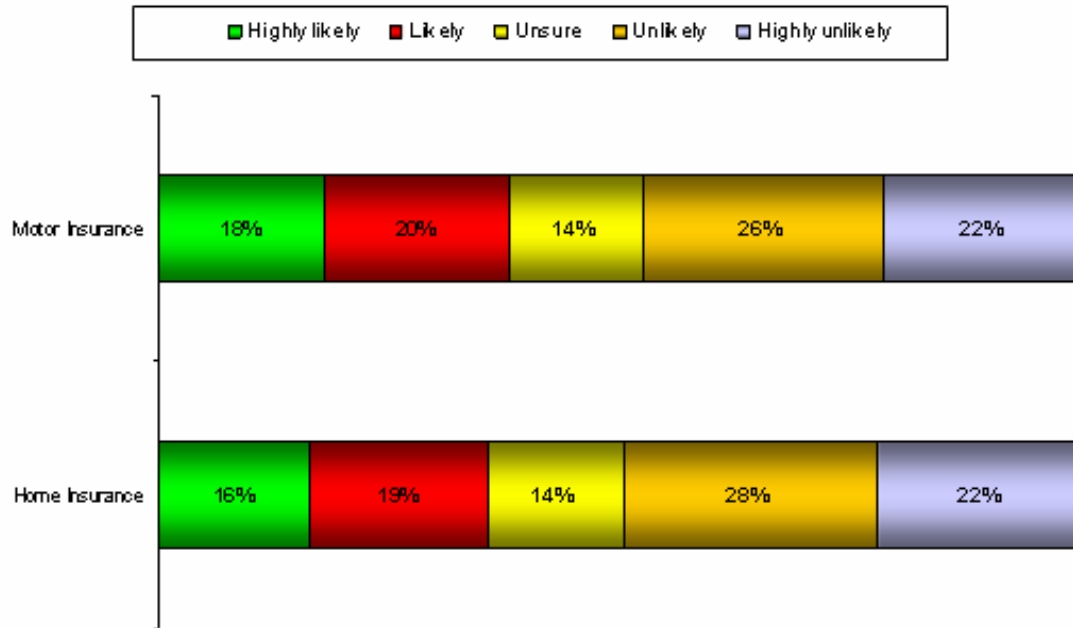
For those that actually switched insurance providers at their last renewal – the Internet proved to be an important tool for comparing prices and policies. Forty-five percent of home insurance and 53 percent of motor insurance customers got at least one quote over the internet.

“This is a wake-up call to all marketing managers within the insurance industry to ensure they have an online element in their marketing mix “, states Glenn Wealands, Director, Financial Services, ACNielsen Australia. “The fact that consumers are increasingly using the Internet for research, presents an opportunity for insurance providers to ensure that their website is an effective marketing tool. It also highlights that online advertising could be the difference between consumers’ choosing to obtain a quote or not at renewal time.”

The findings also revealed that there appears to be a disconnect between those that use the Internet to shop around for insurance, versus the number that purchase policies online. Of the consumers who obtained online quotes for home insurance – over half (56%) arranged to purchase the policy over the phone.

“Insurance companies need to provide a flexible approach to handle the consumers’ desire to use a multi-channel approach when switching insurance providers,” stresses Wealands.

Chart 1: How likely are you to shop around for quotes at next renewal?



About ACNielsen

ACNielsen, a VNU business, is the world’s leading marketing information company. Offering services in more than 100 countries, the company provides measurement and analysis of marketplace dynamics and consumer attitudes and behaviour. Clients rely on ACNielsen’s market research, proprietary products, analytical tools and professional service to understand competitive performance, to uncover new opportunities and to raise the profitability of their marketing and sales campaigns.

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