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News Release

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FOR IMMEDIATE RELEASE

THE INTERNET DRIVES INSURANCE INDUSTRY SALES GROWTH AND RENEWALS

Aussie consumers flock online for insurance quotes and renewals

SYDNEY, 27 March 2007: The proportion of online consumers accessing insurance information online is up nine percentage points in the past six months and more than 20 percentage points in the past two years, much greater than the growth experienced in the more mature online markets of overall internet usage or internet banking, a report by research company ACNielsen has revealed. Almost half (47%) of internet users have accessed insurance information online in the past six months, according to the ACNielsen report.

ACNielsen's *Insurance Report*, released today, compiled the views of approximately 20,000 regular internet users on their insurance preferences, online behaviours and attitudes, and research methods for motor and home insurance.

"Consumers are becoming increasingly competent with the internet, and are now going online in bigger numbers than ever before to research goods and services before they buy," states Glenn Wealands, Director, Financial Services, ACNielsen. "And this trend is definitely going to continue in the insurance sector – in the next 12 months 16 percent of consumers say they will purchase or renew their policies online for the first time."

For those consumers who had used the internet for insurance purposes in the last six months the most commonly cited uses were comparing products and prices (79%), obtaining a quote (67%) and paying for a policy renewal (54%). Over half (52%) stated they had purchased an insurance policy online in the past 12 months. (See chart 1).

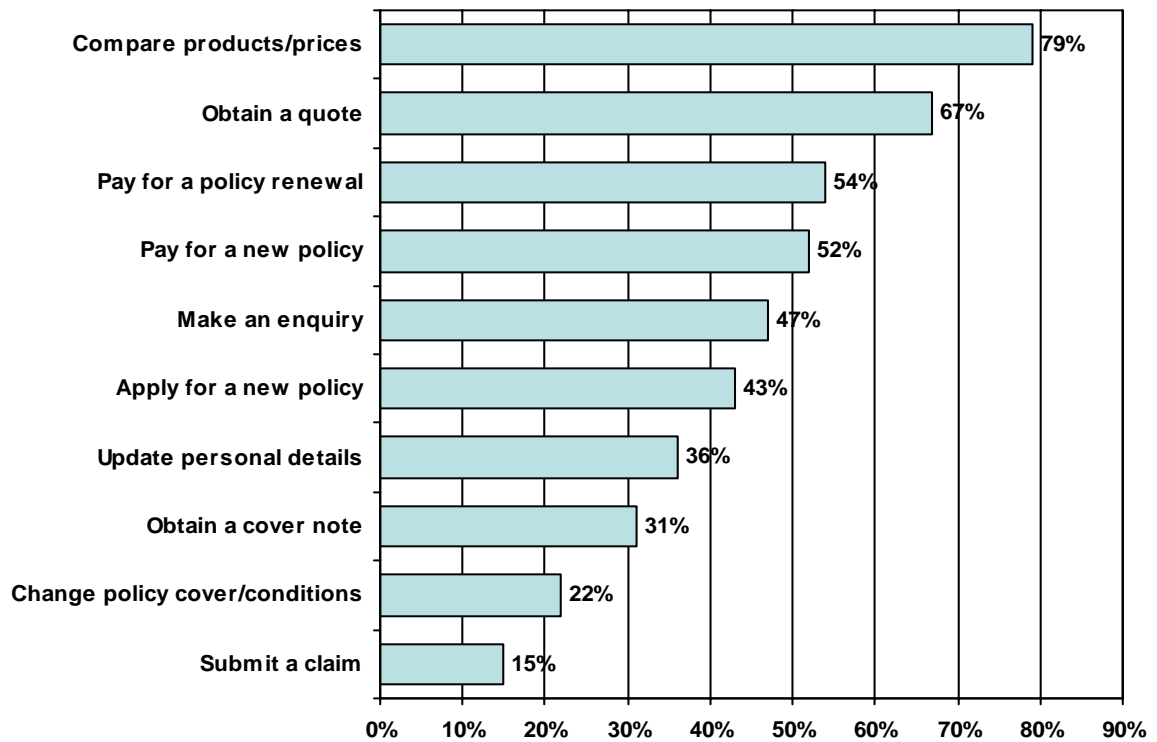
But those internet users who went online for their insurance needs were more inclined to shop around than those who used more traditional methods. Consumers who sourced motor insurance quotes over the internet at last renewal were likely to source around three quotes, compared to those respondents who obtained quotes over the telephone, who averaged just two quotes. The survey findings also showed that those respondents who bought their motor policy over the Internet were nearly twice as likely to shop around at next renewal (33% stating very likely) compared to those who bought the policy over the telephone (18% stating very likely).

“Internet users who purchase their policies online are more fickle than those who use the phone,” warns Wealands. “Although the internet is a cheaper and a more convenient way of providing the consumer a quote, it would take more quotes to get a final sale than through other channels. This means that insurance companies need to work hard to attract them and just as hard to retain them.”

Wealands notes that for the first time ever internet sales were taking away from sales of insurance policies over the phone. “This is a big ‘heads-up’ for insurance providers of the importance of their websites as an information source, a means of getting quotes and, now more than ever, as a sales tool.”

Chart 1: Transactions made online in the past 12 months

Based on home/contents/car insurance holders who have used the internet for insurance in the last 12 months (n=5180)





About ACNielsen

ACNielsen, a division of the Nielsen Company, is the world's leading marketing information provider. Offering services in more than 100 countries, ACNielsen 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. For further information, please visit <http://www.nielsen.com>

About The Nielsen Company

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