

Consumer Intelligence marketing messages - Guidelines and methodology

Consumer Intelligence Ltd is a wholly independent company that monitors and benchmarks the prices of General Insurance. This work is carried out entirely independently by Consumer Intelligence in order to give an unbiased, nationally representative sample of data. This ensures that price claims provided by Consumer Intelligence are truly unbiased and accurately reflect a company's position in the UK market.

As Consumer Intelligence hold information on the view of the customer, our data can be used uniquely in substantiating marketing messages across all channels (web, online, direct etc). This can include "save up to" or "average savings" only. Examples are:

- "You could save up to £98 with Churchill Buildings and Contents Insurance"
- "90% of customers can save up to £80"

These messages give brand marketing credibility and can drive business. We have been generating marketing messages for 13 years and are experts in the field.

Guidelines:

Consumer Intelligence will only substantiate marketing messages that comply with the following guidelines:

- We will only substantiate messages that comply with the methodology we have detailed in this document
- We will not substantiate messages that name another brand i.e. – "Switch to Swinton and you will save 30% of your Admiral renewal"
- The message must be refreshed every 3 months to comply with Advertising Standards.
- Whilst live, which ever channel, Consumer Intelligence must be retained throughout the period to ensure that the message facts are valid and true to customer. This allows fact checking if requested by regulators and competitors and ensures compliance and reduces risk
- The data that the substantiation is based on must be at least 3 months in duration, based on the subsequent 3 months prior to the campaign. However, it is noted that brands frequently change offers and incentives and where this is the case the substantiation must be date stamped.
- The 3 month duration is based on calendar months, using whatever collections have been completed in that time period. The only products this excludes are the Home Ireland and Motor Northern Ireland collections which are quarterly. So currently we cannot substantiate these products.
- The only product we will allow to be under 3 months of data is Pet Insurance (which is 2 months, rather than 3), that is the only exception due to the way we collect, and no exceptions will be made for any other segment.

- Any channel can be used for substantiation as long as you purchase the relevant license – television, radio, online, direct marketing, etc. No restrictions.
- The minimum sample size of the data is 50 market tests, we will give you the sample size of your specific message on generation of the sub sheets
- We will allow grouping of data to tailor messaging to a customer demographic, location or other (speak to us for all options)
- No superlatives i.e. “Cheapest”, “Best”, “Number 1”, we will only substantiate the messages “Save up to” and “Average savings”.

Additional guidance:

- Price mentions can include a differentiation by channel i.e. “Getting a quote from Money Super Market can save you £50 than going direct”, “Come to Legal and General direct and save £50 against buying through a broker”. You can mention the competitive channel but not brand name. This includes pcw v pcw and direct v direct.
- When we refer to “wins” in our methodology this includes both exclusive and shared wins

How to display our brand in substantiations

Where possible either our logo or asterix should be used, according to our brand guidelines (see **Appendix 1**). Where not possible our brand should be referenced as follows, with the details of the substantiation.

Referencing Consumer Intelligence:

- Data provided by Consumer Intelligence Ltd, www.consumerintelligence.com
- Exciting Insight by Consumer Intelligence Ltd, www.consumerintelligence.com

Any use of our marketing messages and brand name or logo need to be signed off by the Consumer Intelligence marketing team prior to go live. Consumer Intelligence must be involved at brief stage for any television or radio creative to ensure the message visuals are not misleading. Any use of the Consumer Intelligence substantiation requires sign off, clients should allow a 48 hour turn around time within the schedule to accommodate. The exceptions to this are refreshed substantiations which other than the data provided by Consumer Intelligence contain no material changes.

Approval by Consumer Intelligence does not mean compliance with applicable laws which should be checked in your normal way

Consumer Intelligence run spot checks on the substantiation compliance twice a year. You may be called upon to provide your compliance evidence at any time which must be provided within 7 working days of request.

Methodology (overview)

The use of price claims within General Insurance is regulated by both the Financial Conduct Authority (FCA) and the Advertising Standards Authority (ASA). In general terms advertisers need to make sure that the advertisement is clear, fair and not misleading to the person reading it. In the FCA's words*:

“ (1) This guidance applies in relation to a financial promotion that makes pricing claims, including financial promotions that indicate or imply that a firm can reduce the premium, provide the cheapest premium or reduce a customer's costs. (2) Such a financial promotion should: (a) be consistent with the result reasonably expected to be achieved by the majority of customers who respond, unless the proportion of those customers who are likely to achieve the pricing claims is stated prominently; (b) state prominently the basis for any claimed benefits and any significant limitations...”

- In order to validate the claims our clients make about their insurance products we have created an independent and fair means of evaluating companies. Our research across the whole market identifies the leading companies, and we use this information to monitor, at all times, companies that account for over 80% of all the General Insurance sold, giving a comprehensive comparison.
- Our tests are based on a representative sample of the UK population derived by consumer research.
- We use a fair and balanced means of collecting prices. All insurers are contacted on a like for like basis, so the quotes can be compared.

* ICOBS 2.2 Communications to clients and financial promotions <https://fshandbook.info/FS/print/handbook/ICOBS/2/2>

Methodology (compliant and comparable)

- The results from each one of the benchmark companies for each one of the risks are then compared against the price offered by the target company. This gives several thousand samples of price variances in pounds.
- A negative price variance indicates where the target company has offered a better price. A positive variance is where the target company has offered a worse price. These price variances are rounded to the nearest whole pound value. The number of instances of each pound value can then be counted.
- To avoid any controversy, the whole dataset — based on all companies monitored — is clipped to remove values associated with any risk that are deemed to be too extreme.
- After the samples gathered reaches a minimum value (e.g. 500) we can calculate and plot the empirical Probability Density Function (PDF). At the same time we apply standard textbook techniques to calculate the first two moments (mean & variance) and various concentration/location statistics (i.e. skew, mode).
- By accumulating the PDF we are interested to see when it reaches 10%. The purpose of this exercise is establishing the point on the X axis at which 10% of all the quotes will have savings

greater than that value. This could be done by hand, which is laborious, but statisticians have invented standard techniques for achieving these counts.

- The computer uses these techniques to count the number of samples that equal 10% of the whole sample. As we are dealing with the empirical PDF we cannot always have the 10% of all quotes on the X axis, in this case we take advantage of the fact that the Cumulative Distribution Function (CDF) is a monotonically increasing function and apply a linear interpolation between the nearest low and high values. At this point 10% of people would have saved more than the amount being claimed, this is the value that we use for the price claims.

Frequently Asked Questions

Q: Is it fair?

A: This methodology is fair because an independent company using standard statistical techniques carries it out. Consumer Intelligence works for many major financial services organisations all of which compete fiercely with each other. If we slanted the samples or results to favour a specific client, we would lose customers and credibility in the marketplace.

Q: Is the data representative of the target population?

A: Consumer Intelligence finds out whether the data is representative by conducting monthly surveys of consumers. Our customers cannot influence our sample in any way. If you are advertising to a particular group, such as people over 50 then our sample size is large enough to be able to provide a claim for these individual groups that is clear, fair and not misleading.

Q: Are the quotes obtained accurate and unbiased?

A: Yes. We have quality check procedures for profiles and quotations gathered from websites. The data collection process is almost entirely automated and constantly monitored for website changes that necessitate changes to our programs. We use various techniques to avoid detection by provider websites. In addition, we vary elements within each profile to minimise detection. This is significantly different from permission-based software 'crawlers' which do not use representative profiles. In addition, their presence can be detected, and quotes flexed accordingly. This is critical when providing real price claims for marketing purposes.

Q: Can the data be skewed by a few poor performing companies?

A: We clip the data before we calculate any statistics in order to exclude those prices that are so large that the insurers concerned could not reasonably expect anyone to accept them. We consider that the prices that remain are genuinely in the market, and savings calculated against the poorer prices are genuine savings available to consumers.

Q: Are all prices captured with the same excess?

A: The provider sets its own compulsory excess but we set the voluntary excess within each profile.

Q: Do all prices have the same optional benefits?

A: Yes. In each individual profile we specify the benefits we require. We accept the best price that gives at least this cover.

Q: How the 'Save up to' figure is calculated

A: In calculating the amount of money up to which a consumer could save, if they purchased their insurance from an individual company, Consumer Intelligence has followed the guidelines laid down by the ASA and the FCA: These are as follows:

Substantiation

3.7 Before distributing or submitting a marketing communication for publication, marketers must hold documentary evidence to prove claims that consumers are likely to regard as objective and that are capable of objective substantiation. The ASA may regard claims as misleading in the absence of adequate substantiation.

Price Comparisons

3.39 Marketing communications that include a price comparison must state the basis of the comparison. Comparisons with a competitor price must be with the price for an identical or substantially equivalent product and must explain significant differences between the products. If the competitor offers more than one similar product, marketers should compare their price with the price for the competitor's product that is most similar to the advertised product.

Savings Claims

Marketers who make claims such as "save up to 30% on all fridges" would be expected to sell all fridges at a discount with around 10% of models attracting the maximum savings. The ASA regards the claim "save up to 30% on fridges" in a similar vein and would expect all models to have some discount with around 10% having the maximum discount. If only certain fridges are reduced, marketers should make clear that the savings claims relate to selected lines only, for example "Save 30% on selected fridges". Marketers should neither include that explanatory statement in small print nor limit the number of discounted lines so much that the savings claim is misleading.

So where the claimed saving is less than absolute (such as "save up to 60 %"), so as not to produce promotions which fail to meet the clear, fair and not misleading standard, firms should, amongst other things, consider the impression the promotion is giving (e.g. does it suggest that the maximum saving which is to be achieved is in the region of x%, does it suggest that a reasonable proportion of the audience can expect to obtain a saving in the amount of x% or does the promotion give the impression that the firm provides cheaper insurance?); The ASA guidance requires that 10% of the quotes achieve the claimed saving and that there should also be a reasonable staggering of prices up to the quoted saving. The ASA guidelines may constitute helpful guidance to firms – though of course the key consideration remains whether the promotion as a whole is clear, fair and not misleading and therefore compliance with these guidelines should not be considered as a substitute for compliance with the FCA's Handbook.

When making comparisons with the price of insurance offered by competitors, in order to be clear, fair and not misleading the promotion should, amongst other things, compare contracts meeting the same needs or which are intended for the same purpose, i.e. provide a like-for like comparison. Where there are significant discrepancies between the cover being compared, it is unlikely that such comparison will be clear, fair and not misleading.

Appendix 1


Asterix:





Logo and Brand Guidelines:

01. Our Logo


Our logo
Our logo is one of the most visible elements of our identity – a universal signature across all Consumer Intelligence communications. It's a guarantee of quality that unites our diverse range of services.
The logo should always be reproduced from the master files.



Reversed out logo
A white version of the logo is available for use over colour and image backgrounds.




Exclusion zone
To protect the clarity and visual integrity of the logo, it has an exclusion zone. We have used the width of the asterisk character to denote the minimum clearance required.



Minimum size
Displayed is the minimum size guide for the logo in both millimetres and pixels.

Print	35mm wide
Screen	250px wide



Minimum size
35mm

Appendix 2

Example chart:

