







Better safe than sorry

☰ YouGov analysis of Brits' attitudes to insurance

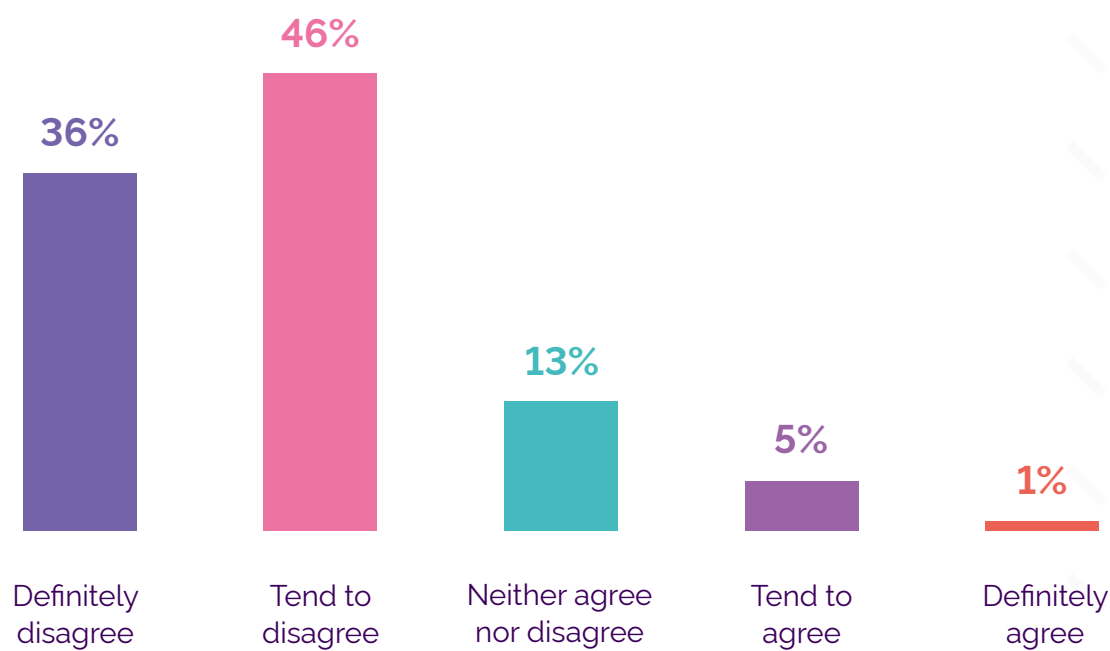
YouGov[®]

Contents

Introduction	03
 Which insurance policies are Brits most likely to hold?	04
 Making claims	07
 Switching and shopping around	11
 Is the market ready for insurance innovation?	17
 Conclusion	20
 The tools behind the research	21

Introduction

While insurance is not the most exciting of purchases, most Brits agree that going without is risky. Just 6% of the nation agree that “insurance is for unlucky people”, and the vast majority (82%) disagree with the statement.



Despite this, the insurance industry suffers from a lack of trust. The public are generally sceptical about whether or not legitimate claims will be paid out and are happy to shop around if they feel they can get a better deal.

This paper looks at which policies Brits hold, as well as their motivations for switching providers. It also explores whether insurance innovations could generate more positive feelings among consumers.

02 | Which insurance policies are Brits most likely to hold?



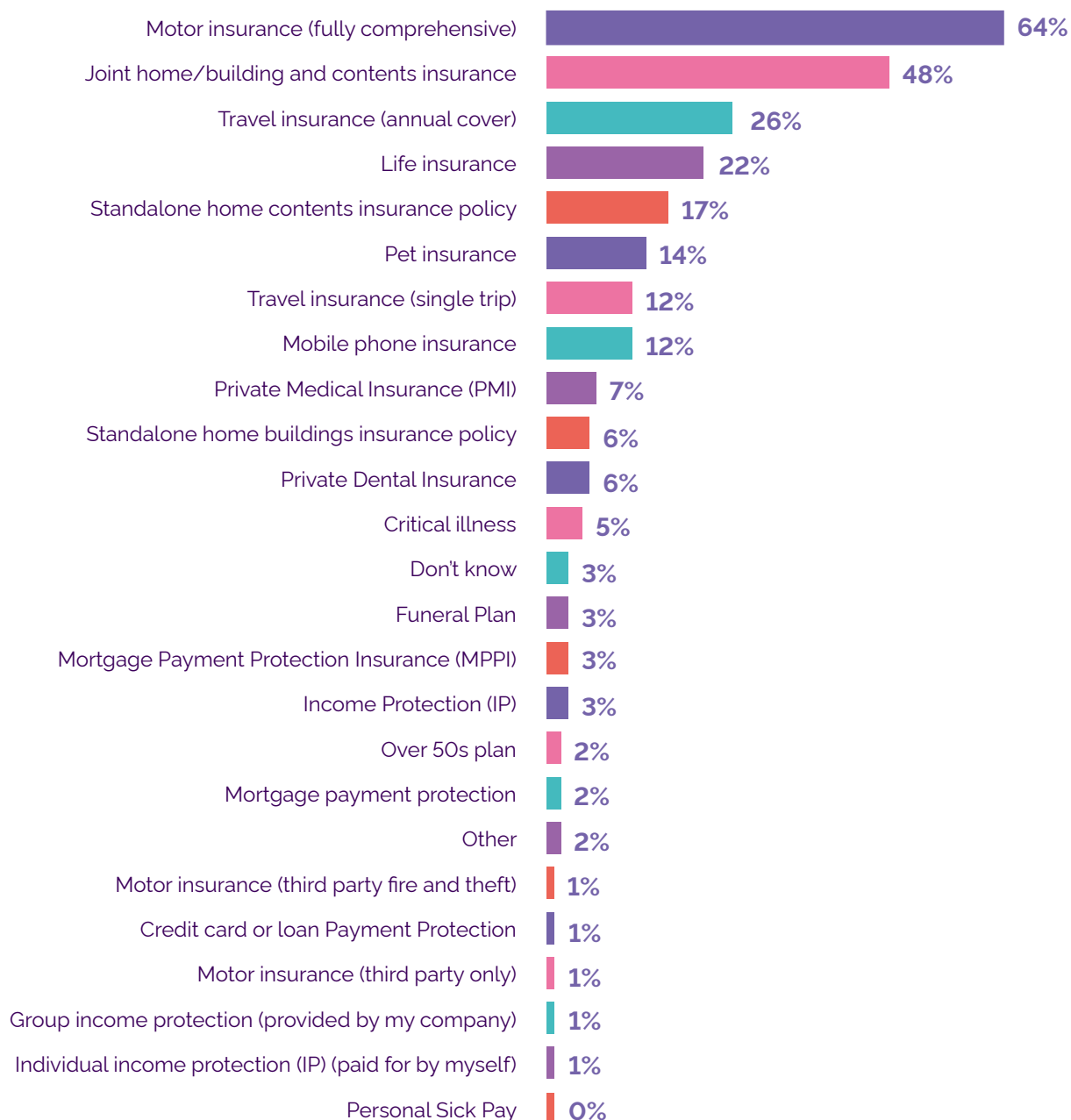
02 Which insurance policies are Brits most likely to hold?

Fully comprehensive motor insurance is the most commonly held product, followed by buildings and contents insurance. Unsurprisingly, more people cover themselves for incidents which could have the most serious financial consequences.

Just 12% of Brits have no insurance of any kind.



Majority of Brits have at least one type of insurance

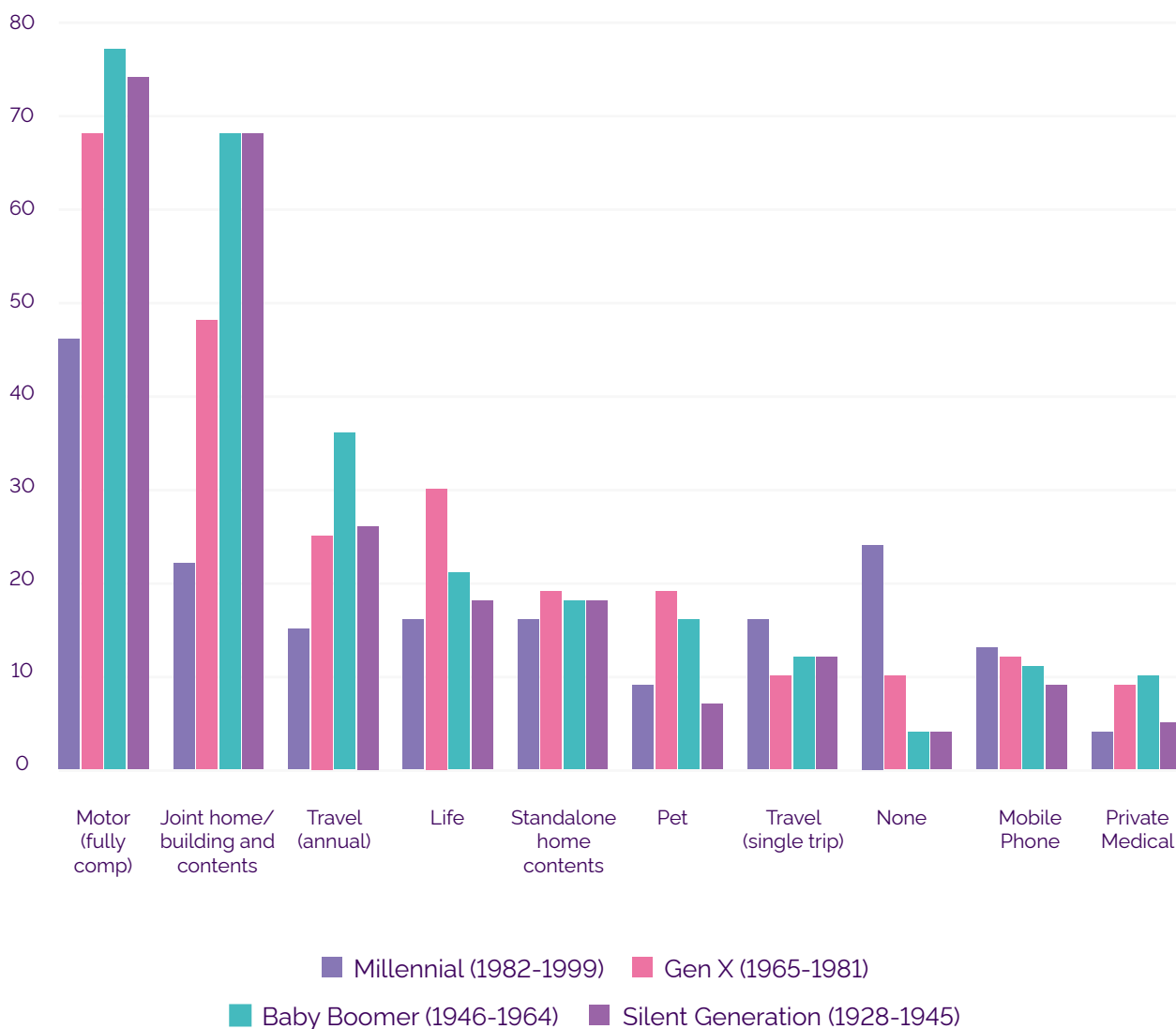


Insurance needs by age

However, insurance priorities differ between generations. Millennials are much more likely to have no insurance at all but are more likely than older generations to have mobile phone or single-trip travel cover. Gen X stand out as being most likely to hold a life insurance policy.



Insurance priorities vary between generations



03 | Making claims

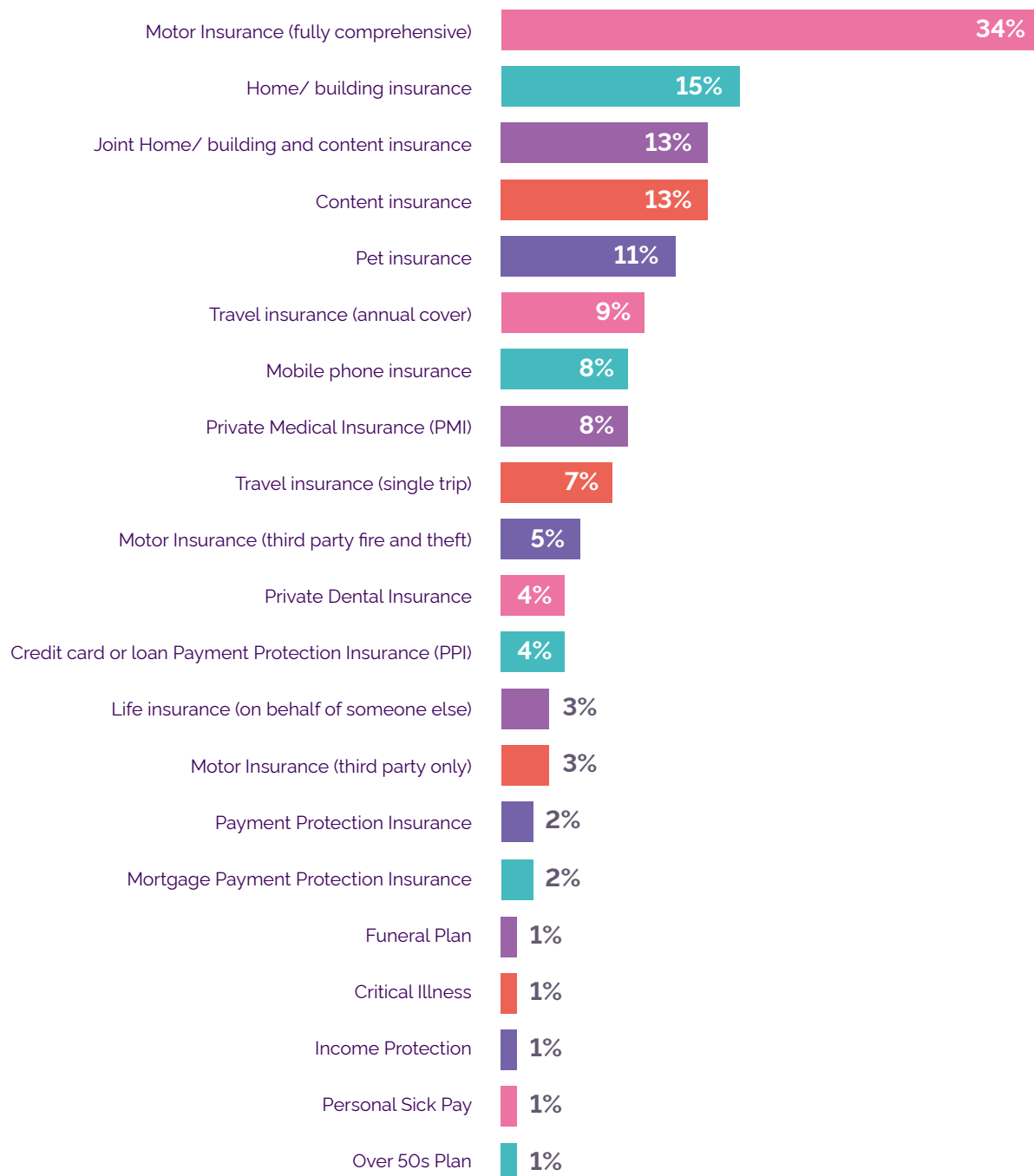


03 Making claims

Around a third (35%) of all Britons say they have never had to make a claim on an insurance policy. Around the same number (34%) have made a claim on their motor insurance at some point.



More than a third of Brits have never made an insurance claim

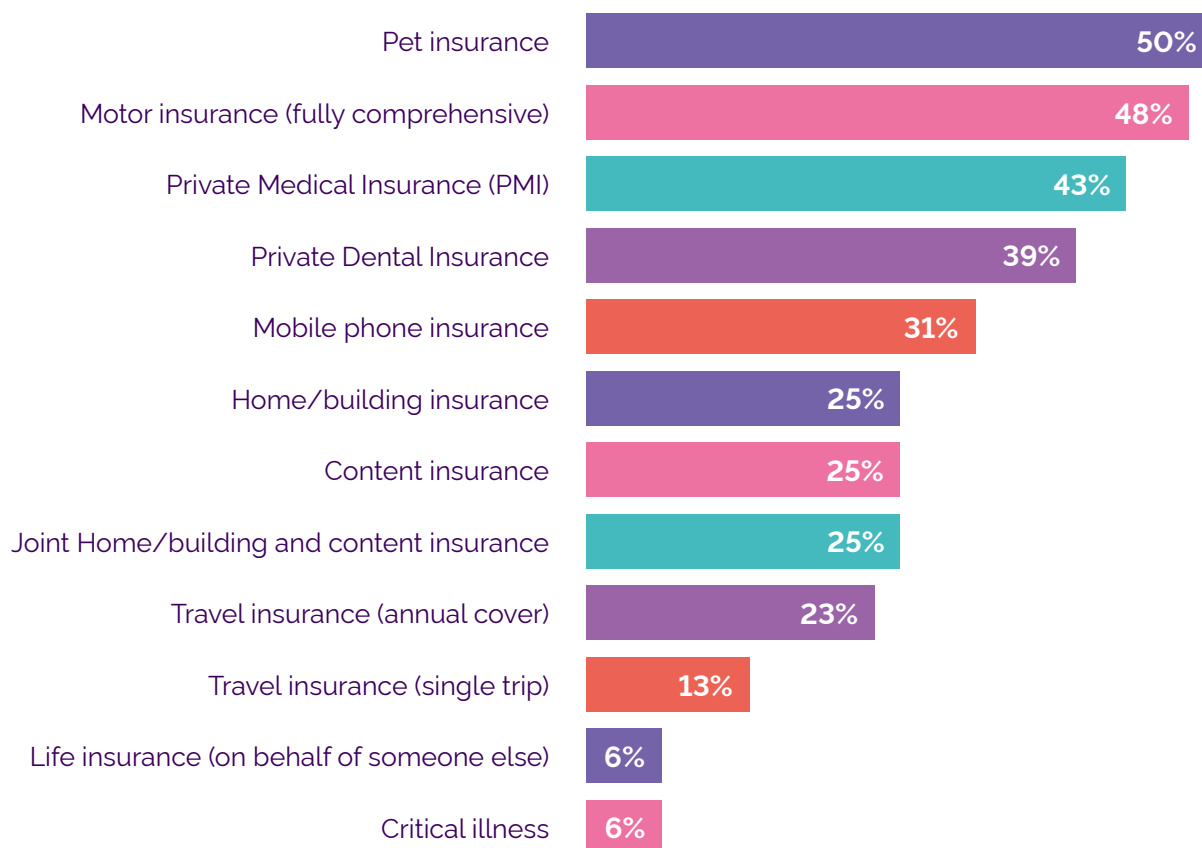


Which types of insurance are most likely to have been claimed on?

Among current holders of each type of insurance, pet insurance is the most likely to have been claimed on (50%) over the last year. At the other end of the scale, only 13% of those with single trip travel insurance have claimed within the last year.



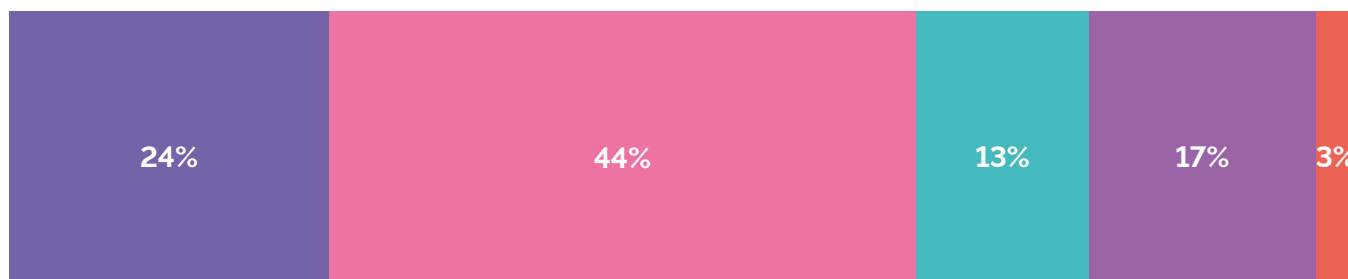
Half of pet insurance holders have claimed within the last year



Brits don't trust insurance companies to pay out

More than two thirds (68%) of Brits agree with the statement that "insurance providers will do everything they can to avoid paying a claim". Only a fifth (20%) disagree.

"Insurance providers will do everything they can to avoid paying out for a legitimate claim"



■ Definitely agree ■ Tend to agree ■ Neither agree nor disagree
■ Tend to disagree ■ Definitely disagree

Using the YouGov BrandIndex Recommend metric (Which of the following brands would you recommend/tell a friend to avoid?), insurance places 34th out of the 41 industries tracked – just above transport and below handset and mobile operators. This metric shows the net recommend score across all brands in the industry.

04 | Switching and shopping around



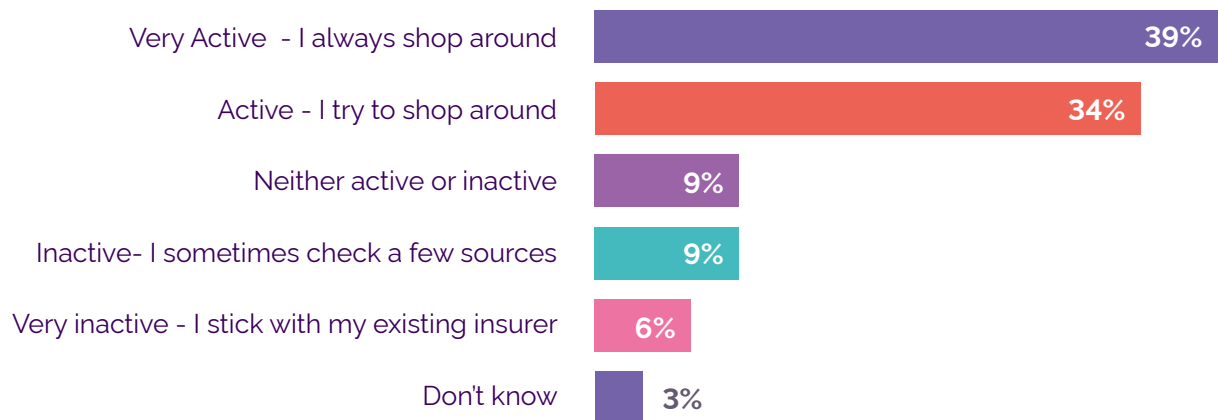
04 Switching and shopping around

With price comparison sites offering consumers more transparency it's easier than ever for people to get a good deal on their insurance premiums.

Almost three quarters (73%) of insurance holders would consider themselves to be "active" when it comes to shopping around.



Almost two in five (39%) insurance holders say that they "always" shop around for a better deal

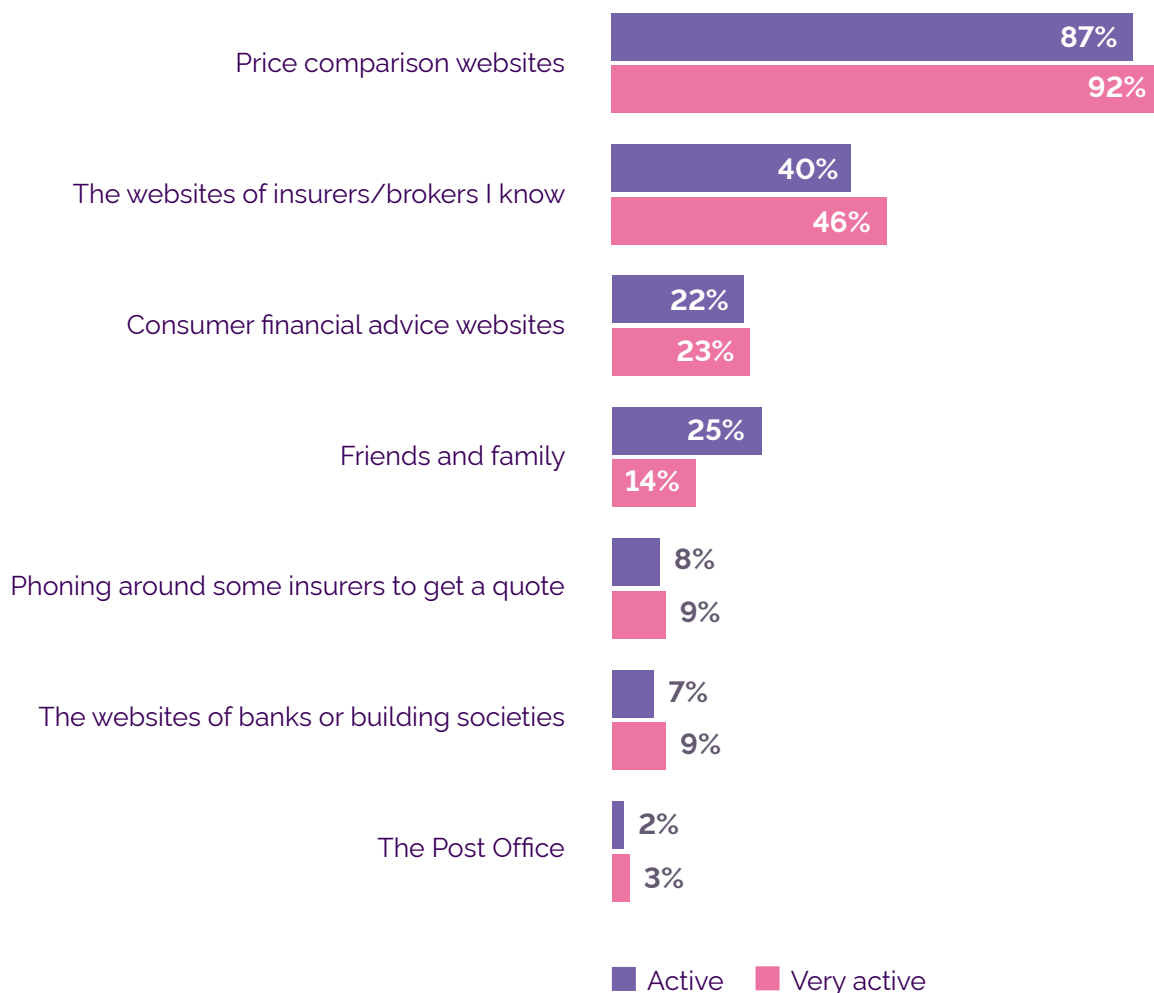


Word of mouth less important when choosing an insurance provider

Of these active consumers, almost all use price comparison websites to find better deals. While word of mouth is widely accepted as a powerful selling tool, in the case of insurance only 14% of very active insurance switchers seek the advice of people they know.



Which of the following do you always or normally use for finding insurance deals?



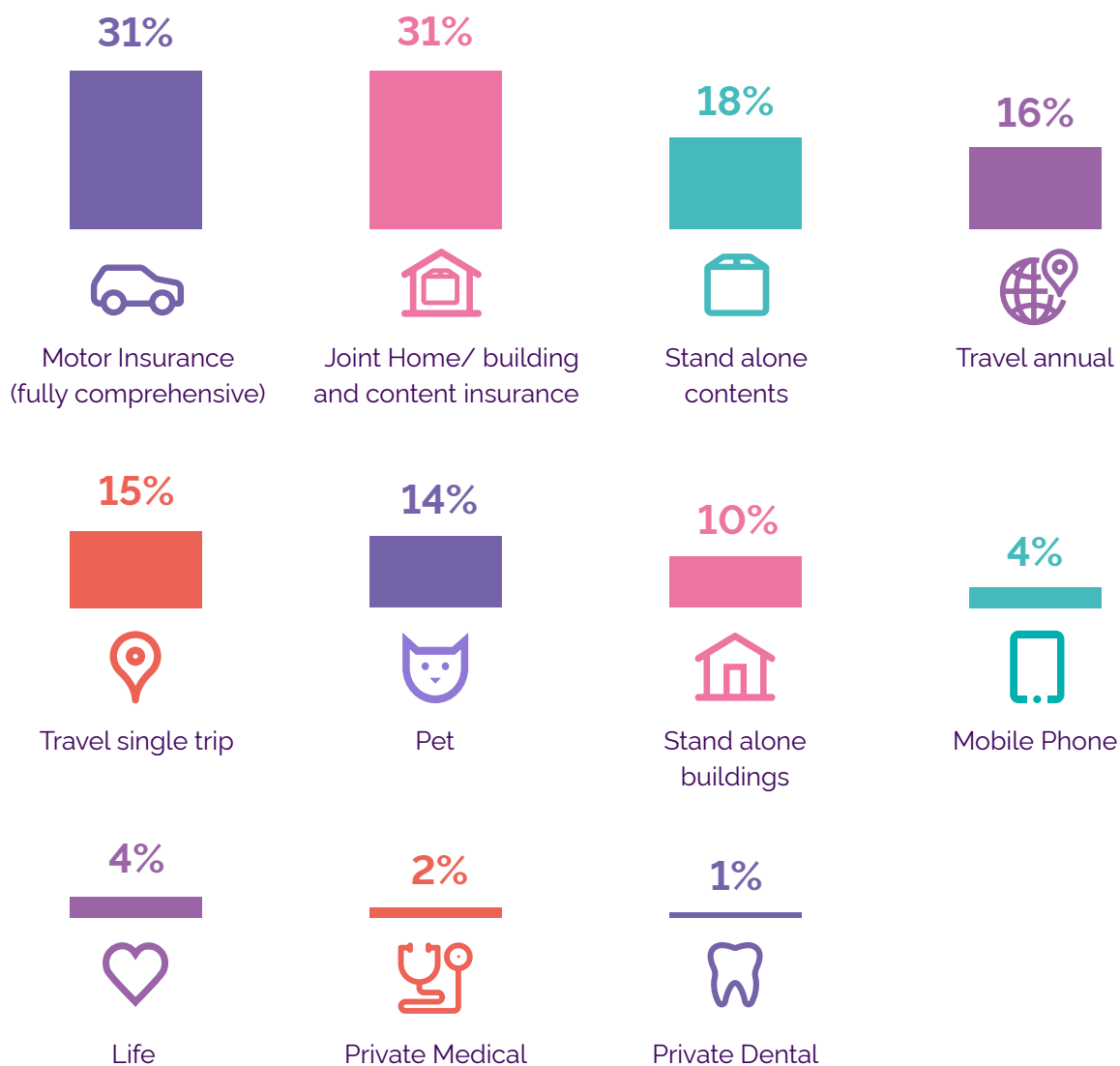
Some insurance types more open to switching than others

Fully comprehensive motor insurance and home and buildings insurance are the most likely to be up for switching. Almost a third (31%) of holders intend to change insurance provider within the next 12 months.

Dental and medical insurance don't tend to be up for renewal, most likely because they are provided by employers - and employees have little say in the decision.



Consumers most likely to be shopping around for better car or home insurance



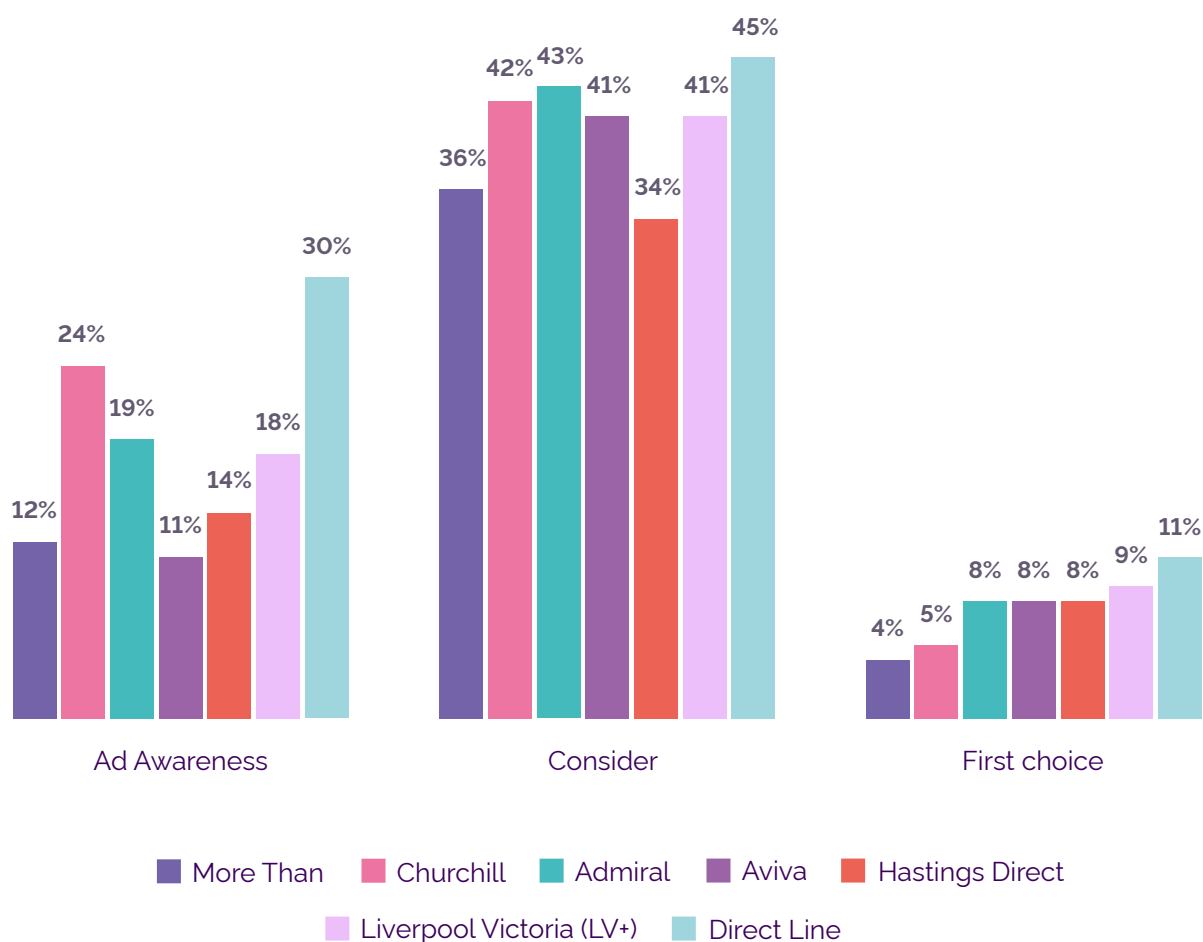
Which brand could be biggest switching beneficiary?

Direct Line is the insurer most likely to be considered among those who intend to switch their fully comprehensive motor insurance (45%), (Please note we don't know if they are specifically considering the brand for this particular type of insurance).

Direct Line is also most likely to be first choice (11%) if they had to choose just one brand. It may not be a coincidence that Direct Line also has the highest ad awareness score among this group (30%). Churchill is in second place on 24%.



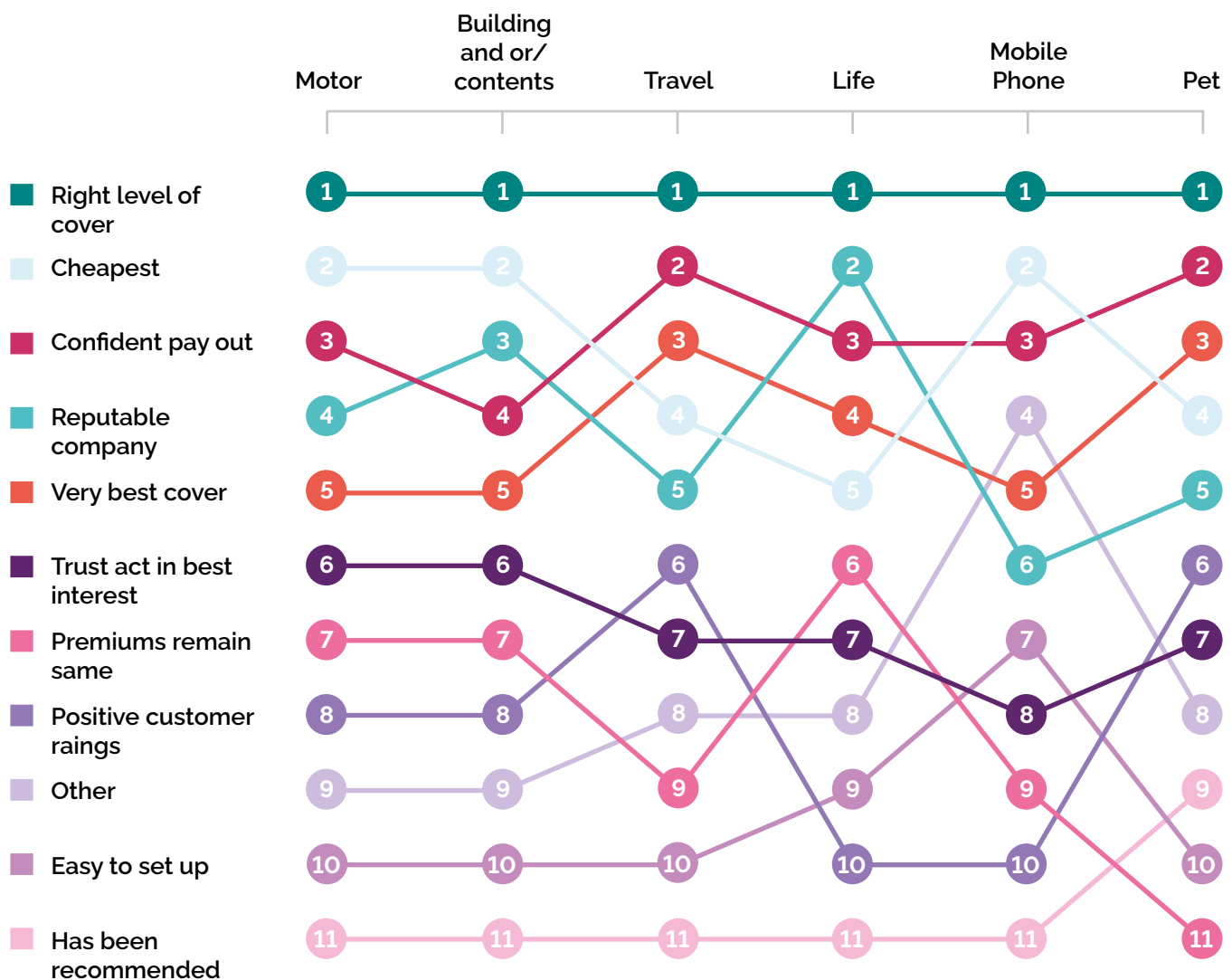
Direct Line has highest ad awareness and consideration



Which factors are most important for switching?

Having the right level of cover is seen as the most important element, no matter the insurance type. However, reasons vary after that. Price is a major factor for motor, buildings and mobile phone insurance. When it comes to life insurance, the company's reputation is vital.

Interestingly, word of mouth/personal recommendation is the lowest ranked for all except pet insurance. While this metric is fundamental for many other products and services it seems to be much less important in the insurance sector. By contrast, customer ratings (from strangers) are valued more.



When asked to pick the single most important factor when choosing an insurance firm, 30% of respondents selected "having the right level of cover". This indicates that there are multiple factors at play in the decision-making process - but allowing customers to tailor their policy based on their individual needs is key.

05 | Is the market ready for insurance innovation?



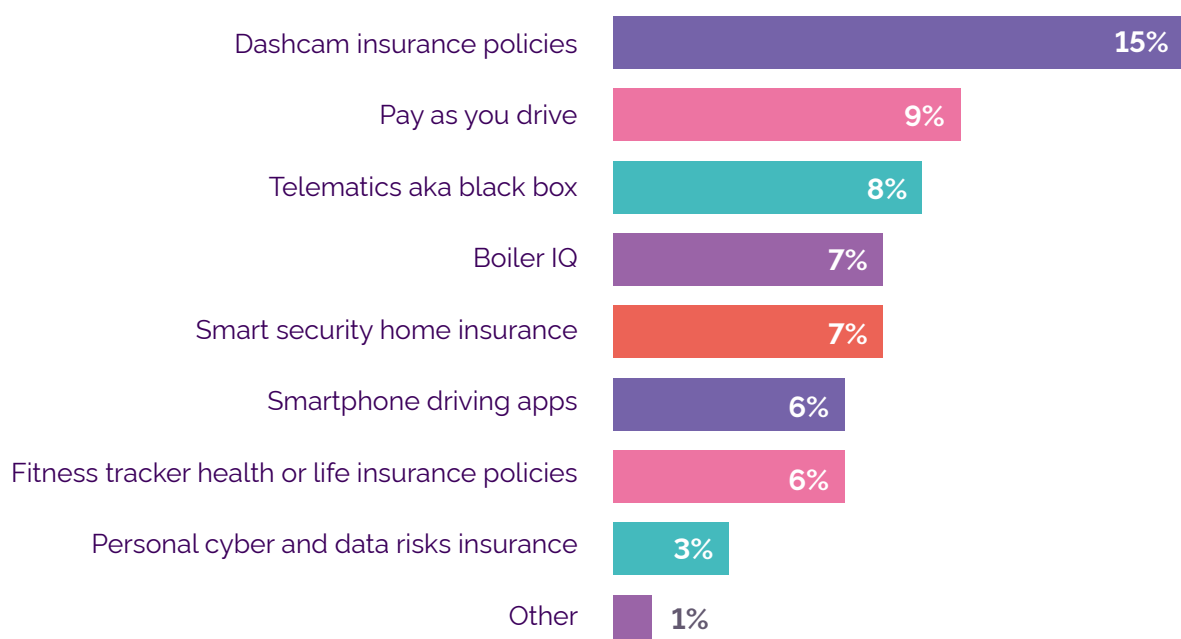
05 Is the market ready for insurance innovation?

The insurance industry is introducing many innovations but they are yet to go mainstream. Dashcam insurance policies – enabling drivers to record their journeys in case of dispute – are the most likely to be considered by the public.

While there is currently little appetite for other offerings, such as fitness trackers linked to life insurance, this does not mean they won't become popular in the future. It may just take some time for the public to get used to these technological advances.



Market is most ready for dashcam insurance policies



Taking these innovations as a whole, 30% of the population would consider at least one of these new ideas.



Would you consider subscribing to any of these insurance innovations?



Profile of those who would consider a dashcam policy

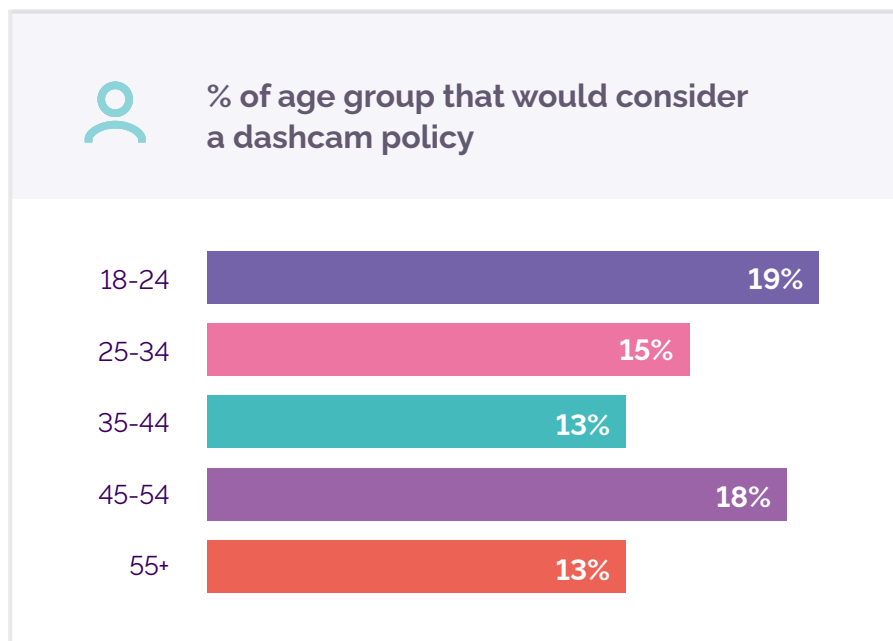
Of these active consumers, almost all use price comparison websites to find better deals. While word of mouth is widely accepted as a powerful selling tool, in the case of insurance only 14% of very active insurance switchers seek the advice of people they know.

75% (versus. 54% nat rep) agree that 'overall I enjoy driving'

50% (versus. 35% nat rep) are very active with their insurance switching

46% (versus. 34% nat rep) have previously claimed on a fully comp insurance policy (vs. 34%nr)

78% (versus. 66% nat rep) agree technology changes their lives for the better (vs. 66%)



Who currently holds one of these insurance innovations?

None of the innovative options on the previous page are above 1%. But the fact that 30% of Brits would consider subscribing means that insurance innovations could definitely become mainstream in the future.



Conclusion

Innovative ideas are popping up across the insurance industry but it seems that the majority of consumers are not yet ready to sign up.

Companies looking to encourage customers to take out a dashcam policy, for example, should note that young people are most likely to be interested (perhaps hoping it will save them money) as well as those aged from 45 to 54 (perhaps because they consider themselves to be safe drivers who have nothing to fear from being recorded).

One fairly new tool consumers have embraced is price comparison websites. However, insurers cannot rely solely on low prices to get customers through the door. The right level of cover is the most important factor when buying any kind of insurance.

This could also be why, in contrast with many other purchase decisions, recommendations from friends and family are not sought when buying insurance. People prefer to rely on comparison sites as well as customer reviews for a more rounded picture. Friends and family are likely to be at different life stages and so have different insurance needs.

Overall, consumer trust in the insurance industry is lacking. However, if people begin to adopt innovations such as dashcams and fitness trackers - which provide indisputable evidence in case of an incident - trust levels could rise.

This data is just a small fraction of what we know about the public's perception of insurance. Get in touch to find out more.

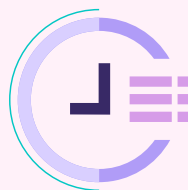
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The tools behind the research



Plan and Track

YouGov's Plan & Track service combines the detailed audience segmentation power of Profiles with the brand tracking capabilities of BrandIndex. It helps clients understand and target key consumer segments, track the effectiveness of advertising, marketing and public relations strategies and campaigns, and measure brand perception on a continuous basis. All of this data is collected in the YouGov Cube, our connected data set which holds over 260,000 data variables collected from over 300,000 YouGov panellists in the UK. [Discover more](#)



RealTime Research

YouGov RealTime research provides survey results as soon as the next day from our industry-leading omnibus and targeted research services, with live reporting on some services for an even quicker read on results. Whether you're looking for domestic or international research, YouGov's vast, engaged and highly profiled panel enables you to reach consumer and business audiences at a fraction of the cost of a typical ad-hoc study. [Discover more](#)



Custom Research

YouGov Custom Research engagements leverage cutting-edge research and analytic techniques with an eye for assessing the economic impact of your actions. Our industry experts deliver you crucial insights and tools to plan and make strategic and tactical decisions while maintaining a focus on tangible outcomes. We have expertise across a variety of sectors, including consumer products and retail channels, financial services, luxury goods, technology, education, public policy, and more. [Discover more](#)

