



# Mozo Experts Choice Awards **Car Insurance 2021**

Methodology Report  
September 2021



# Mozo Experts Choice Awards Car Insurance 2021

Every day, Mozo keeps track of thousands of products in banking, insurance and energy. We use our knowledge and experience to identify those products that offer great value or market-leading features, and we recognise them with these awards.

- For product providers, it's a third-party endorsement of their product.
- For consumers, it's a sign that a product is among the leaders and is worthy of consideration.

Our approach to insurance awards is to seek out and reward:

## Exceptional Value

Insurance that's among the best-priced for the main features it offers, based on a comparison of prices for selected customer scenarios.

## Exceptional Quality

Insurance cover that leads the market in the generosity of additional benefits and flexibility of options - irrespective of price.

Not all customers are looking for the same thing, and different products have different strengths. We think it's important to show why a product has been awarded.

This report lists the winners and explains the judging methodology.



# Value Insurance Provider of the Year - 2021



With wins in Exceptional Value categories across our consumer insurance awards, Budget Direct has once again been crowned our **Value Insurance Provider of the Year** for 2021. Their offerings continue to deliver low prices, while maintaining solid cover limits. This marks three years in a row for Budget Direct taking out a major award, a commendable achievement.

# Quality Insurance Provider of the Year - 2021



Again taking out Exceptional Quality awards for all three of the product categories we assessed - Car, Home & Contents, and Landlord, made choosing NRMA as the **Quality Insurance Provider of the Year** for 2021 a very easy decision. For Car Insurance, even their 'second tier' products with lower benefits than their flagship insurance cover was good enough to qualify for an award. For those willing to pay a bit more for the assurance of top level insurance cover, NRMA is the one to beat.

# Car Insurance - 2021 Winners

## Exceptional Value Car Insurance

For those looking for comprehensive car insurance at the lowest cost, the below winners are a great place to start. We applied a cost assessment across more than 10,000 unique quotes, matching this against minimum cover levels, and found the insurance providers that more often offered lower premiums than the competition for products of a similar type.

	<b>Budget Direct</b>	Comprehensive Car Insurance
<b>Huddle</b>	<b>Huddle</b>	Comprehensive Car Insurance
	<b>Poncho</b>	Comprehensive Car Insurance
	<b>QBE</b>	Comprehensive Car Insurance
	<b>RAC</b>	Comprehensive Car Insurance
	<b>RACV</b>	Comprehensive Car Insurance
	<b>SGIO</b>	Comprehensive Car Insurance
Woolworths 	<b>Woolworths</b>	Drive Less Pay Less

## Exceptional Value Young Driver Insurance

Finding an insurance policy for drivers under 25 years old that is not only competitively priced, but doesn't include high excesses can be challenging. This year we have applied our Value analysis to identify which policies most often have the best prices and manageable excesses.

	<b>Budget Direct</b>	Comprehensive Car Insurance
	<b>ING</b>	Comprehensive Car Insurance
	<b>Poncho</b>	Comprehensive Car Insurance
	<b>Virgin Money</b>	Comprehensive Car Insurance

## Exceptional Value Senior Driver Insurance

Seniors looking for comprehensive car insurance at a competitive price, should consider the below winners as a great place to start. We applied a cost assessment across thousands of quotes for drivers over the age of 55, and like our other Value awards, we compared this against acceptable minimum cover levels.

	<b>Huddle</b>	Comprehensive Car Insurance
	<b>SGIO</b>	Comprehensive Car Insurance
	<b>Youi</b>	Comprehensive Car Insurance

## Exceptional Quality Car Insurance

Our assessment of Exceptional Quality is based on how well the policy scores on a large range of different factors including the events covered and the amount they'll pay you for each one.

For Car Insurance, this assessment is weighted towards factors including the options that are available to you when your car is a total write-off and whether you can arrange a rental during repairs, but also includes whether genuine parts are used to repair your car, the amount of personal property cover, the excess choices available and lots more.

Of the 69 policies assessed, we found these to offer the most generous levels of cover.

	<b>GIO</b>	Platinum Car Insurance
	<b>NRMA</b>	Comprehensive Plus Car Insurance Comprehensive Car Insurance
	<b>RAA</b>	Comprehensive Car Insurance
	<b>RAC</b>	Comprehensive Car Insurance
	<b>RACV</b>	Complete Care Car Insurance
	<b>SGIC</b>	Comprehensive Plus Car Insurance
	<b>Shannons</b>	Comprehensive Motor Vehicle Insurance
	<b>Suncorp</b>	Comprehensive Advantages Car Insurance

# How do we judge the winners?

## Exceptional Value

Our assessment of Value is based on a comparison of over 10,000 different quotes for car insurance. For each product, we found the proportion of customer scenarios where they would rank first, second, third or fourth cheapest. A higher proportion means that a product is well-priced for a wider range of customers.

To compare prices among products that offer broadly similar levels of cover, we performed the quote comparisons three times:

1. A comparison of all products in our pricing dataset (excluding any that did not meet a basic minimum level of cover) to find the very cheapest offerings. In this comparison we assumed no optional extras were taken, and that premiums were paid annually.
2. A comparison of products that included the following items: no-excess windscreen cover and hire car after accident. In this second comparison we assumed optional extras were taken up where necessary, and we assumed annual premiums.
3. A comparison of products that achieved a very high score in our Quality Awards assessment - as described in the next section.

We awarded Exceptional Value Awards to products that scored in the top few in each of the three comparisons.

## Exceptional Quality

Our assessment of Quality is based on how well the product scores on a large range of different factors including the nature and extent of the insurance cover, the inclusion of added benefits, and flexibility of excess.

Overall results are strongly weighted towards the product cover and benefits. To make our assessments of cover, we relied on product information in each insurance company's Product Disclosure Statements and on their websites.

We also made an allowance for survey results where customers rate the experience of dealing with their insurance provider. Customer experience scores were sourced from a national survey of almost 4,000 Australians commissioned by Mozo and undertaken by IPSOS in April 2021, which measured customer ratings of the claims experience.

See Appendix 2 for a full list of the factors we considered.

## Young Driver Insurance & Senior Driver Insurance

Using the same methodology, but using only quote scenarios for drivers under 25s, we assessed the policies that were competitively for young drivers, with manageable excesses. We also applied this method for scenarios where all drivers were over 55 years old for our Exceptional Value Senior Driver Insurance award.

## Insurance Providers of the Year

In addition to the winners in the individual categories we recognise the insurance company or companies that achieved awards across multiple categories and insurance types.

In 2021 we chose a winner for offering the best Value and another for the best Quality categories.

## What products do we consider?

We collected information for 69 car insurance policies from 57 insurance providers. These are listed in Appendix 1. In a few cases, sufficient pricing data was not available and a product was only assessed for Quality awards.

The information collection was conducted in July and August 2021. To be considered for inclusion in these awards the PDS must be readily available on the insurance company's website.

Products are considered and awards are made irrespective of a product provider's commercial relationship with Mozo. We aim to include most providers in the market in the Mozo Experts Choice Awards. However, not every product on the market will be included in our review.

# How we manage conflicts of interest

Mozo Experts Choice Awards are awarded irrespective of a product provider's commercial relationship with Mozo.

The Awards are based on objective verifiable facts and analysis wherever possible, and any assumptions made are set out in this report. Mozo's research team analyses product data and determines the winners in each Mozo Experts Choice category without reference to Mozo's sales or commercial functions.

Companies do not pay to enter the Mozo Experts Choice Awards. Should a winning product or service wish to use the Mozo Experts Choice Awards badges in their own marketing activities, Mozo charges them a licence fee.



## About Mozo

Mozo provides a comparison service with the goal of helping consumers to make their own financial decisions and save money. Mozo offers consumers a comprehensive product comparison service across the retail banking market, general insurance, life insurance, business banking, energy and more.

Hundreds of thousands of Australians a month use Mozo's comparison service. Mozo's comparison technology and expertise has been used by some of Australia's largest online publishers.

Mozo holds an Australian Financial Services Licence and an Australian Credit Licence. Mozo's management team have experience in consumer credit and financial services in a variety of roles from executive management, marketing, actuarial services and technology. Mozo's team are often called upon to provide expert media commentary in relation to the product areas they cover.

Our Mozo Experts Choice Awards analysis is overseen by AJ Duncanson, Mozo's Data Director, and Peter Marshall, Research Manager. AJ is a data scientist and actuary and has worked in financial services and product comparison for over 30 years. Peter has worked for a wide range of Australian banks and product comparison for the past 36 years. Both AJ and Peter act as Responsible Manager on Mozo's Australian Financial Service Licence and Australian Credit Licence.

## Important Information

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# Appendix

## List of all car insurance providers considered in the awards.

1300 Insurance	eric	RACQ
1st for Women	GIO	RACT
AAMI	Guild Insurance	RACV
Allianz	HSBC	Range
ANZ	Huddle	Real Insurance
Apia	Hume Bank	Retirease Insurance
Australia Post	ING	SGIC
Australian Seniors Insurance	Kogan Insurance	SGIO
Agency	NAB	Shannons
Australian Unity	National Seniors	St.George
Bank of Queensland	NRMA	Stella
Bankwest	Over 50 Insurance	Suncorp Insurance
Bendigo Bank	Ozicare	TIO
Beyond Bank	People's Choice	UbiCar
Bingle	Poncho	Virgin Money
Budget Direct	Progressive Direct	Westpac
Carpeesh	Qantas	Woolworths
CGU	QBE	Youi
Coles	RAA	
CommInsure	RAC	

# List of Factors Considered in Quality Awards

## **High Weighting**

- New Car If Written Off
- Rental Car After Theft Limit
- Rental Car After Accident Limit
- Agreed Value option

## **Medium Weighting**

- Personal Property Cover
- Choice Of Repairer
- Rental Car After Theft
- Rental Car After Accident
- Roadside Assistance
- Windscreen Cover
- Emergency Repairs Without Assessment
- Emergency Options
- Genuine Parts
- Young Driver Excess Imposed
- Legal Liability

## **Low Weighting**

- Claims Service 24/7
- Substitute Car Liability
- Replacement Keys
- Baby Capsule Or Seats
- Modifications
- Accidental Death Cover For Driver
- Rideshare Cover
- Trailer Or Caravan Cover
- Choice Of Excess