



Mozo Expert Choice Awards
Pet Insurance 2022

Methodology Report
July 2022



Mozo Experts Choice Awards Pet Insurance 2022

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.

Pet Insurance - 2022 Winners

Pet Insurance Provider Of The Year



coles
Pet Insurance

The judges chose Coles as our Pet Insurance Provider of the Year for 2022. Coles not only took out the most awards in our Value categories, but were also the leading national insurance company that achieved consistently strong scores across the majority of the categories assessed. Coles consistently offered excellent prices without sacrificing quality of cover.

Exceptional Value Accident Cover Pet Insurance

For accident only cover policies, the annual benefit is generally smaller than accident & illness cover. Accordingly, the policies are on average cheaper than accident and illness and comprehensive cover types. This year, one product was a clear winner, providing an excellent level of potential benefit for each dollar spent on premiums.

PetsOnMe

Accident

Exceptional Value Accident & Illness Pet Insurance

To find the best value Accident & Illness policies, the judges considered how each product that met our minimum criteria ranked for a range of quotes to find those that offered the best value overall.

In our assessment, eight products stood out.

Coles	Basic
Coles	Comprehensive
Coles	Premium
Petcover	Safety-Net Economy
Pet Insurance Australia	Pet Essentials
PetsOnMe	Classic
PetsOnMe	Deluxe
petinsurance.com.au	Accidental Injury and Illness
Potiki	Accidental Injury and Illness

Exceptional Value Comprehensive Pet Insurance

Once again the judges applied a minimum criteria to a range of quotes to identify the policies that offered the best overall value per dollar for both cats and dogs.

Our assessment methodology identified eight comprehensive products that were amongst the most affordable while still providing the required benefit levels. We believe the following products are worthy of being on anyone's shortlist.

Coles	Comprehensive + Routine Care
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Coles	Premium + Routine Care
Kogan Pet Insurance	Pet Primary + Routine Care
Medibank	Ultimate Pet Care + Routine Care
Petcover	Key + Routine Care
petinsurance.com.au	Accidental Injury & Illness + Routine Care
Potiki	Accidental Injury & Illness + Routine Care
RAC	Pet Insurance + TLC Cover

Exceptional Quality Pet Insurance

For the Quality assessment the judges considered how 131 policies from 32 insurance companies fared when scored for 14 factors we believe are the most important to consumers. The ten winners below stood out from the rest due to their more generous benefits.

HCF	Pet Premium + Routine Care
Knose	Pet Insurance
Petcover	Superior
RAC	Pet Insurance
RAC	Pet Insurance + TLC Cover
RACQ	Pet Insurance
RACQ	Pet Insurance + TLC Cover
Trupanion	Pet Insurance
Woolworths	Comprehensive Plus
Woolworths	Comprehensive Plus + Routine Care



How do we judge the winners?

Exceptional Value

Our assessment of Value is based on finding the most affordable policies for a given level of cover.

To compare pricing we gathered a range of online quotes covering a range of ages for both cats and dogs. Breed is a significant pricing factor for dogs so after examining the pricing variations for a wide range of breeds we gathered quotes for several common breeds at different ages, to cover an indicative pricing spread for each insurance company. For cats, we considered prices for both pedigree and non pedigree pets.

The amount of money an insurance company will pay out on any claim depends on their **benefit percentage** and on an **annual benefit limit** expressed as a dollar figure. Policies may also have a per-claim **excess** or a **first year discount**. When comparing prices of pet insurance, it is important to allow for these differences. As such, in assessing the value of policies for these awards, the judges:

- Adjusted the quoted premiums according to the benefit percentage, so that prices were compared on a consistent level of benefits. We divided the cost of the insurance by the benefit percentage to find the ratio of price to benefit for each policy.
- Adjusted the quoted premiums according to the excess amount, so that prices were compared on a consistent level of benefits. Excess options ranged from \$0-\$200. For excesses above zero, their prices were readjusted to reflect the consumer value of each claim. Along with benefit percentage, this adjustment allowed us to compare the overall expected benefit per dollar spent controlling for benefit percentage and excess costs. The results showed that some products with higher excesses would

be better value than those with zero due to their superior monthly pricing.

- For those insurance companies that offer discounts in the first year, the judging process took these into account, but at a discounted rate to reflect that most people will want to hold pet insurance for a number of years. The quotes gathered were reduced by one-fifth of the value of any discount that is only available in the first year.
- Excluded policies where the annual benefit limit was significantly lower than the rest of the market. Policies need to offer at least \$5,000 of annual cover to be eligible for Exceptional Value awards in the Accident category and at least \$6,000 in the Accident & Illness and Comprehensive categories.
- Excluded policies where sub-limits were imposed for each condition as they restricted the benefits available to policyholders.

Once each quote was adjusted to allow for different benefit percentages, excesses and discounts, they were ranked in order from cheapest to most expensive for each of the different breeds and ages. Then we looked at how often each insurance company was among the cheapest, by awarding points based on their ranking in each quote scenario. This methodology rewards the insurance companies who are most likely to be good value for the most people.

Policies must be among the best-ranked for both dogs and cats, to be awarded.

To compare prices among products that offer broadly similar levels of cover, we performed the quote comparison twice:

1. A comparison of all products, which meet our minimum criteria, to find the very cheapest offerings.
2. A comparison of products which have:
 - a. An annual benefit limit of at least \$15,000.
 - b. A benefit percentage of 80% or higher.

We awarded Exceptional Value Awards to products that scored in the top few in either comparison.

Exceptional Quality

Our Quality awards are based on the generosity of benefits and flexibility included in the insurance policy. They do not take price into account.

To determine which insurance companies offer the best cover on their policy, we looked for the product with the best offering across a range of areas. The key factors that differentiate the best from the rest is as follows:

- Benefit percentage
- Excess options
- Annual benefit limit
- Dental cover
- CT and MRI scans
- Cruciate Ligament treatment
- Hip surgery and replacement
- Hip joint surgery (Hip Dysplasia)
- Tick paralysis
- Emergency boarding when you are in hospital
- Routine Care
- Legal liability
- Theft or straying
- Death from Illness

Any policy that did not offer at least a \$12,000 annual benefit limit was excluded from consideration for this category. Where the benefits for dogs and cats differed, both options had to qualify in order for the policy to win.

We relied on product information in each insurance company's Product Disclosure Statements, and on their websites, to assess cover and benefits.

Pet Insurance Provider of the Year

In addition to the winners in the Exceptional Value and Exceptional Quality categories, we chose one insurance company as Pet Insurance Provider of the Year.

To decide the “Of the Year” award, we examine providers who achieved awards across multiple categories and determine which has demonstrated the best result in terms of depth and breadth of awards. We may look at the number of awards, the relative importance of the categories in which the awards were won, and the relative difference in price or cover within award categories (including categories where they may not have won awards).

In 2022 for Pet Insurance, one nationally available insurance company stood out from the rest, achieving 5 awards in both the accident & illness and comprehensive categories. These categories were extremely competitive with over 150 separate policies reviewed.



What products do we consider?

We collected pricing and cover information from 35 different insurance companies. The list of providers is in Appendix 1.

The information collection was conducted in June 2022. To be considered for inclusion in these awards all information considered must be readily available on the insurance company's website and the policy available to the general public without being a previously established member or customer.

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 license 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 License and an Australian Credit License. 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 License and Australian Credit License.

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Appendix

List of all providers considered in the awards.

1300 Insurance	Knose	PetsonMe
Australian Seniors	Kogan Pet Insurance	Petsy
Bow Wow Meow	Mad Paws	Potiki
Budget Direct	Medibank	Pounce Pet Insurance
Bupa	pd	Prime
Coles	Pet Insurance	ProSure
Guardian Insurance	Australia	RAC
Guide Dogs	Petbarn Pet Insurance	RACQ
Guild Insurance	Petcover	Real
HCF	petinsurance.com.au	RSPCA
Hif	Petmed	Trupanion
ING	PetSecure	Woolworths