



Study on the coverage, functioning and consumer use of comparison tools and third-party verification schemes for such tools

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Glossary

Member State codes

BE	Belgium	LU	Luxembourg
BG	Bulgaria	HU	Hungary
CY	Cyprus	MT	Malta
HR	Croatia	NL	Netherlands
CZ	Czech Republic	AT	Austria
DK	Denmark	PL	Poland
DE	Germany	PT	Portugal
EE	Estonia	RO	Romania
EL	Greece	SI	Slovenia
ES	Spain	SK	Slovakia
FR	France	FI	Finland
IE	Ireland	SE	Sweden
IS	Iceland	UK	United Kingdom
IT	Italy		
CY	Cyprus		
LV	Latvia		
LT	Lithuania		

Executive summary

In March 2013 the Report from the Multi-Stakeholder Dialogue on Comparison Tools¹ was presented at the European Consumer Summit. The report highlighted challenges and shortcomings in the functioning of comparison tools, particularly with regards to the transparency and impartiality of comparisons, the quality of information provided, the comprehensiveness and user-friendliness of comparison tools, the reliability of user reviews, consumer redress and enforcement of existing provisions.

In September 2013, Ipsos, London Economics and Deloitte were commissioned to conduct a study on the comparison tool sector in order to:

- Explore consumer behavioural patterns in the use of comparison tools and their influence on consumers' decision-making;
- Conduct an extensive mapping exercise of the comparison tools available in the EU accompanied by a survey on consumer perception and experience of comparison tools (analysis by sector and by country);
- Carry-out an analysis of existing accreditation and trustmark schemes for comparison tools;
- Highlight how improvements can be made to ensure comparison tools are reliable, transparent and user-friendly and benefit consumers.

Methodology

The following tasks were carried out by the Ipsos, London Economics and Deloitte team:

- Mapping and evaluation of comparison tools was carried out across the EU28 plus Norway and Iceland. A total of 1042 comparison tools across seven sectors were identified (electronic goods, fast moving consumer goods, energy, travel and hotels, retail financial services, electronic communications and multi-sector tools).
- Mapping and evaluation of third-party verification schemes was also carried out across the EU28 plus Norway and Iceland. Nine third-party verification schemes specifically for comparison tools were identified: five were UK-based, and one each in France, Italy, Belgium and Ireland.
- 169 consultations, in total, were completed with comparison tool operators, industry bodies, regulators and consumer groups. These consultations were implemented using questionnaires distributed directly to the stakeholder groups across each of the 30 countries included in the study.
- A consumer survey covering the 28 EU member States as well as Norway and Iceland was carried out. The survey was conducted online in the countries where online penetration is sufficient to ensure a good representation of the target population. It was administered using an online methodology in 26 of the 28 Member States, Norway and Iceland. In Cyprus and Malta, the survey was conducted using a computer aided telephone interviewing (CATI) method. The survey included a standard online questionnaire which lasted 10 minutes on average both online and via telephone. In total, 21,361 respondents completed the survey.

¹ Comparison Tools: Report from the Multi-Stakeholder Dialogue:
http://ec.europa.eu/consumers/documents/consumer-summit-2013-msdcomparison-tool-report_en.pdf

- An online behavioural experiment in 15 countries: Romania, Sweden, the United Kingdom, France, Denmark, Germany, Latvia, Italy, Slovenia, Hungary, Poland, the Netherlands, Greece, the Czech Republic and Croatia. The experiment tested (a) consumer choice of a comparison tool at the initial online search stage using a mock search engine; (b) consumer choice of a comparison tool from a short list; and, (c) consumer choice of a product or service on an individual comparison tool. The experiment was framed for the electricity sector and travel sector (hotels), and was run in conjunction with the consumer survey. In total, 12,000 respondents completed the experiment.
- A mystery shopping exercise in 11 countries: the Czech Republic, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Romania, Sweden and the United Kingdom. The aim of the mystery shopping exercise was to replicate, as closely as possible, real consumers' experiences when it comes to comparing prices on price comparison websites in six different markets. Across the six markets, a total of 440 comparison tools were evaluated.

Comparison tools, i.e. websites and search engines featuring price comparison and user-generated online reviews, play an increasingly important role in EU consumers' decision-making. These tools come under various different names, for example, comparison tools are also known as aggregators, price comparison agents, shopping agents, and shopping robots (or shopbots for short)². In this document, we will refer to them as comparison tools or price comparison websites, and these terms should also be understood as encompassing other aggregator services³ that provide some form of comparison functions other than price.

Key findings

Our study has made the following key findings:

General perception of comparison tools

- Comparison tools are well established in the market, having grown considerably in number since the 1990s, and are frequently used by consumers.
- Comparison tools are generally well perceived and considered an asset to consumers, and this perspective is shared by all stakeholders in the market to a greater or lesser extent.
- Some shortfalls in the comparison tools sector are a result of overall shortfalls in the EU e-commerce sector, including barriers to cross-border trade, ability to develop certain comparison tool sectors or minimum market size.
- However, the stakeholder survey shows there are some specific concerns in relation to comparison tools, although the overall reported incidence of consumer detriment to authorities and consumer organisations appears to be low.
- Specific consumer detriments which have been highlighted include low levels of transparency regarding business model, how comparison tools actually make their revenues, frequency of price updates, as well as accessibility issues.
- Full price publication, accuracy of offers and a guarantee of impartiality were considered to be the areas in most need of improvement by stakeholders.

² Zhu, H., Madnick, S., Siegel, M. (2007) 'Enabling Global Price Comparison through Semantic Integration of Web Data', MIT Sloan School Working Paper 4673-07, MIT Sloan School of Management.

³ For example, reviews of characteristics and features, review aggregators, quality ratings etc.

Mapping of comparison tools and third-party verification

- In the mapping exercise, a total of 1042 comparison tools across seven sectors were identified; the largest share of comparison tools were active in the travel/hotel sector (26%), followed by the retail finance sector (17%). Another 18% of comparison tools were labelled as “multi-sector” tools because they covered multiple sectors.
- Comparison tool ownership and operation is overwhelmingly private sector-based across the EU (84% of tools identified in the mapping exercise); for 10% of comparison tools the operator could not be identified.
- Comparison tools have a diverse range of business models and revenue streams, and in many cases comparison tools combine traditional revenue streams (advertising and commission) with newer forms of revenue (switching services).
- However, less than half (37% - 45%) of comparison tools were willing to disclose details on their supplier relationship, description of business model or the sourcing of their price and product data (e.g. whether from the supplier or gathered independently from web sources). This lack of transparency is further amplified for smartphone apps.
- Only 12% to 18% of websites disclosed information on the market coverage they enjoyed, their primary revenue or the frequency by which their data was updated.
- On average, a majority of comparison tool operators update their data sources more than daily (51%), while a minority update their data daily (29%) or less than daily (20%).
- Verification schemes are either guideline, code of conduct or accreditation based; with accreditation being the most rigorous.
- Stakeholders are generally in favour of third-party verification, but also believe it should be coordinated at EU level.

Consumer perception and use of comparison tools

Awareness, frequency of use and motivations

- 40% of the consumers surveyed for this study said they had a good knowledge of comparison tools, while 48% had heard of such tools but were not really familiar with them. A minority had never heard of comparison tools. The proportion of consumers “knowing comparison tools quite well” ranged from 10% in Iceland to 55% in the UK.
- Internet search engines were by far the most important source of information to learn about comparison tools (mentioned by 72%).
- In total, 74% of consumers had used comparison tools – at least once – in the past 12 months; the highest proportions were observed in Slovakia (77%), Poland, Italy (both 78%), the Czech Republic (79%) and the UK (83%).
- 22% of consumers had used comparison tools at least once every two weeks in the past 12 months, 17% had used them once a month, 9% every two months and 25% once every three months or less frequently.
- Comparison tools were mainly used to compare prices of electric or electronic appliances (mentioned by 63% of comparison tool users). A significant number of users also used comparison tools to compare price for plane or train tickets (43%) and hotel rooms (37%).

- Comparison tool users used these tools because they offered them a quick way to compare prices (mentioned by 69%) and allowed them to find the cheapest price (68%).
- 47% of consumers who had *not used comparison tools* said they only bought products or services from websites they already knew, 34% compared prices across several websites they knew, and 36% preferred using general search engines rather than comparison tools.

Consumer pathways to comparison tools

- Before making their most recent online purchase, 63% of comparison tool users surveyed had used a general search engine and 48% a price comparison website to find out more about the product/service they were planning to buy.
- Consumer selection of comparison tools from online search engines is significantly influenced by link position on the search results page as shown by the first behavioural experiment. The higher positioned a link the more likely it is selected. For example, a first placed natural link was chosen almost twice as frequently as the second placed natural link.
- Reviews also have an important effect on comparison tool selection. In the experiment, links that carried a review were chosen more than twice as frequently as those with no review. The higher a review rating (in terms of a star rating system) and the greater the number of reviews, the more effective was the review in increasing the likelihood a comparison tool was selected. Respondents that reported they were more familiar with comparison tools tended to choose links with reviews more than those who were less familiar.
- On average, links that were presented as an advert were selected less frequently than those presented as natural links. However, adverts were still chosen by experiment respondents a substantial number of times, implying that paid-for links are an important pathway to comparison tools.

Characteristics of importance for consumers

- By far the most valued characteristic of comparison tools was the price comparison aspect (mentioned by 79% of comparison tool users). 29% of comparison tools users also paid attention to easiness to navigate, while somewhat lower numbers attached importance to factors such as the use of user ratings/peer messaging (21%) and information about the product/service (21%).
- Characteristics, such as the description of the business model or the provision of information on redress, were not considered very important by comparison tool users; for example, just 4% attached importance to the way the comparison tool is funded and 1% looked for information on redress.
- When choosing between alternative comparison tool sites, sites that offered the consumer multiple ranking options were preferred in the experiment. Respondents tended not to choose sites that only offered a default ranking, but instead selected sites with between one to three additional ranking options.

Consumers' perceptions of comparison tools

- Price comparison websites were the most popular type of comparison tools among consumers surveyed; 73% of comparison tool users had used them recently. Search engines, however, were also important (48% had used them recently as comparison tool).
- Although virtually all users agreed that price comparison tools allowed customers to compare prices, just 34% said they could also be used to find unbiased product information.

A very different result was found for search engines, while just 38% of users agreed they could be used to compare prices, almost twice as many (66%) said they could be used to find unbiased product information. A majority of users (62%) answered that multi-trader e-commerce platforms were mainly dedicated to buying products.

- Vast majorities of consumers agreed that price comparison websites are the quickest way to compare prices (in total, 90% agreed), are easy to use (87%), are useful to find out information about specific products/prices (84%) and are useful to find customer comments or product reviews (79%). Nonetheless, not all perceptions were positive; 79% of consumers agreed that different price comparison websites showed different prices for the same product/service.
- Among users of comparison tools, those thinking that such tools helped consumers save money or time or those agreeing that these tools helped consumers to make informed purchasing decision largely outnumbered those stating the opposite. A different picture emerged when asked about comparison tools' transparency with regards to relationships with retailers featured (23% "bad" scores vs. 18% "good" scores).
- EU13 respondents were more likely to emphasize positive characteristics of comparison tools; for example, while 38% of comparison tool users in the EU13 thought that these tools were reliable, this proportion dropped to 22% in the EU15. Comparison tool users in Cyprus, the Czech Republic, Malta and Slovakia had overall the most positive perception about comparison tools.

Understanding and impact of verification schemes

- 27% of consumers surveyed strongly agreed, and 48% somewhat agreed, that they trusted comparison tools more when they were affiliated with a third-party verification scheme.
- Among respondents who reported that affiliation to a third-party verification scheme was one of the most important characteristics they looked for in comparison tools,
 - 42% said that third-party verifications schemes should guarantee the impartiality of the comparison, and 28% thought they should guarantee the accuracy of the information presented.
 - 59% thought that verification schemes should be run by a consumer organisation and 26% said that a national authority/regulator would be more appropriate.
- When respondents in the experiment were offered the choice between comparison tools that carried no verification and ones that did, the sites that carried verification schemes were selected 3.5 times more often than the ones that did not.
- In line with the findings of the consumer survey, respondents in the experiment tended to select sites that had verification provided by a public authority or consumer body over those that carried verification schemes provided by an industry body.
- Verification schemes that included more extensive requirements were on average selected more often than those with lighter requirements.

Impact of comparison tools on purchasing decisions

- 35% of comparison tool users answered that the use of a comparison tool usually resulted in a purchase; just 8% said they rarely or never bought anything after using a comparison tool.
- The experiment found that the ranking method and the product position on a comparison tool impacts consumer product choice.
 - The sorting method used by comparison websites has an impact on the proportion of respondents in the experiment that selected the best deal. In the case of electricity, 79% and 76%, respectively, chose the best deal under the price sorting method and customer service method, compared to 49% when deals were sorted randomly. For travel, when deals were sorted by price and guest rating, 81% and 78% chose the best deal available compared to when deals were sorted randomly.
 - The position of a deal on a webpage has a significant impact on the likelihood that the deal is chosen. The higher up the page a deal is placed the more likely it is chosen by participants.
 - The way in which deals are ranked on a webpage has an effect on consumers' choice of product. The proportion of participants that chose the cheapest electricity offer when the deals were sorted by annual cost was 29%. This compares to 22% or less when deals were sorted by other methods. The same is found for hotels. When hotels were ordered by lowest price a larger proportion of participants selected the cheapest room (39%) than when offers were ordered in any other way.
 - When electricity deals were sorted by rate type (fixed rate deals at the top and flexible rate deals at the bottom), 65% of participants chose a fixed rate deal compared to 60% or less when deals were sorted in another way.
 - For hotels, when rooms were ordered by guest score, 65% of participants chose the deal with highest guest score compared to 59% or less when ordered in another way.
 - The effect of a given characteristic is found to be larger if deals are sorted according to that characteristic. For example, when electricity deals are ranked by annual cost then annual cost has a larger effect on first deal choice compared to when deals are ranked according to alternative methods (customer service, rate type, energy type or randomly).

Practical functioning of comparison tools and shortcomings identified

Feedback from consumers on main problems encountered

- 65% of users of price comparison tools surveyed had experienced at least one problem when using such tools; this figure ranged from 48% in the Netherlands to 83% in Greece.
- The most commonly reported problem was the unavailability of a product on the seller's website (32%); the problem was followed by issues with incorrect prices (21%) and incorrect product information (18%).
- 54% of these users who had experienced a problem decided to do nothing about it, 27% contacted the seller of the product and 17% the comparison tool provider or customer help. 39% of respondents who had done nothing about the problem encountered were convinced their action would have led to no result.

Mystery shopping

Business model and compliance with existing legislation

- A majority of the mystery shoppers found information on the owner of the comparison tool; this figure varied from 63% for comparison tools dealing with perfumes to 78% for those dealing with broadband internet.
- Comparison tools did not appear keen to divulge details on how they generated income; the proportion of shoppers finding information on income-generation remained below 37% across all markets. This is consistent with the mapping exercise.
- 11% of mystery shoppers could not find any contact details on the comparison tool that they evaluated.
- Only 34% of the comparison tools surveyed provided information on how to file a complaint. Out of those, 34% contained a link to an ADR body or provided contact details on how to contact the ADR body.
- 28% of mystery shoppers reported that the website they evaluated contained a quality label or verification mark; 44% of shoppers found a “code of conduct” on the site and 30% a glossary to explain the main words and phrases.
- In most markets, less than half of comparison tools identified the number of providers compared (e.g. 24% of comparison tools dealing with perfumes and 20% for flat screen TVs).
- 37% of comparison tools surveyed provided offers from abroad, with a large disparity across sectors (96% of comparison tools for hotels provided offers from abroad but only 7% of those comparing broadband offers did so – this difference can of course be explained by the – mostly – national nature of some sectors).
- Although comparison tools seem rather diligent in their updating of prices (see mapping exercise), just 15% of them contained information on how the prices were updated; the highest rate was observed for comparison tools dealing with flat screen TVs (24%), while the lowest rate was found for comparison tools dealing with car insurances (7%).
- Websites with a quality label generally scored better than non-accredited ones on most of the indicators measured; for example, a shopper of a website with a quality label was more likely to find information on the owner of the site (77% vs. 69%), how the site generates income (37% vs. 27%) or how to file a complaint (45% vs. 29%).

Ranking and search options

- Customer reviews and ratings of providers/products were more common in some markets (e.g. hotel prices), but more rare in others (e.g. broadband internet and car insurances). Where reviews or ratings appeared, there was usually no explanation provided on how they were controlled.
- A minority of comparison tools explicitly mentioned that customer reviews were controlled. Among these comparison tools, 45% explained that the site itself had the possibility to edit a review and 14% mentioned that the seller, trader or hotel had the possibility to react on a review. Another 37% of these comparison tools explained that reviews were controlled via a system of user accounts, 24% asked for contact details and 23% for a proof of payment.
- None of the markets were particularly good at explaining how the initial list of quotes had been ordered; the worst performing comparison tools were found in broadband internet

and car insurance markets, where only 20%-22% of shoppers were notified about the ranking criteria used.

- 52% of search results were initially presented in price order; this figure, however, masks a large variation across markets (from 89% for comparison tools dealing with car insurances to 31%-34% for comparison tools dealing with perfumes, hotels and flat screen TVs).
- There was also a lot of variability between the markets in terms of consumers being given the opportunity to reorder the initial search results, ranging from 36% for comparison tools dealing with car insurances to 89% for those dealing with hotels.
- The proportion of comparison tools that offered consumers the possibility to filter the list of quotes on specific parameters varied from 33% for comparison tools dealing with car insurances to 85% for those dealing hotels.

Quality of information provided

- 68% of shoppers agreed that complete and detailed information was available on the comparison tool to start the purchasing process and 66% agreed that they had sufficient information to feel comfortable proceeding with the purchase, had they been a real customer.
- When looking for the exact same product/booking and its price on the supplier website, 58% of comparisons showed no price difference between the supplier website and the comparison tool, 15% of shoppers reported that the product/booking was offered at a higher price on the supplier and 10% found a lower price on the supplier site. Finally, 18% of shoppers were not successful in finding the exact same product/booking or its price on the supplier website.

Personalised pricing

- In the electric and electronic appliance sector, mystery shoppers also completed an exercise on personalised pricing. The aim of this exercise was to test whether e-commerce sites adapt their pricing according to the characteristics of the shopper.
- Some proof was found that routing via a price comparison site affected the price of a product listed on the e-commerce site (this affected 7% of shoppers).
- Little proof was found that the geographic location from where the consumer accessed the e-commerce site had an impact; 19% of mystery shoppers, however, could not complete this exercise due to issues when using a proxy server to access the e-commerce site.
- 87% of shoppers found the same price at two different points in time, 5% reported a price difference and 7% could not complete the exercise because they could no longer find the product or its price at the second point in time.

Legal analysis

- There are at least 14 applicable items of consumer protection legislation and official guidance documents pertaining to Comparison Tools.
- In the absence of a single legislative instrument governing this area, the regulatory coverage can lack coherence and be confusing to consumers and traders.
- There are both horizontal and vertical (sectoral) legal instruments and initiatives which can be used to regulate the industry.

- The application of the law depends on the status of the Comparison Tool operators, with commercial firms being the most heavily regulated. While it is possible to envisage public bodies and consumer organizations as potentially covered by consumer law, which would depend on their operation of the comparison tool (i.e. whether as an economic undertaking or a social function), the position is uncertain at the moment. An important distinction between social and economic (business) functions of these public bodies and consumer organizations needs to be considered.
- The Unfair Commercial Practices Directive (UCPD) is the most crucial legislative measure in the Comparison Tool environment.
- Articles 6, 7.1 and 7.2 of the UCPD suggest that Comparison Tools should display full prices, as well as provide information regarding their business model and any links with suppliers whose goods or services they feature.

Recommendations for comparison tools

Based on the findings of this study, the following list of recommendations for comparison tools has been drawn up. These recommendations encompass criteria that comparison tools should respect to improve their transparency, reliability and user-friendliness towards consumers. The recommendations are intended for all comparison tool operators regardless of technology, platform or primary business model (e.g. including search engines, multi-trader platforms, and apps as well as traditional comparison tool websites).

Transparency and impartiality:

1. *Transparency about the business model:* Comparison tools should be transparent about their business and financing models, including owners, shareholders and relationship with manufacturers, sellers or providers of the goods and services featured.
2. *Impartiality of the comparisons:* Comparison should be impartial and not be affected by any contractual relationship with the sellers, manufacturers or providers.
3. *Sourcing of the data:* Comparison tools should clearly explain the way in which they source data as well as the frequency with which it is updated. The time of the last update should be specified.
4. *Criteria for ranking:* Criteria used for the rankings should be clearly and prominently indicated, as well as, where relevant, any specific methodology used.
5. *Information on coverage:* Where realistic and practical, comparison tools should specify the coverage of the comparison in terms of sectors, number of sellers and geographical scope, particularly in the case of markets such as energy and communications which are often highly concentrated. However, this may not be practical for comparison tools who sell goods which are widely available or in highly diverse markets.
6. *Authenticity of user reviews and user ratings:* Comparison tools should take measures to ensure the authenticity of user reviews and ratings, and disclose the methodology used. Sellers should have the possibility to react to reviews and authors should be asked their consent before any review which does not violate the law or the comparison tool terms of use is removed.

7. *Distinction of advertising:* Any form of advertising should be explicitly marked as such and separated visually from the results. This includes sponsored user reviews and paid-for ranking.
8. *Affiliation to verification schemes:* Comparison tools which are members of schemes should declare the affiliation and display a logo, including a link to conditions of membership.

Type, quality and display of the information:

9. *Relevance of the information:* Information provided by comparison tools should be relevant for assessing and comparing offers from a consumer perspective. It should be written in simple language, avoiding complex legal and technical terms. This information should be layered.
10. *Comparability:* Comparison tools should display the same information in a uniform manner to ensure comparability. When the products or services are not identical, differences in their characteristics should be clearly mentioned.
11. *Accuracy of the information:* Comparison tools should ensure that the information displayed is exact, and that data is updated frequently and that errors are rectified immediately, to the extent possible.
12. *Information on prices:* Comparison tools should publish the full and final purchase price including any applicable charges, taxes etc. in accordance with existing legal obligations – and where such obligations do not apply, to the extent possible. Full prices, particularly those which may enter into force for services after any discounts, should also be clearly stated with full prominence.
13. *Terms of purchase:* Main terms of purchase should be specified, including availability, delivery time, main contract terms and special clauses etc.
14. *Personalisation of the comparison:* Comparison tools should always give the consumers the option to switch to view a ranking of offers in order of ascending price if this is not the default ranking. Comparison tools should aim at including multiple evaluation criteria to allow for a comprehensive comparison of products and services. They should integrate modifiable settings as well as search, filtering and simulation functions so consumers can satisfy personal preferences.
15. *User-friendliness:* Comparison tools should strive to employ a user-friendly and simple to use interface. Comparison results should be displayed on a single page if permissible.
16. *Accessibility to the most vulnerable:* Comparison tools should incorporate features that make them more accessible to the vulnerable, the disabled and the elderly, for instance by following existing international guidelines or standards on accessibility.

Compliance and redress:

17. *Display of contact details:* Comparison tools should display contact details for consumers, including telephone number, address and email.
18. *Compliance with existing legislation:* Comparison tools should comply with existing consumer protection legislation, including those specific to the sectors they cover, as well as data protection legislation.
19. *Complaint handling:* Comparison tools should have a complaint handling policy in place.

20. *Access to redress mechanisms:* Comparison tools should provide consumers with information on available redress mechanisms.

Recommendations for the Commission and Member States

21. An increase in coordinated enforcement of the relevant pieces of legislation on comparison tools, both at national and EU level, is required. To achieve a sustainable impact the objective of more and better enforcement, the issues pertaining to comparison tools should be put on the radar of enforcers, complaints of consumers should be collected, and sweeps (including at EU level in a coordinated way) on comparison tools should be undertaken.
22. To facilitate enforcement of existing legislation as well as fairness in application, the Commission should communicate how the existing legislation applies to comparison tools. The focus should notably be on the Unfair Commercial Practices Directive, but appropriate application of other instruments should also be considered.
23. To complement the existing legislative framework and highlight best practices, other guidance as necessary should be developed at EU level regarding comparison tools involving all stakeholders including the comparison tool industry.
24. Co-regulation, facilitated by the European Commission, should be considered between the comparison tool sector, consumer organisations, retailers, manufacturers and enforcers to develop a memorandum of understanding (MoU) or a Code of Conduct which formally develops, enshrines and adopts best practices in the comparison tool sector.
25. Comparison tool operators should agree to develop EU-wide verification schemes, drawing on agreed best practices and in particular dovetailing with the work of organisations currently involved in similar pan-European initiatives.
26. The value of existing schemes that already exist at national level should be recognised as best practices. All stakeholders should work together to see that such schemes and new initiatives develop in line with the recommendations in this report and any action developed at EU level.
27. Where public authorities decide to establish their own comparison tools, these comparison tools should be at the forefront of best practices adoption and promotion.
28. The private comparison tool industry should organise itself at EU level in order to fully engage with stakeholders and policy makers and work with these groups to shape the standards for the comparison tool industry as well as assist in their refinement and adoption.
29. An awareness raising campaign on comparison tools should be conducted to inform consumers of how to best engage with comparison tools, what they should understand and what rights they have in relation to their transactions with comparison tools.

Synthèse

Le 'Report from the Multi-Stakeholder Dialogue on Comparison Tools'⁴ a été présenté au Sommet européen de la consommation (European Consumer Summit) en mars 2013. Le rapport soulignait les défis et les manquements dans le fonctionnement des outils de comparaison, plus particulièrement en ce qui concerne la transparence et l'objectivité des comparaisons, la qualité de l'information fournie, la compréhensibilité et la convivialité des outils de comparaison, la fiabilité des avis des utilisateurs, les mécanismes de recours dont disposent les consommateurs et l'application des dispositions existantes.

En septembre 2013, Ipsos, London Economics et Deloitte ont été chargés de mener une étude sur le secteur des outils de comparaison en vue de :

- Étudier les schémas de comportement des consommateurs dans le cadre de l'utilisation d'outils de comparaison et leur influence sur le processus décisionnel des consommateurs ;
- Réaliser un exercice de cartographie étendu des outils de comparaison disponibles dans l'UE, accompagné d'une étude sur la perception des outils de comparaison par les consommateurs et sur l'expérience qu'ils ont de ces outils (analyse par secteur et par pays) ;
- Effectuer une analyse des programmes existants d'accréditation et de labellisation pour les outils de comparaison ;
- Indiquer comment procéder à des améliorations en vue de garantir la fiabilité, la transparence et la convivialité des outils de comparaison au profit des consommateurs.

Méthodologie

Les tâches suivantes ont été exécutées par l'équipe Ipsos, London Economics et Deloitte :

- Les outils de comparaison ont été cartographiés et évalués dans l'UE des 28 plus la Norvège et l'Islande. Un total de 1.042 outils de comparaison à travers sept secteurs ont été identifiés (produits électroniques, produits de grande consommation, énergie, voyages et hôtels, services financiers de détail, communication électronique et outils multisectoriels).
- Les programmes de vérification par une tierce partie ont également été cartographiés et évalués dans l'UE des 28 plus la Norvège et l'Islande. Neuf programmes de vérification par une tierce partie propres aux outils de comparaison, ont été identifiés : cinq programmes étaient basés au Royaume-Uni. La France, l'Italie, la Belgique et l'Irlande comptaient chacune un programme.
- Un total de 169 consultations ont été réalisées avec des opérateurs d'outils de comparaison, des organismes sectoriels, des régulateurs et des groupes de consommateurs. Ces consultations ont été réalisées par le biais de questionnaires distribués directement aux groupes de parties prenantes dans chacun des 30 pays inclus dans l'étude.
- Une étude couvrant les 28 États membres de l'UE ainsi que la Norvège et l'Islande, a été réalisée auprès des consommateurs. Cette étude a été menée en ligne dans les pays dans lesquels une pénétration en ligne est suffisante pour garantir une bonne représentation de la population cible. Elle a été menée par le biais d'une méthodologie en ligne dans 26 des 28

⁴ Comparison Tools: Report from the Multi-Stakeholder Dialogue:
http://ec.europa.eu/consumers/documents/consumer-summit-2013-msdcomparison-tool-report_en.pdf

États membres, en Norvège et en Islande. À Chypre et à Malte, l'étude a été menée par le biais d'entretiens téléphoniques assistés par ordinateur (CATI). L'étude comprenait un questionnaire en ligne standard d'une durée d'environ 10 minutes et ce, aussi bien en ligne que par téléphone. Au total, 21.361 répondants ont rempli le questionnaire.

- Une expérience comportementale dans 15 pays : Roumanie, Suède, Royaume-Uni, France, Danemark, Allemagne, Lettonie, Italie, Slovénie, Hongrie, Pologne, Pays-Bas, Grèce, République tchèque et Croatie. L'expérience se rapportait (a) au choix d'un outil de comparaison par le consommateur au stade de la recherche en ligne initiale via un moteur de recherche simulé ; (b) au choix d'un outil de comparaison par le consommateur à partir d'une liste d'outils présélectionnés ; et, (c) au choix par le consommateur d'un produit ou service à partir d'un outil de comparaison individuel. L'expérience a été conçue pour le secteur de l'électricité et le secteur des voyages (hôtels), et a été menée conjointement avec l'étude auprès des consommateurs. Au total, 12.000 répondants ont participé à l'expérience.
- Un exercice d'évaluation mystère dans 11 pays : République tchèque, France, Allemagne, Grèce, Hongrie, Italie, Pays-Bas, Pologne, Roumanie, Suède et Royaume-Uni. Le but de l'exercice d'évaluation mystère était de reproduire le plus fidèlement possible les expériences réellement vécues par les consommateurs en matière de comparaison de prix sur des sites Web comparateurs de prix dans six marchés différents. Un total de 440 outils de comparaison ont été évalués à travers les six marchés.

Les outils de comparaison, c'est-à-dire les sites Web et les moteurs de recherche proposant des comparaisons de prix et des avis en ligne générés par les utilisateurs, jouent un rôle de plus en plus important dans le processus décisionnel des consommateurs européens. Ces outils se présentent sous différents noms. Les outils de comparaison sont par exemple également connus en tant qu'agrégateurs, agents de comparaison de prix, agents d'achat et robots d'achat (ou shopbots en abrégé)⁵. Nous y ferons référence dans ce document en tant qu'outils de comparaison ou sites Web comparateurs de prix. Ces termes doivent également être compris comme englobant d'autres services d'agrégateur⁶ offrant des fonctions de comparaison autres que le prix.

Principaux résultats

Notre étude a mis en évidence les résultats suivants :

Perception générale des outils de comparaison

- Les outils de comparaison sont bien ancrés dans le marché, leur nombre a considérablement augmenté depuis les années 1990 et ils sont fréquemment utilisés par les consommateurs.
- Les outils de comparaison sont généralement bien perçus et considérés comme un atout par les consommateurs, ce point de vue étant partagé par toutes les parties prenantes du marché dans une plus ou moins grande mesure.
- Certains manquements dans le secteur des outils de comparaison résultent de manquements généraux dans le secteur de l'e-commerce européen, y compris les obstacles au commerce transfrontalier, la capacité de développer des outils de comparaison dans des secteurs spécifiques ou la taille de marché minimale.

⁵ Zhu, H., Madnick, S., Siegel, M. (2007) 'Enabling Global Price Comparison through Semantic Integration of Web Data', MIT Sloan School Working Paper 4673-07, MIT Sloan School of Management.

⁶ Par exemple, avis sur la base de caractéristiques ou de particularités, agrégateurs d'avis, appréciations de la qualité, etc.

- L'enquête menée auprès des parties prenantes montre toutefois qu'il existe quelques problèmes spécifiques concernant les outils de comparaison, bien que l'incidence du préjudice causé au consommateur généralement rapportée aux autorités et aux organisations de consommateurs, s'avère peu élevée.
- Les préjudices spécifiques causés au consommateur qui ont été mis en évidence sont les faibles niveaux de transparence en termes de modèle d'entreprise, la façon dont les outils de comparaison génèrent leurs revenus, la fréquence des mises à jour des prix et les problèmes d'accessibilité.
- Selon les parties prenantes, la publication du prix total, l'exactitude des offres et la garantie de l'objectivité sont les domaines qui ont le plus besoin d'être améliorés.

Cartographie des outils de comparaison et vérification par une tierce partie

- Dans le cadre de l'exercice de cartographie, un total de 1.042 outils de comparaison à travers sept secteurs, ont été identifiés ; la majorité des outils de comparaison étaient actifs dans le secteur des voyages/hôtels (26%), suivi par les services financiers de détail (17%). Un autre 18% des outils de comparaison étaient qualifiés d'outils « multisectoriels » parce qu'ils couvraient plusieurs secteurs.
- La propriété et l'exploitation des outils de comparaison sont majoritairement aux mains du secteur privé à travers l'UE (84% des outils identifiés dans le cadre de l'exercice de cartographie) ; l'opérateur n'a pas pu être identifié pour 10% des outils de comparaison.
- Les outils de comparaison présentent un large éventail de modèles d'entreprise et de sources de revenus, et combinent dans de nombreux cas des sources de revenus traditionnelles (publicité et commission) avec des formes de revenus plus récentes (services permettant de changer d'opérateur/fournisseur).
- Cependant, moins de la moitié (37% - 45%) des outils de comparaison étaient disposés à dévoiler des détails concernant leur relation de fournisseur, la description de leur modèle d'entreprise ou la provenance de leur prix et de leurs données techniques (p. ex. provenant du fournisseur ou collectées de manière indépendante à partir de sources Web). Ce manque de transparence est encore amplifié en ce qui concerne les applications pour smartphone.
- Seulement 12% à 18% des sites Web ont dévoilé des informations sur la couverture de marché dont ils jouissaient, leur principale source de revenus ou la fréquence de mise à jour de leurs données.
- En moyenne, une majorité d'opérateurs d'outils de comparaison actualisent leurs sources de données plusieurs fois par jour (51%), alors qu'une minorité actualisent leurs données une fois par jour (29%) ou moins d'une fois par jour (20%).
- Les programmes de vérification sont basés sur une directive, un code de conduite ou une accréditation, l'accréditation étant la plus rigoureuse.
- Les parties prenantes sont généralement favorables à la vérification par une tierce partie, mais estiment également que cette vérification devrait être coordonnée au niveau européen.

Perception et utilisation des outils de comparaison par le consommateur

Connaissance, fréquence d'utilisation et motivations

- 40% des consommateurs interrogés dans le cadre de cette étude ont déclaré avoir une bonne connaissance des outils de comparaison, tandis que 48% avaient entendu parler de tels outils mais ne les connaissaient pas vraiment. Une minorité n'avait jamais entendu parler des outils de comparaison. La proportion des consommateurs « connaissant assez bien les outils de comparaison » allait de 10% en Islande à 55% au Royaume-Uni.
- Les moteurs de recherche sur Internet étaient de loin la source d'information la plus importante concernant les outils de comparaison (mentionnés par 72%).
- Au total, 74% des consommateurs avaient – au moins une fois – utilisé des outils de comparaison au cours des 12 derniers mois ; les proportions les plus élevées ont été observées en Slovaquie (77%), en Pologne, en Italie (78% dans les deux pays), en République tchèque (79%) et au Royaume-Uni (83%).
- 22% des consommateurs avaient utilisé des outils de comparaison au moins une fois toutes les deux semaines au cours des 12 derniers mois, 17% une fois par mois, 9% une fois tous les deux mois et 25% une fois tous les trois mois ou moins.
- Les outils de comparaison avaient principalement été utilisés pour comparer les prix d'appareils électriques ou électroniques (mentionné par 63% des utilisateurs d'outils de comparaison). Un nombre significatif d'utilisateurs ont également utilisé des outils de comparaison pour comparer le prix de billets d'avion ou de train (43%) et de chambres d'hôtel (37%).
- Les utilisateurs d'outils de comparaison ont utilisé ces outils parce qu'ils leur offraient un moyen rapide de comparer des prix (mentionné par 69%) et leur permettaient de trouver le prix le moins cher (68%).
- 47% des consommateurs qui n'avaient *pas utilisé d'outils de comparaison* ont affirmé qu'ils n'achetaient des produits ou des services que sur des sites Web qu'ils connaissaient déjà, 34% comparaient les prix sur la base de plusieurs sites Web qu'ils connaissaient et 36% préféraient utiliser des moteurs de recherche généraux plutôt que des outils de comparaison.

Voie d'accès des consommateurs aux outils de comparaison

- Avant de procéder à leur achat en ligne le plus récent, 63% des utilisateurs d'outils de comparaison interrogés avaient utilisé un moteur de recherche général et 48% un site Web comparateur de prix pour en savoir plus sur le produit/service qu'ils avaient l'intention d'acheter.
- La sélection, par le consommateur, d'outils de comparaison à partir de moteurs de recherche en ligne est grandement influencée par la position du lien sur la page de résultats de recherche, comme l'a montré la première expérience comportementale. Plus la position du lien est élevée sur la page, plus le lien a de chances d'être sélectionné. Par exemple, le lien naturel placé en première position a été choisi deux fois plus souvent que le lien naturel placé en deuxième position.
- Les avis ont également un effet important sur le choix de l'outil de comparaison. Dans le cadre de l'expérience, les liens contenant des avis ont été choisis plus de deux fois plus souvent que ceux sans avis. Plus le niveau d'évaluation est élevé (indiqué avec un système d'étoiles) et plus il y a d'avis, plus la présence d'avis a été efficace pour augmenter la

probabilité du choix de l'outil de comparaison. Les répondants qui ont signalés bien connaître les outils de comparaison avaient davantage tendance à choisir des liens contenant des avis que ceux qui étaient moins familiers avec les outils de comparaison.

- En moyenne, les liens présentés sous la forme d'une annonce publicitaire ont été moins souvent sélectionnés que ceux présentés sous la forme de liens naturels. Cependant, les annonces publicitaires ont été sélectionnées un nombre substantiel de fois par les participants à l'expérience comportementale, ce qui implique que les liens payants constituent une importante voie d'accès aux outils de comparaison.

Caractéristiques importantes pour les consommateurs

- La caractéristique de loin la plus appréciée des outils de comparaison était l'aspect de la comparaison des prix (mentionné par 79% des utilisateurs d'outils de comparaison). 29% des utilisateurs d'outils de comparaison accordaient également de l'importance à la facilité de navigation, tandis qu'un nombre un peu moins élevé d'utilisateurs attachaient de l'importance à des facteurs tels que l'utilisation d'évaluations d'utilisateurs/de la messagerie instantanée (21%) et les informations sur le produit/service (21%).
- Des caractéristiques telles que la description du modèle d'entreprise ou la fourniture d'informations sur les mécanismes de recours, n'étaient pas considérées comme très importantes par les utilisateurs d'outils de comparaison ; par exemple seulement 4% des répondants ont attaché de l'importance à la manière dont l'outil de comparaison est financé et 1% ont cherché des informations sur les mécanismes de recours.
- Lorsqu'il fallait choisir entre différents sites d'outils de comparaison, les sites offrant au consommateur la possibilité de classer les offres sur la base de différents critères ont le plus souvent été choisis dans le cadre de l'expérience. Les répondants n'avaient pas tendance à sélectionner des sites offrant seulement une possibilité de classification par défaut, mais choisissaient plutôt des sites offrant de une à trois possibilités de classification supplémentaires.

Perceptions des outils de comparaison par les consommateurs

- Les sites Web comparateurs de prix étaient le type d'outils de comparaison le plus populaire parmi les consommateurs interrogés ; 73% des utilisateurs d'outils de comparaison avaient récemment utilisé de tels sites. Toutefois, les moteurs de recherche revêtaient également une grande importance (48% avaient récemment utilisé de tels moteurs de recherche comme outil de comparaison).
- Presque tous les utilisateurs étaient d'accord pour dire que les outils comparateurs de prix permettaient aux consommateurs de comparer des prix, tout juste 34% ont affirmé qu'ils pouvaient également être utilisés pour trouver des informations objectives sur un produit. Un tout autre résultat a été obtenu en ce qui concerne les moteurs de recherche : alors que 38% des utilisateurs étaient d'accord pour dire qu'ils pouvaient être utilisés pour comparer des prix, presque le double (66%) ont affirmé qu'ils pouvaient être utilisés pour trouver des informations objectives sur un produit. Une majorité d'utilisateurs (62%) ont répondu que les plateformes d'e-commerce multi-marchand servent principalement à acheter des produits.
- La grande majorité des consommateurs s'accorde à reconnaître que les sites Web comparateurs de prix sont le moyen le plus rapide de comparer des prix (90% étaient de cet avis au total), sont faciles à utiliser (87%), sont utiles pour trouver des informations sur des produits/prix spécifiques (84%) et sont utiles pour trouver des commentaires de

consommateurs ou des avis sur des produits (79%). Toutes les perceptions n'étaient toutefois pas positives ; 79% des consommateurs admettaient que des sites Web comparateurs de prix différents montraient des prix différents pour le même produit/service.

- Le nombre d'utilisateurs qui pensaient que de tels outils aidaient les consommateurs à économiser de l'argent ou à gagner du temps ou qui reconnaissaient que ces outils aidaient les consommateurs à prendre des décisions d'achat en connaissance de cause, dépassait de loin le nombre de ceux qui affirmaient le contraire. Le résultat était tout autre à propos de la transparence des outils de comparaison en ce qui concerne la relation avec les détaillants repris sur le site (23% de scores 'négatifs' contre 18% de scores 'positifs').
- Les répondants de l'UE des 13 avaient davantage tendance à accentuer les caractéristiques positives des outils de comparaison ; par exemple, alors que 38% des utilisateurs d'outils de comparaison dans l'UE des 13 pensaient que ces outils étaient fiables, cette proportion chutait à 22% dans l'UE des 15. Les utilisateurs d'outils de comparaison à Chypre, en République tchèque, à Malte et en Slovaquie percevaient généralement les outils de comparaison de la manière la plus positive.

Compréhension et impact des programmes de vérification

- 27% des consommateurs interrogés sont tout à fait d'accord, et 48% sont assez d'accord pour dire qu'ils font davantage confiance aux outils de comparaison lorsqu'ils sont affiliés à un programme de vérification par une tierce partie.
- Parmi les répondants participant à l'expérience qui ont indiqué que l'affiliation à un programme de vérification par une tierce partie était l'une des caractéristiques les plus importantes qu'ils recherchaient dans les outils de comparaison,
 - 42% affirmaient que les programmes de vérification par une tierce partie devraient garantir l'objectivité de la comparaison, et 28% pensaient qu'ils devraient garantir l'exactitude des informations présentées.
 - 59% pensaient que les programmes de vérification devraient être gérés par une organisation de consommateurs et 26% ont affirmé qu'une autorité/un régulateur national(e) serait plus approprié(e).
- Lorsque le choix entre des outils de comparaison procédant à une vérification et des outils de comparaison ne procédant pas à une vérification a été offert aux répondants, les sites affiliés à un programme de vérification ont été sélectionnés 3,5 fois plus souvent que les sites qui n'étaient pas affiliés à un tel programme.
- Conformément aux résultats de l'étude réalisée auprès des consommateurs, les répondants participant à l'expérience avaient tendance à sélectionner des sites dont la vérification était fournie par une autorité publique ou une organisation de consommateurs plutôt que ceux dont le programme de vérification était fourni par un organisme sectoriel.
- Les programmes de vérification qui présentaient des exigences plus élevées étaient en moyenne sélectionnés plus souvent que ceux dont les exigences étaient moins strictes.

Impact des outils de comparaison sur les décisions d'achat

- 35% des utilisateurs d'outils de comparaison ont répondu que le recours à un outil de comparaison débouchait habituellement sur un achat ; seulement 8% ont affirmé qu'ils achetaient rarement ou n'achetaient jamais quelque chose après avoir utilisé un outil de comparaison.

- L'expérience a mis en évidence le fait que la méthode de classification et la position du produit dans l'outil de comparaison, ont un impact sur le choix du produit par le consommateur.
 - La méthode de classification utilisée par les sites Web comparateurs a un impact sur la proportion de répondants participant à l'expérience qui ont sélectionné la meilleure offre. Dans le cas de l'électricité, 79% ont opté pour la meilleure offre avec la méthode de la classification des prix et 76% avec la méthode des appréciations du service clients, par rapport à 49% lorsque les offres étaient classées au hasard. En ce qui concerne les voyages, lorsque les offres étaient classées par prix et par appréciation donnée par les voyageurs, respectivement 81% et 78% ont opté pour l'offre disponible la plus avantageuse par rapport à une classification des offres au hasard.
 - La position d'une offre sur une page Web a un impact significatif sur la probabilité qu'elle soit choisie. Plus une offre est placée haut sur la page, plus il est probable qu'elle soit choisie par les participants.
 - La manière dont les offres sont classifiées sur une page Web influence le choix d'un produit par les consommateurs. La proportion de participants à avoir choisi l'offre d'électricité la moins chère lorsque les offres étaient classifiées par coût annuel était de 29% par rapport à 22% ou moins lorsque les offres étaient classifiées selon d'autres méthodes. Il en va de même pour les hôtels. Lorsque les hôtels étaient classifiés par prix le plus bas, une plus grande proportion de participants ont sélectionné la chambre la moins chère (39%) que lorsque les offres étaient classifiées d'une autre façon.
 - Lorsque les offres d'électricité étaient classifiées par type de prix (offres de prix fixe en haut et offres de prix variable en bas), 65% des participants ont opté pour une offre de prix fixe par rapport à 60% ou moins lorsque les offres étaient classifiées d'une autre façon.
 - En ce qui concerne les hôtels, lorsque les chambres étaient classifiées par appréciation donnée par les voyageurs, 65% des participants optaient pour l'offre qui avait l'appréciation la plus élevée par rapport à 59% ou moins lorsque les offres étaient classées d'une autre façon.
 - L'impact d'une caractéristique déterminée s'avère plus important si les offres sont classifiées conformément à cette caractéristique. Par exemple, lorsque les offres d'électricité sont classifiées par coût annuel, le coût annuel a un impact plus important sur le choix de la première offre que si les offres sont classées suivant des méthodes alternatives (appréciations du service clients, type de prix, type d'énergie ou au hasard).

Fonctionnement pratique des outils de comparaison et identification des manquements

Feed-back des consommateurs concernant les principaux problèmes rencontrés

- 65% des utilisateurs d'outils de comparaison de prix interrogés ont rencontré au moins un problème en utilisant de tels outils ; ce pourcentage allait de 48% aux Pays-Bas à 83% en Grèce.
- Le problème le plus souvent rapporté était l'indisponibilité d'un produit sur le site Web du vendeur (32%), suivi de prix incorrects (21%) et d'informations sur le produit incorrectes (18%).
- 54% des utilisateurs qui avaient rencontré un problème ont décidé de ne rien entreprendre à cet égard, 27% ont contacté le vendeur du produit et 17% le fournisseur de l'outil de

comparaison ou le service clients. 39% des répondants qui n'avaient rien entrepris concernant le problème rencontré étaient convaincus que leur action n'aurait abouti à aucun résultat.

Clients mystères

Modèle d'entreprise et conformité avec la législation existante

- La majorité des clients mystères ont trouvé des informations sur le propriétaire de l'outil de comparaison ; ce pourcentage varie de 63% pour les outils de comparaison consacrés aux parfums à 78% pour ceux consacrés aux services Internet à large bande.
- Les outils de comparaison ne semblaient pas très enthousiastes à l'idée de divulguer des détails sur la manière dont ils généraient leurs revenus ; la proportion de clients mystères trouvant des informations sur la manière dont les outils de comparaison généraient leurs revenus est restée inférieure à 37% pour tous les marchés. Ce pourcentage correspond aux résultats de l'exercice de cartographie.
- 11% des clients mystères ne sont pas parvenus à trouver des détails de contact sur le site de l'outil de comparaison qu'ils évaluaient.
- Seulement 34% des outils de comparaison concernés par l'étude fournissaient des informations sur la manière d'introduire une réclamation. Parmi ceux-ci, 34% contenaient un lien vers un organisme ADR ou fournissaient les détails de contact de l'organisme de résolution des conflits.
- 28% des clients mystères ont signalé que le site Web qu'ils évaluaient affichait un label de qualité ou une marque de vérification ; 44% des clients ont trouvé un code de conduite sur le site et 30% un glossaire expliquant les principaux mots et phrases utilisés.
- Dans la plupart des marchés, moins de la moitié des outils de comparaison précisaient le nombre de fournisseurs comparés (p. ex. 24% des outils de comparaison consacrés aux parfums et 20% de ceux consacrés aux télévisions à écran plat).
- 37% des outils de comparaison étudiés proposaient des offres venant de l'étranger, avec une grande disparité entre les secteurs (96% des outils de comparaison consacrés aux hôtels présentaient des offres venant de l'étranger contre seulement 7% de ceux comparant les offres de services Internet à large bande – cette différence peut bien entendu s'expliquer par la nature – majoritairement – nationale de certains secteurs).
- Bien que les outils de comparaison semblent plutôt diligents dans l'actualisation de leurs prix (voir exercice de cartographie), seulement 15% d'entre eux contenaient des informations sur la manière dont les prix étaient actualisés ; le pourcentage le plus élevé a été observé pour les outils de comparaison consacrés aux télévisions à écran plat (24%), alors que le pourcentage le plus bas se rapportait aux outils de comparaison consacrés aux assurances auto (7%).
- Les sites Web affichant un label de qualité avaient, pour la majorité des indicateurs mesurés, généralement un meilleur score que les sites non accrédités ; par exemple, le client d'un site Web affichant un label de qualité avait plus de chances de trouver des informations sur le propriétaire du site (77% c. 69%), sur la manière dont le site génère ses revenus (37% c. 27%) ou sur la façon d'introduire une réclamation (45% c. 29%).

Classification et options de recherche

- Les avis et appréciations de clients ou de fournisseurs/évaluations de produits étaient plus courants dans certains marchés (p. ex. prix des chambres d'hôtel), mais plus rares dans d'autres (p. ex. services Internet à large bande et assurances auto). Lorsque des avis ou des appréciations apparaissaient, il n'y avait généralement pas d'explications sur la manière dont ils étaient contrôlés.
- Une minorité d'outils de comparaison mentionnaient explicitement que les avis des clients étaient contrôlés. Parmi ces outils de comparaison, 45% expliquaient que le site proprement dit avait la possibilité d'éditer un avis et 14% mentionnaient que le vendeur ou l'hôtel avait la possibilité de réagir à un avis. Un autre 37% de ces outils de comparaison expliquaient que les avis étaient contrôlés par le biais d'un système de comptes d'utilisateur, 24% demandaient des détails de contact et 23% une preuve de paiement.
- Aucun des marchés ne parvenait à expliquer convenablement comment la liste des offres initiale avait été ordonnée ; les outils de comparaison les moins performants se situaient dans le domaine des services Internet à large bande et des assurances auto, où seulement 20 à 22% des clients étaient informés des critères de classification utilisés.
- 52% des résultats de recherche étaient initialement affichés par ordre de prix ; ce pourcentage masque toutefois une grande variabilité entre les marchés (de 89% pour les outils de comparaison consacrés aux assurances auto à 31%-34% pour les outils de comparaison consacrés aux parfums, aux hôtels et aux télévisions à écran plat).
- Il y avait également une grande variabilité entre les marchés au niveau de la possibilité offerte aux consommateurs de réordonner les résultats de recherche initiaux, allant de 36% pour les outils de comparaison consacrés aux assurances auto à 89% pour ceux consacrés aux hôtels).
- La proportion des outils de comparaison offrant aux consommateurs la possibilité de filtrer la liste des offres sur la base de paramètres spécifiques variait de 33% pour les outils de comparaison consacrés aux assurances auto à 85% pour ceux consacrés aux hôtels.

Qualité des informations fournies

- 68% des clients mystères admettaient que des informations complètes et détaillées pour entamer le processus d'achat, étaient disponibles sur l'outil de comparaison, et 66% étaient d'accord pour dire qu'ils disposaient d'informations suffisantes pour procéder sans crainte à l'achat s'ils avaient été des clients réels.
- En recherchant exactement le même produit/la même réservation et son prix sur le site Web du fournisseur, 58% des comparaisons ne montraient aucune différence de prix entre le site Web du fournisseur et l'outil de comparaison, 15% des clients ont rapporté que le produit/la réservation était proposée à un prix supérieur sur le site du fournisseur, et 10% ont trouvé un prix plus bas sur le site du fournisseur. Pour finir, 18% des clients ne sont pas parvenus à trouver exactement le même produit/la même réservation sur le site Web du fournisseur.

Tarification personnalisée

- Les clients mystères ont également réalisé un exercice sur la tarification personnalisée dans le secteur des produits électriques et électroniques. Le but de cet exercice était de tester si les sites d'e-commerce adaptaient leurs prix en fonction des caractéristiques du client.

- On a pu établir la preuve que le routage via un site comparateur de prix avait un impact sur le prix d'un produit figurant sur le site d'e-commerce (pour 7% des clients).
- Peu de preuves ont été trouvées quant à l'impact de l'emplacement géographique depuis lequel le consommateur accédait au site d'e-commerce ; 19% des clients mystères n'ont toutefois pas pu achever cet exercice à cause de problèmes lors de l'utilisation d'un serveur proxy pour accéder au site d'e-commerce.
- 87% des clients ont trouvé le même prix à deux moments différents dans le temps, 5% ont rapporté une différence de prix et 7% n'ont pas pu achever l'exercice parce qu'ils n'arrivaient plus, à la deuxième tentative, à retrouver le produit ou son prix.

Analyse légale

- Il existe au moins 14 textes législatifs sur la protection des consommateurs et documents contenant des recommandations officielles se rapportant aux outils de comparaison.
- En l'absence d'un seul instrument législatif régissant ce domaine, les mesures réglementaires peuvent présenter des incohérences et porter à confusion pour les consommateurs et les marchands.
- Il existe des initiatives et des instruments légaux à la fois horizontaux et verticaux (sectoriels) pouvant être utilisés pour réglementer le secteur.
- L'application de la loi dépend du statut des opérateurs d'outils de comparaison, les sociétés commerciales étant le plus strictement réglementées. Bien qu'il soit possible d'envisager que les organismes publics et les organisations de consommateurs soient potentiellement couverts par la loi relative à la protection des consommateurs, en fonction de la manière dont ils gèrent l'outil de comparaison (c.-à-d. en tant qu'entreprise économique ou dans le cadre d'une fonction sociale), la situation est incertaine à l'heure actuelle. Il convient d'opérer une distinction entre les fonctions sociale et économique (activité professionnelle) de ces organismes publics et organisations de consommateurs.
- La directive relative aux pratiques déloyales (DPCD) est la mesure législative la plus importante dans l'environnement des outils de comparaison.
- Les articles 6, 7.1 et 7.2 de la DPCD suggèrent que les outils de comparaison devraient afficher le prix total et fournir des informations sur leur modèle d'entreprise et sur toute relation avec les fournisseurs dont ils présentent les biens ou services.

Recommandations concernant les outils de comparaison

La liste de recommandations suivante en matière d'outils de comparaison a été dressée sur la base des résultats de cette étude. Ces recommandations portent sur des critères que les outils de comparaison devraient respecter en vue d'améliorer leur transparence, leur fiabilité et leur convivialité vis-à-vis des consommateurs. Les recommandations s'adressent à tous les opérateurs d'outils de comparaison, quelle que soit la technologie, la plateforme ou le modèle d'entreprise utilisé (y compris p. ex. les moteurs de recherche, les plateformes multi-marchand et les applications ainsi que les sites Web d'outils de comparaison traditionnels).

Transparence et objectivité :

1. *Transparence au niveau du modèle d'entreprise* : les outils de comparaison devraient être transparents au niveau de leurs modèles d'entreprise et financier, y compris au niveau des propriétaires, des actionnaires et de la relation avec les fabricants, les vendeurs ou les fournisseurs des biens et services présentés.
2. *Objectivité des comparaisons* : la comparaison devrait être objective et ne pas être influencée par toute relation contractuelle avec les vendeurs, les fabricants ou les fournisseurs.
3. *Provenance des données* : les outils de comparaison devraient clairement exposer la manière dont ils collectent les données ainsi que la fréquence à laquelle ces données sont mises à jour. Le moment de la dernière mise à jour devrait être précisé.
4. *Critères de classification* : les critères utilisés pour la classification devraient être clairement indiqués et bien mis en évidence, ainsi que, là où cela s'avère pertinent, toute méthodologie spécifique employée.
5. *Informations sur la couverture* : là où cela s'avère réaliste et réalisable, les outils de comparaison devraient préciser ce qu'englobe la comparaison en termes de secteurs, de nombre de vendeurs et de portée géographique, en particulier dans le cas de marchés tels que l'énergie et les communications qui sont souvent concentrés. Il est toutefois possible que cela ne soit pas réalisable pour les outils de comparaison qui vendent des biens largement disponibles ou qui vendent des biens dans des marchés très diversifiés.
6. *Authenticité des avis et des appréciations d'utilisateurs* : les outils de comparaison devraient prendre des mesures pour garantir l'authenticité des avis ou des appréciations d'utilisateurs, et dévoiler la méthodologie employée. Les vendeurs devraient avoir la possibilité de réagir aux avis, et le consentement des auteurs devrait être demandé avant que tout avis ne violant pas la loi ou les conditions d'utilisation de l'outil de comparaison, soit supprimé.
7. *Distinction avec la publicité* : toute forme de publicité devrait explicitement être marquée comme telle et visuellement séparée des résultats. Ceci comprend les avis d'utilisateurs sponsorisés et la classification moyennant paiement.
8. *Affiliation à des programmes de vérification* : les outils de comparaison qui sont affiliés à des programmes devraient déclarer leur affiliation et afficher un logo, ainsi qu'un lien vers les conditions d'affiliation.

Type, qualité et affichage des informations :

9. *Pertinence des informations* : les informations fournies par les outils de comparaison devraient être pertinentes pour l'évaluation et la comparaison d'offres du point de vue du consommateur. Elles devraient être écrites dans un langage simple, en évitant les termes légaux et techniques complexes. Ces informations devraient être présentées à des niveaux contenant toujours plus de détails.
10. *Comparabilité* : les outils de comparaison devraient présenter les informations identiques de manière uniforme afin de garantir la comparabilité. Lorsque les produits ou services ne sont pas identiques, les différences au niveau de leurs caractéristiques devraient clairement être mentionnées.

11. *Exactitude des informations* : les outils de comparaison devraient garantir que les informations présentées sont exactes, que les données sont fréquemment mises à jour et que les erreurs sont, dans la mesure du possible, immédiatement rectifiées.
12. *Informations sur les prix* : les outils de comparaison devraient publier le prix d'achat plein/total et final incluant toutes charges, taxes, etc. applicables, conformément aux obligations légales existantes – et là où de telles obligations ne sont pas d'application, dans la mesure du possible. Les prix pleins, en particulier ceux qui sont susceptibles de s'appliquer aux services après une période avec d'éventuelles réductions, devraient aussi clairement être affichés et bien mis en évidence.
13. *Conditions d'achat* : les principales conditions d'achat devraient être spécifiées, y compris la disponibilité, le délai de livraison, les conditions contractuelles principales et les clauses particulières.
14. *Personnalisation de la comparaison* : les outils de comparaison devraient toujours offrir aux consommateurs la possibilité de passer d'une comparaison à l'autre pour visualiser des offres classées par ordre de prix croissant s'il ne s'agit pas de la classification par défaut. Les outils de comparaison devraient tendre à inclure des critères d'évaluation multiples afin de permettre une comparaison globale des produits et services. Ils devraient intégrer des paramètres modifiables ainsi que des fonctions de recherche, de filtrage et de simulation afin de permettre aux consommateurs de comparer sur la base de leurs préférences personnelles.
15. *Convivialité* : les outils de comparaison devraient s'efforcer d'utiliser une interface conviviale et facile à utiliser. Les résultats de la comparaison devraient être présentés sur une seule page, si cela s'avère possible.
16. *Accessibilité pour les plus vulnérables* : les outils de comparaison devraient incorporer des caractéristiques qui les rendent plus accessibles aux personnes vulnérables telles que les personnes handicapées et les personnes âgées, en suivant par exemple les directives ou normes internationales existantes en matière d'accessibilité.

Conformité et mécanismes de recours :

17. *Affichage des détails de contact* : les outils de comparaison devraient afficher des détails de contact pour les consommateurs, en ce compris le numéro de téléphone, l'adresse et l'adresse e-mail.
18. *Conformité avec la législation existante* : les outils de comparaison devraient se conformer à la législation existante en matière de protection des consommateurs, y compris la législation spécifique aux secteurs qu'ils couvrent, ainsi qu'avec la législation relative à la protection des données.
19. *Traitement des réclamations* : les outils de comparaison devraient disposer d'une politique de traitement des réclamations.
20. *Accès aux mécanismes de recours* : les outils de comparaison devraient fournir aux consommateurs des informations sur les mécanismes de recours disponibles.

Recommandations pour la Commission et les États membres

21. Une application coordonnée accrue des éléments de législation pertinents relatifs aux outils de comparaison, aussi bien au niveau national qu'eupéen, est requise. Afin d'avoir un impact durable sur l'objectif consistant à augmenter et à améliorer l'application de ces éléments de législation, il conviendrait de porter les problèmes relatifs aux outils de comparaison à l'attention des responsables de l'exécution des règlements, de recueillir les réclamations des consommateurs et de procéder à des contrôles des outils de comparaison (y compris de façon coordonnée au niveau européen).
22. Afin de faciliter la mise en œuvre de la législation existante ainsi que son application impartiale, la Commission devrait communiquer à propos de la façon dont la législation existante s'applique aux outils de comparaison. L'accent devrait nettement être mis sur la directive relative aux pratiques commerciales déloyales, mais la mise en œuvre appropriée d'autres instruments devrait également être envisagée.
23. Afin de compléter le cadre législatif existant et de mettre les meilleures pratiques en évidence, d'autres directives devraient, au besoin, être élaborées au niveau de l'UE en ce qui concerne les outils de comparaison, impliquant toutes les parties prenantes, y compris le secteur des outils de comparaison.
24. Une corégulation, facilitée par la Commission européenne, devrait être envisagée entre le secteur des outils de comparaison, les organisations de consommateurs, les détaillants et les responsables de l'exécution des règlements en vue de rédiger un mémorandum d'entente (MoU) ou un Code de conduite développant, garantissant et adoptant officiellement des meilleures pratiques dans le secteur des outils de comparaison.
25. Les opérateurs d'outils de comparaison devraient consentir à développer des programmes de vérification pour toute l'UE, basés sur les meilleures pratiques convenues et concordant en particulier avec le travail des organisations actuellement impliquées dans des initiatives paneuropéennes similaires.
26. La valeur de programmes existants, qui sont déjà présents au niveau national, devrait être reconnue en tant que meilleures pratiques. Toutes les parties prenantes devraient collaborer pour voir que de tels programmes et des nouvelles initiatives se développent dans le sens des recommandations contenues dans le présent rapport et de toute action développée au niveau de l'UE.
27. Là où les autorités publiques décident d'établir leurs propres outils de comparaison, ces outils de comparaison devraient être à la pointe de l'adoption et de la promotion de meilleures pratiques.
28. Le secteur privé des outils de comparaison devrait s'organiser au niveau de l'UE en vue de s'engager pleinement auprès des parties prenantes et des décideurs politiques et de collaborer avec ces groupes en vue d'élaborer les normes pour le secteur des outils de comparaison et d'aider au niveau de leur amélioration et de leur adoption.
29. Une campagne de sensibilisation aux outils de comparaison devrait être menée en vue d'informer les consommateurs du meilleur moyen d'utiliser et de comprendre les outils de comparaison et des droits qu'ils peuvent faire valoir dans le cadre de leurs transactions avec des outils de comparaison.

1 Introduction and background

The European Consumer Agenda⁷, issued in 2012, highlighted some of the fundamental changes that the internet has brought about in the way consumers shop and businesses advertise and sell their goods and services. For instance, faced with increasingly complex information and choices online, consumers more and more often turn to intermediaries to guide them in their decision-making process. Among these intermediaries, comparison tools are now widely used and are becoming embedded in consumer behaviour and business models.

The 2011 Consumer market study (contracted by CHAFAE) on the functioning of e-commerce and internet marketing and selling techniques in the retail of goods⁸ found that:

- Price comparison websites in the mystery shopping exercises were often unclear about their default rankings of offers, their business models, and/or their policies regarding consumer protection.
- Only a minor proportion of identifiable default rankings in the mystery shopping exercise were ranking by price. In 29% of the trials, the price comparison websites did not offer the user the option to rank products according to price. The default ranking presented the cheapest offer among the top five results about two-thirds of the time.
- In more than half of the trials, price comparison websites were not informative on delivery costs, delivery time, taxes, and/or product availability. Information not always being readily available from price comparison websites or not being reliable when it is provided can contribute to consumer detriment.
- The two main sources of revenue identified by the mystery shoppers were advertising on price comparison websites and 'pay-per-click', whereby the comparison tool operators receive a small amount of money from the seller every time a consumer clicks on one of their offers. Secondary to these, payment for prominent placing in results and payment for listing on the price comparison website were also common sources of revenue.

As a first step to address the transparency and reliability of comparison tools, the European Commission set up a stakeholder dialogue process, first announced in the January 2012 Communication on a coherent framework for building trust in the Digital Single Market for e-commerce and online services⁹. Its purpose was to provide a better understanding of the functioning of the various types of comparison tools, analyse the interaction between all the stakeholders involved, map best practices in the comparison of products and services across different sectors and identify potential areas of improvement.

In March 2013, the Report from the Multi-Stakeholder Dialogue on Comparison Tools¹⁰ was presented at the European Consumer Summit. The report highlighted challenges and

⁷ A European Consumer Agenda – Boosting Confidence and Growth: http://ec.europa.eu/consumers/strategy/docs/consumer_agenda_2012_en.pdf

⁸ Consumer market study on the functioning of e-commerce and Internet marketing and selling techniques in the retail of goods: http://ec.europa.eu/consumers/consumer_research/market_studies/docs/study_ecommerce_goods_en.pdf

⁹ A coherent framework for building trust in the Digital Single Market for e-commerce and online services: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0942:FIN:EN:PDF>

¹⁰ Comparison Tools: Report from the Multi-Stakeholder Dialogue: http://ec.europa.eu/consumers/documents/consumer-summit-2013-msdct-report_en.pdf

shortcomings in the functioning of comparison tools, particularly with regard to the transparency and impartiality of comparisons, the quality of information provided, the comprehensiveness and user-friendliness of comparison tools, the reliability of user reviews, consumer redress and enforcement of existing provisions. These conclusions could serve as a basis for the development of codes of good conduct and/or EU-wide guidelines for guaranteeing the transparency and reliability of comparison tools.

The Report states that in order to build its knowledge base, taking into account the constant emergence of new types of comparison tools, the Commission should conduct further research. Key areas of interest highlighted in the Report include, inter alia:

- A study into consumer behavioural patterns in the use of comparison tools and their influence on consumers' decision-making;
- An extensive mapping exercise of the comparison tools available in the EU accompanied by a survey on consumer perception and experience of comparison tools (analysis by sector and by country); and
- An analysis of existing accreditation and trustmark schemes for comparison tools.

This study on the Comparison Tool sector addresses the above three points, and furthermore discusses the policy options for the sector in order to achieve the fairest environment for both consumers and the comparison tool industry across the EU.

2 Methodology

This section of the report presents the detailed methodology for the activities completed by the consortium:

- Mapping and evaluation of Comparison Tools;
- Mapping and evaluation of Third-Party Verification Schemes;
- Consultations with stakeholders;
- The consumer survey;
- The online behavioural experiment; and,
- The mystery shopping.

Each is described below. In summary, these activities involved:

- Mapping and evaluation of Comparison Tools was carried out across the EU28 plus Norway and Iceland. A total of 1042 Comparison Tools across seven sectors were identified (electronic goods, fast moving consumer goods, energy, travel & hotels, retail financial services, electronic communications and multi-sector tools).
- Mapping and evaluation of Third-Party Verification Schemes was also carried out across the EU28, Norway and Iceland. Nine third-party verification schemes specifically for Comparison Tools were identified; 5 in the UK, and 1 each in France, Italy, Belgium and Ireland.
- 169 consultations in total were completed with Comparison Tool Operators, Industry Bodies, Regulators and Consumer Groups. These consultations were implemented using questionnaires distributed directly to the stakeholder groups across each of the 30 countries included in the study.
- A consumer survey covered the 28 EU member States as well as Norway and Iceland. The survey was conducted online in the countries where online penetration is sufficient to ensure the required number of interviews. It was administered using an online methodology in 26 of the 28 Member States, Norway and Iceland. In Cyprus and Malta, it was conducted using telephone Computer Aided Telephone Interviewing (CATI) method. The survey included a standard online questionnaire which lasted 10 minutes on average both online and via telephone. In total 21,361 respondents completed the survey.
- An online behavioural experiment in 15 countries: Romania, Sweden, the UK, France, Denmark, Germany, Latvia, Italy, Slovenia, Hungary, Poland, the Netherlands, Greece, the Czech Republic and Croatia. The experiment tested (a) consumer choice of CT at the initial online search stage using a mock search engine; (b) consumer choice of a CT from a short list; and, (c) consumer choice of a product or service on an individual CT. The experiment was framed for the electricity sector and travel sector (hotels), and was run in conjunction with the consumer survey. In total 12,000 respondents completed the experiment.
- A mystery shopping exercise in 11 countries: the Czech Republic, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Romania, Sweden and the UK. The aim of the mystery shopping exercise was to replicate, as closely as possible, real consumers' experiences when it comes to comparing prices on price comparison websites in six different markets. Across the six markets, a total of 440 comparison tools were evaluated.

2.1 Mapping and evaluation of Comparison Tools

Taking in to account parameters of the study, we proposed the following refined definition for Comparison Tools:

“Websites and Mobile Applications designed to offer a consumer within the chosen industry sectors the ability to compare and contrast an aggregation of fungible goods and services based on a variety of criteria and utilising at least one criteria filter.”

Based on the refined definition, the following were excluded from the study:

- Restaurant review aggregators due to the fact that restaurants do not fall either under travel or FMCG;
- Any comparison services not falling directly under the six industry sectors;
- Sites and applications that do not display any aggregation of fungible goods/identical services i.e. sites which cover products or services from only one supplier, even when offering different products, tariffs and services etc.;
- Sites and applications dealing in second hand markets, due to the fact that the products are no longer fungible due to varying quality characteristics, unless these sites also allow for the sale of new fungible goods;
- Sites and applications which lack basic dynamic interfaces necessary for meaningful comparison i.e. filters which allow customisable searches etc. Examples would include unsophisticated sites marketing themselves as price comparison models, but instead offering only advertisements and links;
- Directories, based on the fact that there is no dynamic interface regarding price, feature etc.;
- Internet landing pages which have been produced primarily for the purpose of hosting interim content on a domain which is often for sale;
- Hard copy and electronic magazines, brochures etc., even those produced by CT operators, as these resemble traditional directories and are familiar as traditional media;
- Comparison Tools hosted on mobile operating systems other than Android and iOS, due to the fact that Android and iOS currently make up over 90% of the market of mobile platforms and all other competitors were less than 5% each¹¹.

2.1.1 Identification of Comparison Tools

Deloitte employed a standardised approach which allowed for local tailoring to take into account national specificities (i.e. terminology for business models, descriptions in national languages, etc.) where appropriate, but based on a specific sequence of activities. Each researcher received training and a technical guide on how to carry out their research.

1. Creation of formal search strings.
2. Distribution of formal search strings to be translated into the local language equivalent.
3. Search strings were applied to search engines focussing on national search results (e.g. google.fi for Finland, google.se for Sweden, etc.). Multiple search engines were used

¹¹ IDC, Press Release, Android and iOS Combine for 91.1% of the Worldwide Smartphone OS Market in 4Q12 and 87.6% for the Year, According to IDC, 14 February 2013

(Google, Yahoo, Bing etc.). For mobile applications, we searched for apps in the appropriate App stores for Android and iOS applications.

4. After utilising the national search engines, researchers copied the results of each search into a word document.
5. Once all appropriate search engines have been exhausted, and all results copied into a word document, the complete list was cleaned to:
 - Remove all websites which do not fulfil the criteria (this step was also repeated later during the evaluation itself);
 - Remove any additional information other than the website domain;
 - Sort the website domain list alphabetically; and
 - Remove duplicates to create a unique list.
6. The unique list was entered into a table for evaluation.

2.1.2 Notes on search strings

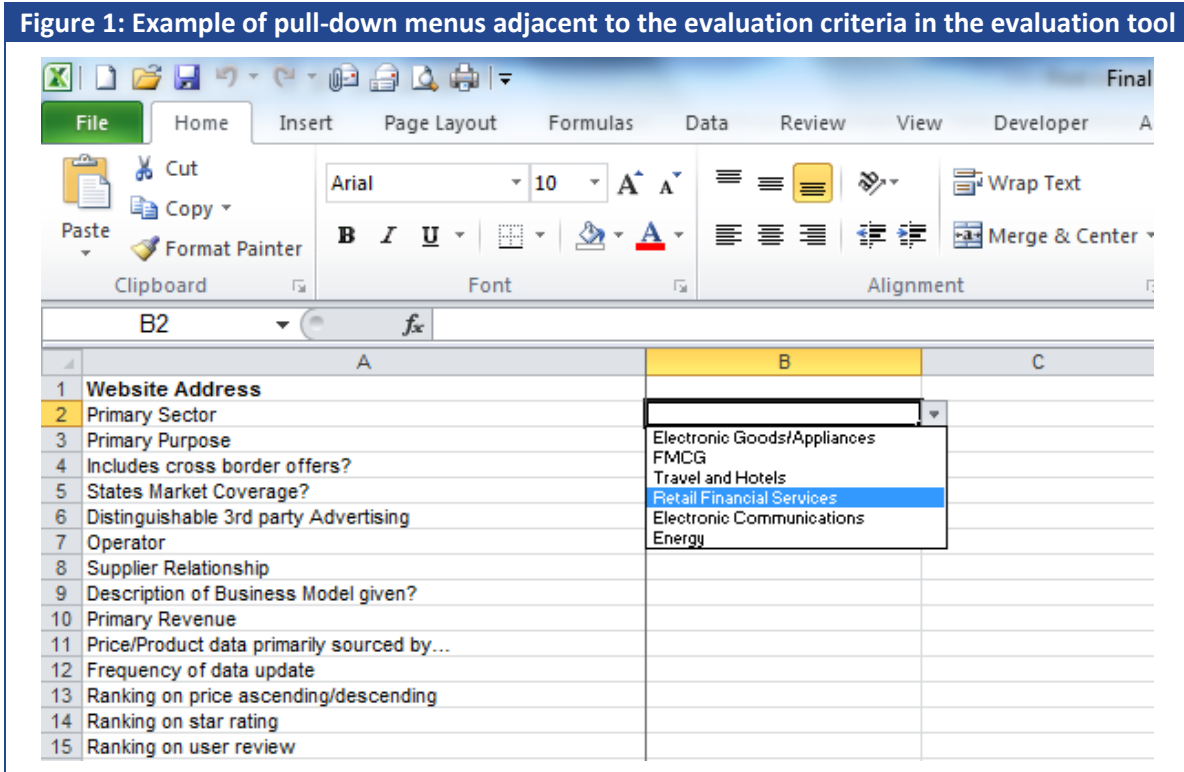
The formal search strings were deliberately broad as it was assumed that the largest CTs would invest heavily in Search Engine Optimisation in order to gain the upper rankings. After exhausting these search terms, researchers were encouraged to use any local language equivalents which could also be fruitful.

Table 1: Search Strings used to find and map Comparison Tools					
Electronic Goods/Appliances	FMCG	Travel and Hotels	Retail Financial Services	Electronic Communications	Energy
price comparison computers/ compare computer prices	price comparison shoes	compare hotel prices	compare credit cards	price comparison mobile phone fees	compare electricity prices
compare electronics price	price comparison food	compare train tickets prices	compare insurance products	price comparison internet	compare gas prices
price comparison mobile phone	price comparison cloths	compare rental car prices	compare bank fees	price comparison cable TV	compare petrol prices
price comparison tablet	price comparison bio products price comparison baby products	compare plane tickets	compare investment funds	price comparison telephone	

2.1.3 Evaluation of the Comparison Tools

The evaluation of the Comparison Tool websites and mobile application was based on 36 specific criteria which in turn were derived from the themes and issues explored in the 'Report from the Multi-Stakeholder Dialogue on Comparison Tools'¹². The objective was to map the tools according to the features and information exhibited on each site.

¹² European Commission, Comparison Tools Report from the Multi-Stakeholder Dialogue Providing consumers with transparent and reliable information, Report presented at the European Consumer Summit 18-19 March 2013



To carry out this evaluation we created an excel document which listed the criteria in the first column, and in the adjacent columns pre-set pull-down menus were put in place in 32 of the 36 cells adjacent to each criteria. Four of the cells were blank in order to record basic identification and communication data (domain name, address, email and telephone number). The following pages display each criteria as well as the potential values that could be returned.

For non-standard items which researchers deemed to be of interest, the researchers could add notes to the base of each record.

For each CT reviewed, and for whom we have found contact details, we sent an extract of the evaluation to allow them to correct, to provide comments on or otherwise challenge the findings. We received 23 responses, and updated our records accordingly.

Table 2: Evaluation Values used for Comparison Tools

Value	Criteria that could be selected by menu or entered – brackets '[']' denote value was entered as unique information.									
Website Address	[Domain]									
Primary Sector	Electronic Goods/Appliances	FMCG	Travel and Hotels	Retail Financial Services	Electronic Communications	Energy				
Primary Purpose	Price Comp	Feature Comp	Quality Rating/Testing	Review Aggregator	Brokering					
Includes cross border offers?	Yes	No	Unknown							
States Market Coverage?	Yes & > 25%	Yes & > 50%	Yes & > 75%	Not given						
Distinguishable 3rd party Advertising	Clear Adverts on site	Clear adverts in rankings	Unclear adverts on site	Unclear adverts in rankings	Clear adverts in site+rankings	Unclear adverts in site+rankings	No 3rd party advertising			
Operator	Business	Regulator	Consumer Org	Unknown	Other: add in notes					
Supplier Relationship	Contractual	Other	No relationship	Unknown						
Description of Business Model given?	Yes	No								
Primary Revenue	Fee per transaction	Fee per click	Public Funding	Sales Commission	Advertising	Unknown	Other: Describe			
Price/Product data primarily sourced by...	Electronic feed	Screen Scraper	Crowd Sourced	Other: Describe	Unknown					
Frequency of data update	> than daily	Daily	< than daily	Unknown						
Ranking on price ascending/descending	Yes	No	Unknown							
Ranking on star rating	Yes	Yes + method explained	No	Unknown						
Ranking on user review	Yes	Yes + method explained	No	Unknown						
Ranking on popularity	Yes	Yes + method explained	No	Unknown						
Independent Quality Rating	Yes	Yes + method explained	No	Unknown						
Ranking on Sustainability	Yes	Yes + method explained	No	Unknown						
What is the default ranking?	Price Ascending/Descending	Star Rating	User Review	Popularity	Independent Quality Rating	Sustainability	Social aspects (e.g. fair trade)	Date added	Other: Describe	
Personal Account	User 's can create an account to login	User can login via a social media account	Users can use both an account and social media	No login available						

Personalised Search functions?	Price Alert	Availability Alert	Historical Purchases	Personal data (e.g. insurance)	Not applicable				
Can you search by location?	Yes	No							
Same information displayed for all products?	Yes	No							
Plain Language	Yes	No							
Ref to disabled users	Yes	No							
Is a link to a Complaint / Redress procedure visible?	Yes	No							
Do they have a clear privacy policy?	Yes	No							
Clearly displayed logo & link to Third-Party Verification schemes?	Logo only	Logo and Link	Neither						
Info on Cooling off/ Cancelling>Returns/Penalties?	Yes	No							
Info on Duration/ Conditions/Guarantees?	Yes	No							
Link to detailed conditions	Yes	No	Not applicable						
Guide to purchasing product/service	Yes	No							
Contact Details	Email only	Address Only	Phone Only	Email & Address	Email & Phone	Address & Phone	Email & Phone & Address	None	
Enter address here	[Address]								
Enter email here	[Email]								
Enter phone number here	[Phone]								

2.1.4 Limits to the approach to the evaluation of the Comparison Tools

- Brokerage style websites were evaluated, but Deloitte stopped short of requesting quotations. The reason for this approach is that requesting quotations can lead to records being created on credit reference services. Although credit reference services currently do not rely on such records for credit referencing purposes now, we did not wish our staff to incur such records in case they may have an impact on future credit referencing.
- We employed a ‘clearly stated’ principle regarding CT evaluation. This meant that our researchers searching for disclosure information would look for the information in a prominent or intuitive area of the website (e.g. ‘About Us’, ‘How we work’, ‘About our Website’, ‘FAQs’, ‘Conditions of Use’ etc.). This meant that researchers may have missed disclosure information; however, it also implies that the information was not published in an easy-to-find area of the Comparison Tool. While it may have been possible to find background information via an exhaustive search of the website, this would not mimic consumer interaction in real-life.
- Sites and applications with multi-country operations, but with identical format, were recorded as multi-country (i.e. included on the record of each country where they operate) but evaluated only once as multi-nationals.

2.2 Methodology for mapping Third-Party Verification Schemes

To guide our research we created a definition of Comparison Tool Third-Party Verification schemes.

“A Comparison Tool Third-Party Verification scheme is a scheme that elaborates a specific code, guideline, set of principles, accepted ‘best practices’ or criteria specific to CT operators, to which CT operators agree to be bound with the involvement of a third-party to verify that the CT operators are respecting the agreed criteria, and which is additional to the existing national or EU legal framework for consumers.”

Based on the refined definition, the following were excluded from the study:

- General legal or regulatory guidelines which govern Comparison Tools by default but were not developed specifically for this sector;
- Any Third-Party Verification schemes not specific to Comparison Tools (e.g. dealing with broader aspects of ecommerce); and
- Any Third-Party Verification schemes which are applicable to industries other than the six industry sectors covered by price comparison sites.

2.2.1 Mapping and Analysis of Third-Party Verification schemes

The mapping and analysis of Third-Party Verification schemes was carried out in tandem with the mapping and analysis of price comparison websites, as these tasks served to reinforce one another and create a synergy within the project. Additionally, the researchers employed on this task were the same researchers employed on the mapping and analysis of comparison websites.

The following procedure was carried out to identify, map and analyse Third-Party Verification schemes:

1. Open source research via the Internet. Search strings were proposed but found to be not effective.
2. Researchers recorded Third-Party Verification schemes that appear on price Comparison Tools.
3. Researchers cross-checked results from the stakeholder survey.

2.2.2 Limits of the evaluation of Third-Party Verification schemes

When conducting desk research on Third-Party Verification schemes, we employed a 'clearly stated' principle. Our 'clearly stated' principle was based on the Third-Party Verification scheme operator displaying the required information either prominently or within an intuitive area of the website (e.g. 'About Us', 'How we work', 'About our Website', 'FAQs', 'Conditions of Use' etc.).

Deloitte made a best effort to elicit a response from identified Third-Party Verification scheme operators during the consultation. However we were reliant upon the voluntary cooperation of these stakeholders for full disclosure.

2.3 Methodology for consultation with stakeholders

Our consultation activities relied on questionnaires that were distributed directly to stakeholder groups across each of the 30 countries included in our study. For the purposes of our consultation, we recognised 4 separate stakeholder groups:

- Consumer groups
- Regulatory bodies
- Comparison tool operators
- Industry bodies

Accordingly, we developed questionnaires for each of these groups. The questionnaires were designed with a mixture of open and closed questions in order to standardise responses while at the same time offering respondents the ability to share their opinions. Similar to the evaluation tool, the questionnaire content has been derived from the themes and issues explored in the 'Report from the Multi-Stakeholder Dialogue on Comparison Tools'¹³.

¹³ European Commission, Comparison Tools Report from the Multi-Stakeholder Dialogue Providing consumers with transparent and reliable information, Report presented at the European Consumer Summit 18-19 March 2013

We also received direct responses to our research via the MSDCT meetings at the Commission where we presented interim results and held Q&A sessions. When contacting stakeholders, Commission services distributed the questionnaire to regulators and consumer groups, while Deloitte created a database of Comparison Tool operators (via the mapping exercise, where we recorded the name, address and contact emails) and Industry Bodies

Questionnaires were deployed electronically using ‘SurveyMonkey’¹⁴ software in combination with an in-house Deloitte electronic mailing system. Each respondent email address received a unique email from Deloitte containing:

- A brief introduction to the study;
- A url link to the questionnaire; and
- A letter drafted by the European Commission giving greater information on the study and its objectives.

For organisations that we did not have an email address, we posted the link of the survey to them, along with the covering letter from the European Commission. No hardcopy questionnaires were provided as all stakeholders would have internet access.

2.4 Methodology of the consumer survey

The consumer opinion survey was conducted via an online methodology and included a consumer questionnaire and a behavioural experiment.

The overarching objectives of the consumer survey were to provide a better understanding of:

- Consumers’ use of comparison tools
- Consumer perception of comparison tools and related third-party verification schemes
- Consumers’ most common “pathways’ when making online purchases including the role of social media
- Whether consumers make any distinction between:
 - the various types of comparison tools available
 - comparison tools, search engines and multi-trader ecommerce platforms.

The survey was conducted in the 28 EU member States as well as Norway and Iceland, and 21,361 interviews were completed.

Fieldwork took place between 24 March and 9 April 2014 (except in Latvia, where fieldwork was completed on 11 April 2014). The survey was conducted among the online adult population (aged 18+) in each country.

Country coverage and questionnaire

The consumer survey covered the 28 EU member States, Norway and Iceland. The survey was conducted online in the most countries; in Cyprus and Malta, on the other hand, it was conducted

¹⁴ https://www.surveymonkey.com/?ut_source=header

using Computer Aided Telephone Interviewing (CATI). The survey included a standard online questionnaire which lasted 10 minutes, on average, both online and via telephone.

In 15 countries, we combined the online survey with three behavioural experiments in order to provide observations on consumer behaviour when searching for, and selecting comparison tools and on their purchase behaviour when using a comparison tool. The countries where the consumer survey included the behavioural experiments are: the UK, Germany, Italy, the Netherlands, France, Sweden, Denmark, the Czech Republic, Croatia, Latvia, Greece, Slovenia, Poland, Romania and Hungary.

Pilot

A pilot study was conducted to test the length of the questionnaire and to identify if respondents had any difficulties completing the experiment. The pilot was run in the UK as the master documents were designed in English. Additional questions were added to the end of the survey to collect respondents' feedback on whether they had any difficulties responding to specific parts of the survey/experiment.

In total, 111 pilot interviews were completed between 31 January and 4 February 2014 using the Ipsos online panel in the UK. Quotas were set on age, gender and region (based on the general online population aged 18 years old or over) to ensure a range of respondents took part in the survey.

The average length of the pilot questionnaire was 18 minutes (including the behavioural experiment); 55% of respondents spent between 10 and 20 minutes completing the survey. Four questions were added at the end of the pilot questionnaire to collect respondents' feedback on their experience of completing this survey. The feedback from the pilot respondents was positive. No-one reported any question to be particularly difficult to answer. A few changes in wording of the questions were made to clarify some questions and statements but no questions were deleted. One question about the most appropriate type of organisations to run comparison tools was added.

Two modifications were made in the experiment after the pilot:

- In experiment 2, we found out that most respondents did not enlarge the pictures, which means they did not read them properly. To make sure they all read the image of the website before making their choice, we have decided to add screens showing the enlarged picture one by one and only then respondents could see the three websites on the same screen to make their choice.
- In experiment 3, each respondent saw the same combination at question T4 and E3 during the pilot. For the main stage, it was decided to implement a different combination number so that the same respondent did not see the same combination number for the Travel and Energy section.

Translation

After changes from the pilot were agreed and all the materials from the survey were signed off, the questionnaire and experiment were translated in the local language(s) of each country.

Unique ‘country and language’ versions were produced. Below is the list of countries with their corresponding language(s):

Table 3: Country and language	
Country	Language
Austria	German (Austrian)
Belgium	French (Belgium)
Belgium	Dutch (Belgium)
Bulgaria	Bulgarian
Cyprus	Greek (Cyprus)
Czech Republic	Czech
Denmark	Danish
Estonia	Estonian
Finland	Finnish
France	French (France)
Germany	German (Germany)
Greece	Greek
Hungary	Hungarian
Ireland	English
Iceland	Icelandic
Italy	Italian
Latvia	Latvian
Lithuania	Lithuanian
Luxembourg	Luxembourgish & French (Luxembourg)
Malta	Maltese
Netherlands	Dutch (Netherlands)
Norway	Norwegian
Poland	Polish
Portugal	Portuguese
Romania	Romanian
Slovakia	Slovakian
Slovenia	Slovenian
Spain	Spanish
Sweden	Swedish
UK	English

Panel

The main stage fieldwork was conducted online in all countries using Ipsos' online panels. In some countries, Ipsos' panels were supplemented with partner panels, either due to Ipsos not currently having a panel in that country or where the Ipsos panel was too small to achieve the target number of interviews. The management of the online fieldwork was centralised within the Ipsos Interactive Service Bureau (IIS). All the work conducted by IIS is managed centrally, with one scripting, data collection and data delivery process.

All panel partners are chosen based on the availability and quality of their panels, and their ability to implement the survey according to the quality principles and guidance from Ipsos. All selected polling institutes are well known for the quality of their network and are involved in numerous multilingual and multinational surveys. All are ESOMAR members. The same script is used by all panel partners. The table below shows the countries where we used external panel(s):

Table 4: Country and panel	
Country	Panels
Austria	1 external panel
Bulgaria	1 external panel
Croatia	1 external panel
Czech Republic	Ipsos Panel + 1 external panel
Denmark	Ipsos Panel + 1 external panel
Estonia	1 external panel
Finland	1 external panel
Greece	1 external panel
Iceland	1 external panel
Ireland	1 external panel
Latvia	1 external panel
Lithuania	1 external panel
Luxembourg	1 external panel
Norway	Ipsos Panel + 1 external panel
Slovenia	1 external panel

Sample

The target audience of the consumer survey and experiment was the general online population (aged 18+). Quotas were set up on age, gender and region to ensure that the sample in each country was representative of the general online population.

Although the target audience is the general online population aged 18+, the closest (and most reliable) statistics that were found to base our quota on are Eurostat's 2012 figures on internet users (past 3 months) in the population aged 16-74. The main issue using these Eurostat data was the age band difference for the 18-24 and 65+ groups.

Nevertheless, in agreement with the DG Health and Consumers, we decided to use the 2012 Eurostat data on internet users aged 16-74 as they provided quotas based on reliable statistics. For the age band 18-24, we used the statistics for 16-24 year-olds from Eurostat. The proportion of the population is between 10% and 20% across countries so the effect of having the age band starting

at 18 instead of 16 years-of-age would only be 1% or 2% across the other age groups; this will not bias the sample. Similarly, for the older age group, we used the statistics for the 65-74 age band for the 65+ group (in some Eastern European countries, this was 55+). Considering that the proportion of 75+ online is very limited, the effect on the sample will again have been very small. The targeted and achieved quotas for each country can be found in annex.

The minimum sample size per country was 500. In more populated countries, this was increased to 800 or 1,000 interviews to reduce the design effect for EU-wide analysis and to increase the ability of the data to make more sensitive measures of statistical difference. The table below presents the targeted sample size and the number of achieved interviews per country.

	Targeted	Achieved
Austria	800	802
Belgium	800	800
Bulgaria	800	800
Croatia	500	500
Cyprus	500	500
Czech Republic	800	813
Denmark	500	521
Estonia	500	500
Finland	500	503
France	1,000	1,000
Germany	1,000	1,002
Greece	800	816
Hungary	800	800
Iceland	500	501
Ireland	500	500
Italy	1,000	1,001
Latvia	500	546
Lithuania	500	501
Luxembourg	500	511
Malta	500	500
Netherlands	800	800
Norway	500	516
Poland	1,000	1,002
Portugal	800	800
Romania	1,000	998
Slovakia	500	500
Slovenia	500	504
Spain	1,000	1,000
Sweden	800	802
United Kingdom	1,000	1,021

Fieldwork dates

Fieldwork was completed between 24 March and 9 April 2014, except in Latvia where fieldwork was completed on 11 April 2014. Countries were launched in different batches between 24 and 28 March. The estimated time needed to complete the fieldwork in each country varied depending on the panel capacity, the number of completes to be achieved in the country, the expected response rate and the presence of the behavioural experiment in the survey.

Table 6: Fieldwork dates		
	Start date	End date
Austria	27 March	5 April
Belgium	24 March	6 April
Bulgaria	27 March	2 April
Croatia	28 March	3 April
Cyprus	24 March	31 March
Czech Republic	25 March	7 April
Denmark	25 March	3 April
Estonia	27 March	31 March
Finland	27 March	2 April
France	25 March	5 April
Germany	25 March	3 April
Greece	28 March	7 April
Hungary	25 March	4 April
Ireland	28 March	4 April
Iceland	26 March	29 March
Italy	25 March	2 April
Latvia	27 March	11 April
Lithuania	28 March	1 April
Luxembourg	24 March	7 April
Malta	24 March	3 April
Netherlands	25 March	2 April
Norway	24 March	9 April
Poland	25 March	1 April
Portugal	24 March	4 April
Romania	25 March	2 April
Slovakia	27 March	2 April
Slovenia	28 March	9 April
Spain	24 March	4 April
Sweden	25 March	5 April
United Kingdom	25 March	8 April

Interview length

The average survey length at the pilot stage (including online questionnaire and behavioural experiment) was 18 minutes. In the main stage fieldwork, the average survey length with the experiment ranged from 17 minutes in Slovenia to 23 minutes in Romania. For countries with no experiment, the length of the interview was shorter. The average survey length ranged from 8 minutes in Iceland to 14 minutes in Slovakia.

The table below shows interview length per country. Country highlighted in grey are the ones with experiment.

Country	Average interview length in minutes
Austria	11 min.
Belgium	11 min.
Bulgaria	12 min.
Croatia	19 min.
Cyprus	10 min.
Czech Republic	22 min.
Denmark	20 min.
Estonia	13 min.
Finland	12 min.
France	20 min.
Germany	20 min.
Greece	20 min.
Hungary	21 min.
Iceland	8 min.
Ireland	11 min.
Italy	19 min.
Latvia	22 min.
Lithuania	13 min.
Luxembourg	13 min.
Malta	9 min.
Netherlands	19 min.
Norway	10 min.
Poland	21 min.
Portugal	12 min.
Romania	23 min.
Slovakia	14 min.
Slovenia	17 min.
Spain	13 min.
Sweden	18 min.
United Kingdom	19 min.

Weighting and outputs

There are two ways the data can be weighted:

1. Within each country, the data can be weighted by demographic variables to correct for any biases in the achieved sample profile compared to known population statistics.
2. Across countries, the data can be weighted to ensure that each country is represented according to its population size in the EU-wide results.

Analysis of the achieved sample achieved shows that:

- In 23 out of 30 countries, the profile of the final sample in terms of age, gender and region is very similar to the target statistics. Small differences exist between the achieved sample and the target either on gender, age or regions but the differences are within 1% or 2% of the target.
- In Belgium, Germany and Slovenia, there is a difference of 3%-4% in terms of gender compared to the target.
- For Bulgaria, Estonia, Latvia and Lithuania, there were some differences of several percentage points among regions in the sample compared to the target.

These differences are due to slight relaxation of the quotas at the end of fieldwork to reach the overall sample size in a reasonable amount of time and within budget. Therefore, we decided to weight the data for Belgium, Germany, Slovenia, Bulgaria, Estonia, Latvia and Lithuania.

Moreover, in agreement with the DG Health and Consumers, we decided to weight data across countries to ensure each country is appropriately represented among the total EU population. This will ensure that the average results presented in the report are representative of the EU population.

Country	General online population		Survey population not weighted		Survey population weighted	
	n	%	n	%	n	%
Austria	6,863,697	1.77%	802	3.94%	359	1.77%
Belgium	8,568,129	2.20%	800	3.93%	448	2.20%
Bulgaria	4,978,085	1.28%	800	3.93%	260	1.28%
Croatia	3,404,471	0.88%	500	2.46%	178	0.88%
Cyprus	670,890	0.17%	501	2.46%	35	0.17%
Czech Republic	8,148,066	2.10%	813	4.00%	426	2.10%
Denmark	4,378,227	1.13%	521	2.56%	229	1.13%
Estonia	1,071,361	0.28%	500	2.46%	56	0.28%
Finland	4,319,501	1.11%	503	2.47%	226	1.11%
France	47,928,855	12.33%	1,000	4.92%	2,508	12.33%
Germany	67,069,626	17.25%	1,002	4.93%	3,509	17.25%
Greece	8,681,115	2.23%	816	4.01%	454	2.23%
Hungary	7,608,388	1.96%	800	3.93%	398	1.96%
Ireland	3,251,476	0.84%	500	2.46%	170	0.84%
Italy	42,999,911	11.06%	1,001	4.92%	2,250	11.06%
Latvia	1,673,877	0.43%	546	2.68%	88	0.43%
Lithuania	2,398,067	0.62%	501	2.46%	125	0.62%
Luxembourg	415,783	0.11%	511	2.51%	22	0.11%
Malta	327,257	0.08%	500	2.46%	17	0.08%
Netherlands	13,243,577	3.41%	800	3.93%	693	3.41%
Poland	30,446,805	7.83%	1,002	4.93%	1,593	7.83%
Portugal	8,234,983	2.12%	800	3.93%	431	2.12%
Romania	13,976,214	3.59%	998	4.91%	731	3.59%
Slovenia	1,667,951	0.43%	504	2.48%	87	0.43%
Slovakia	4,385,500	1.13%	500	2.46%	229	1.13%
Spain	36,741,984	9.45%	1,000	4.92%	1,922	9.45%
Sweden	7,412,373	1.91%	802	3.94%	388	1.91%
United Kingdom	47,958,567	12.33%	1,021	5.02%	2,509	12.33%
Total (EU28)	388,824,736	100%	20,344	100%	20,344	100%

Two sets of tables were created:

- One set with cross-tabulations for individual country results, and
- One set with socio-demographic cross-tabulations at overall level.

A fully labelled SPSS (Statistical Package for the Social Sciences) file with all the variables of the survey and experiment was also provided to the contracting authority.

2.5 Behavioural experiments

Three different experiments were implemented. These experiments were specifically designed to investigate the consumer experience from comparison tool (link) selection on a search engine, to selection between alternative individual comparison tools (similar to having multiple tabs open on a web browser and switching between the tabs before selecting one), to product or offer selection on an individual comparison site. The experiment designs are presented below.

2.5.1 Experiment 1

Experiment 1 focused on the impact of a) the ranking of links on a search results page, b) whether links on a search results page are 'natural' links or adverts (i.e. sponsored links); and, c) user reviews:

- Regarding the ranking of links, the experiment examined the effect of the position that a link to a comparison tool appears on a search results page.
- Regarding natural links versus adverts, the experiment examined the effect of whether a link to a comparison tool is a natural link or an advert.
- Regarding user reviews, the experiment examined the effects of (i) whether or not review information was provided about a comparison tool, (ii) the rating given by reviewers; and, (iii) the number of reviews.

Respondents were shown a mock search engine results page displaying eight links at a time. A screen shot from the experiment for energy is presented in the next figure.

The links shown in the experiment used generic text. Eight (to match the number of links to be shown on each results page) generic texts were developed (consisting of a primary link, a web-address and a description/tag line, similar to the presentation used by Google). These generic texts were based on actual Google search results, with branding elements removed. The order in which the texts appeared was varied during the experiment, so that they weren't correlated with any of the parameters of interest (e.g. the first generic text appeared in 1st place, 2nd place, 3rd place etc., as did each of the other generic texts). Three of the links were always adverts (identifiable by the background colour, as per Google), whereas the rest were natural links.

User review information was presented for two of the links. This information consisted of two elements: a rating (on a scale of 1-5 stars) and the number of reviews. Both elements took one of two levels (e.g. 4 or 5 stars, and 100 or 500 reviews). The review information varied across the links/results pages (e.g. on one results page user review information was presented for the 1st and 5th links, whereas on another results page user review information was presented for the 2nd and 6th links).

Respondents were asked to indicate their first and second preferences from among the links displayed on the screen. They did this by ticking the boxes next to each link.

Figure 2: Example experiment screen search results page, electricity

Suppose you decide to use a comparison website. You enter the words "compare electricity deals" into an internet search engine and get the search results shown below. Which of the following links would you click on as your first and second choice?
Please select 2 answers

Ads related to **compare electricity deals**

<p>Electricity Comparison - Switch & Beat The Price Rises Now www.switch_provider.com/Electricity-Comparison Save Money On Energy Bills.</p>	<input type="checkbox"/>
<p>Choose Energy for Cheaper Energy - Beat The Energy Price Rise www.choose_energy.com/JustReward ★★★★★ 500 reviews Possible Energy Bill Savings!</p>	<input type="checkbox"/>
<p>Electric Price Comparison - Low electricity quotes www.nationalgas-business-electricity.com Low electricity quotes, call or go online to save!</p>	<input type="checkbox"/>
<p>Who is the cheapest gas and electricity supplier? www.view_electricity_providers.com > Gas & electricity > Guides Finding the cheapest gas and electricity supplier is all about finding the cheapest energy supplier for you.</p>	<input type="checkbox"/>
<p>Compare Energy Prices Cheapest Gas and Electricity www.change_provider.com/gas-electricity/ Compare gas & electricity plans across the whole market to get the cheapest energy deal for you. Switching is quick & easy, and you could save money. Cheapest gas and electricity - Find a cheap energy supplier - Compare gas prices</p>	<input type="checkbox"/>
<p>Gas and Electricity - Compare Energy Prices Online www.unsure.com/gas-electricity ★★★★★ 100 reviews No one wants to spend more money than they need to - especially for gas and electricity. Luckily, our utility comparison engine makes it easy to find cheap gas ...</p>	<input type="checkbox"/>
<p>Compare Energy Prices Cheap Gas & Electricity ... www.moneyshop.com/gas-and-electricity Save money on your energy bills with MoneyShop.com. Compare gas & electricity prices from multiple suppliers & switch to a cheaper tariff today. Find my supplier - Switching Energy Suppliers - Compare Electricity Prices</p>	<input type="checkbox"/>
<p>Energy - Compare Gas and Electricity Suppliers Compare ... https://www.compare_providers.com/energy/ Compare gas and electricity prices from leading energy suppliers and switch to a ... Ready to see if you could find yourself an amazing energy deal?</p>	<input type="checkbox"/>

Link characteristics

Every link shown to participants in the experiment can be described in terms of the four characteristics below.

- Link type: links were either an advert ('ad') or a natural link. The first three links were ads and the next five were natural links.
- Position: links took one of eight positions: 1 (top of the page) to 8 (bottom of the page).
- Review status: links took one of five user 'review statuses':
 - no review;
 - a 5-star rating based 500 reviews (a '5*/500 review');
 - a 5-star rating based 100 reviews (a '5*/100 review');
 - a 4-star rating based 500 reviews (a '4*/500 review'); or
 - a 4-star rating based 100 reviews (a '4*/100 review').

Six of the eight links shown to respondents had no review, whereas the other two took one of the other four review statuses. Across the two links that carried a review, both the rating and the number of reviews varied, meaning that there were four ordered review status pairs in total.

- Generic text: generic texts were grouped, with one group for ads ('ad texts') and one group for natural links ('natural link texts'), since in reality the text used for ads is different to that used for natural links (typically the text used for ads is shorter):
 - Links that were ads took one of three different generic texts: t1, t2 or t3.
 - Links that were natural links take one of five different generic texts: t4, t5, t6, t7 or t8.

Link characteristic combinations

Link characteristic combinations ('combinations') are unique mixtures of links, which varied in terms of the position and order of user reviews and the order of the generic texts. It was necessary to construct the set of combinations to be used in the experiment so that the effects of characteristics not being examined 'average out', and so that explanatory variables used in regressions are uncorrelated. In particular, we wished to vary a) the position and order of reviews and b) the order of the generic texts, so that:

- Link position was uncorrelated with review status. That is, 5*/500 reviews are equally distributed across positions 1 to 8, and the same is true for 5*/100 reviews, 4*/500 reviews, and 4*/100 reviews.
- Within each link type, link position was uncorrelated with generic text. That is, ad texts t1 to t3 were equally distributed across positions 1 to 3 (i.e. the positions occupied by ads), and natural link texts t4 to t8 are equally distributed across positions 4 to 8 (i.e. the positions occupied by natural links).

The first of these requirements was achieved by distributing the review statuses across the eight link positions as shown in the table below. The table includes 16 different review status combinations, such that each status appears once in every position. Each review status combination was a different mock search screen. That is, reading down the rows in the below table the review status combination and position is found.

Table 9: Distribution of review statuses across link positions																
Position	Review status combinations															
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1 (ad)	5*/500				4*/100				5*/100				4*/500			
2 (ad)		5*/500				4*/100				5*/100				4*/500		
3 (ad)			5*/500				4*/100				5*/100				4*/500	
4				5*/500				4*/100				5*/100				4*/500
5	4*/100				5*/500				4*/500				5*/100			
6		4*/100				5*/500				4*/500				5*/100		
7			4*/100				5*/500				4*/500				5*/100	
8				4*/100				5*/500				4*/500				5*/100

This distribution includes the full set of ordered review status pairs for which both the rating and the number of reviews vary across the reviews within each pair. In the table ordered pairs are grouped using red outline. The distribution is constructed by keeping the number of positions between reviews constant (at three – vertical positions in the table) and dropping each pair by a single position from one combination to the next (left to right across the table).

The second requirement was achieved by distributing the generic texts across the eight link positions as shown in the table below. The table includes 15 different generic text combinations such that each ad text appears an equal number of times (five) in each ad position (positions 1 to 3) and each natural link text appears an equal number of times (three) in each natural link position (positions 4 to 8).

Position	Generic text combinations														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1 (ad)	t1	t3	t2	t1	t3	t2	t1	t3	t2	t1	t3	t2	t1	t3	t2
2 (ad)	t2	t1	t3	t2	t1	t3	t2	t1	t3	t2	t1	t3	t2	t1	t3
3 (ad)	t3	t2	t1	t3	t2	t1	t3	t2	t1	t3	t2	t1	t3	t2	t1
4	t4	t8	t7	t6	t5	t4	t8	t7	t6	t5	t4	t8	t7	t6	t5
5	t5	t4	t8	t7	t6	t5	t4	t8	t7	t6	t5	t4	t8	t7	t6
6	t6	t5	t4	t8	t7	t6	t5	t4	t8	t7	t6	t5	t4	t8	t7
7	t7	t6	t5	t4	t8	t7	t6	t5	t4	t8	t7	t6	t5	t4	t8
8	t8	t7	t6	t7	t4	t8	t7	t6	t7	t4	t8	t7	t6	t7	t4

This distribution is constructed by dropping each text by a single position from one combination to the next (left to right across the table). When a text reaches the last position in its group (i.e. within the ad texts or the natural link texts) it moves back to the first position. Full cycles of this process are outlined in red. The number of cycles implies that every ad text order is paired with every natural text order precisely once (meaning the orders are uncorrelated).

2.5.2 Experiment 2

Experiment 2 focused on the impact of a) third-party verification and b) whether or not comparison tools allow offers to be sorted according to different characteristics. The experimental design examines these two issues separately, using two different sets of treatments. This section first describes the general experiment set-up, then presents the treatments used to examine the impact of third-party verification, and finally presents the treatments used to examine the impact of sorting options.

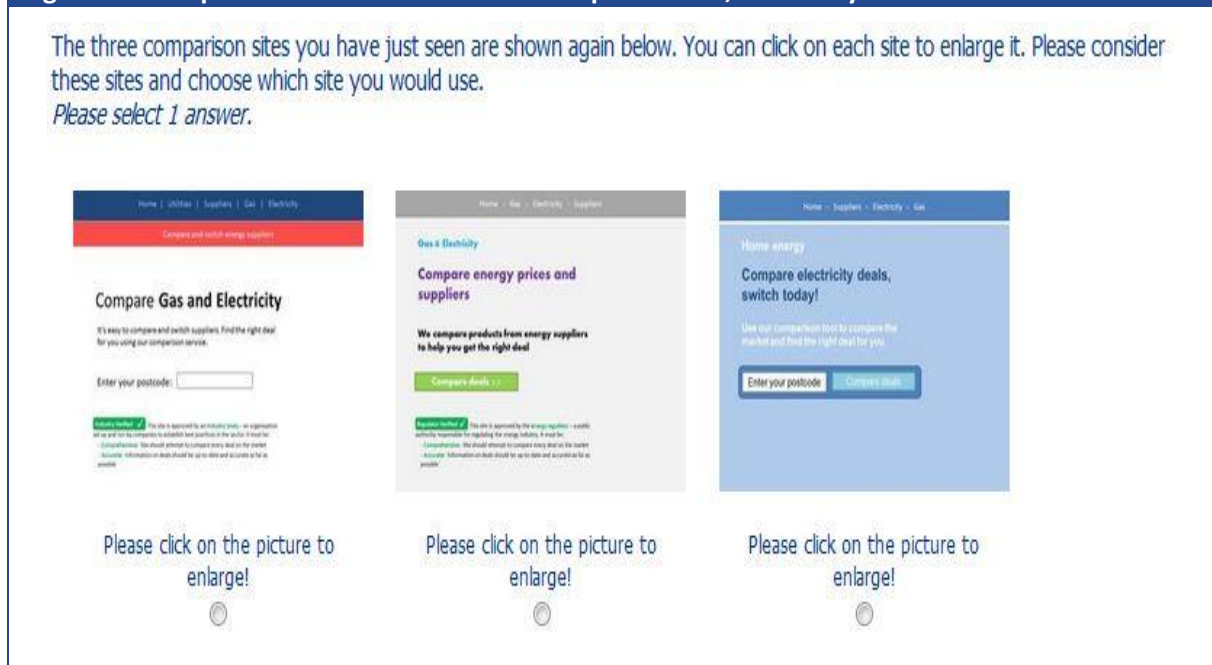
General set up

The general set-up of Experiment 2 is as follows:

- Respondents were shown three comparison tools. Each one was a simplified mock-up of an actual comparison tool home page, with specific elements (e.g. logos and branding) removed.
- The comparison tools were based on three different ‘base pictures’.
- Information relating to third-party verification and the sorting methods allowed by comparison tools was added to the base pictures in order to create different experiment treatments (hence there were more than three pictures in total).

- The treatments were rotated between the different base pictures (so that we were able to isolate/eliminate the effects of the base pictures themselves).
- The comparison tools were presented to respondents in the following way:
 - Initially respondents saw the comparison tools websites one-by-one in full size on their screen and had to click next for each one.
 - Then respondents then saw all three comparison tools together on their screen (as shown in the figure below).
 - They were then able to click on any of the three images in order to enlarge it, then close it, enlarge another image, etc.
- Respondents were required to choose the comparison tool that they would use.

Figure 3: Example screen shot selection of comparison tool, electricity sector



Experiment treatments to examine the impact of third-party verification

Regarding third-party verification, the experiment examined the effects of whether or not a comparison tool is verified, the requirements of the scheme on its members (with two levels, 'heavy' or 'light'), and the scheme operator (with three types of operator 'public authority', 'consumer organisation' and 'industry').

Comparison tools were identified as third-party verified via text and a logo. The text comprised of an initial short paragraph stating the operator of the verification scheme, followed by several bullet points listing the requirements of the scheme. The text defined whether the requirements of the scheme were 'heavy' or 'light'.

The operator type was identified in the first sentence using generic phraseology. For energy comparison sites the sentences were:

- **Regulator verified:** “This site is approved by the energy regulator – a public authority responsible for regulating the energy industry.”
- **Industry verified:** “This site is approved by an industry body – an organisation set up and run by companies to establish best practices in the sector.”
- **Consumer verified:** “This site is approved by a consumer organisation – an independent body that represents the interests of consumers.”

The sentences for the hotel sector were the same except for the regulator where the text was, “this site is approved by the travel regulator – a public authority responsible for regulating the travel industry”.

Heavy scheme requirements were more numerous and use the word “must”, whereas light requirements were less numerous and use the words “should attempt to” and “as far as possible”. In particular, if the verification scheme had heavy requirements the bullet points read:

“It [the site] must be:

- Impartial: Information and the sorting of products must be impartial
- Comprehensive: The site must compare and list every product on the market
- Accurate: Information on offers must be up-to-date and accurate
- Transparent: The method used to rank must be clearly specified
- Redress: Information is provided on redress mechanisms available to consumers”

Whereas if the verification scheme had light requirements the bullet points read:

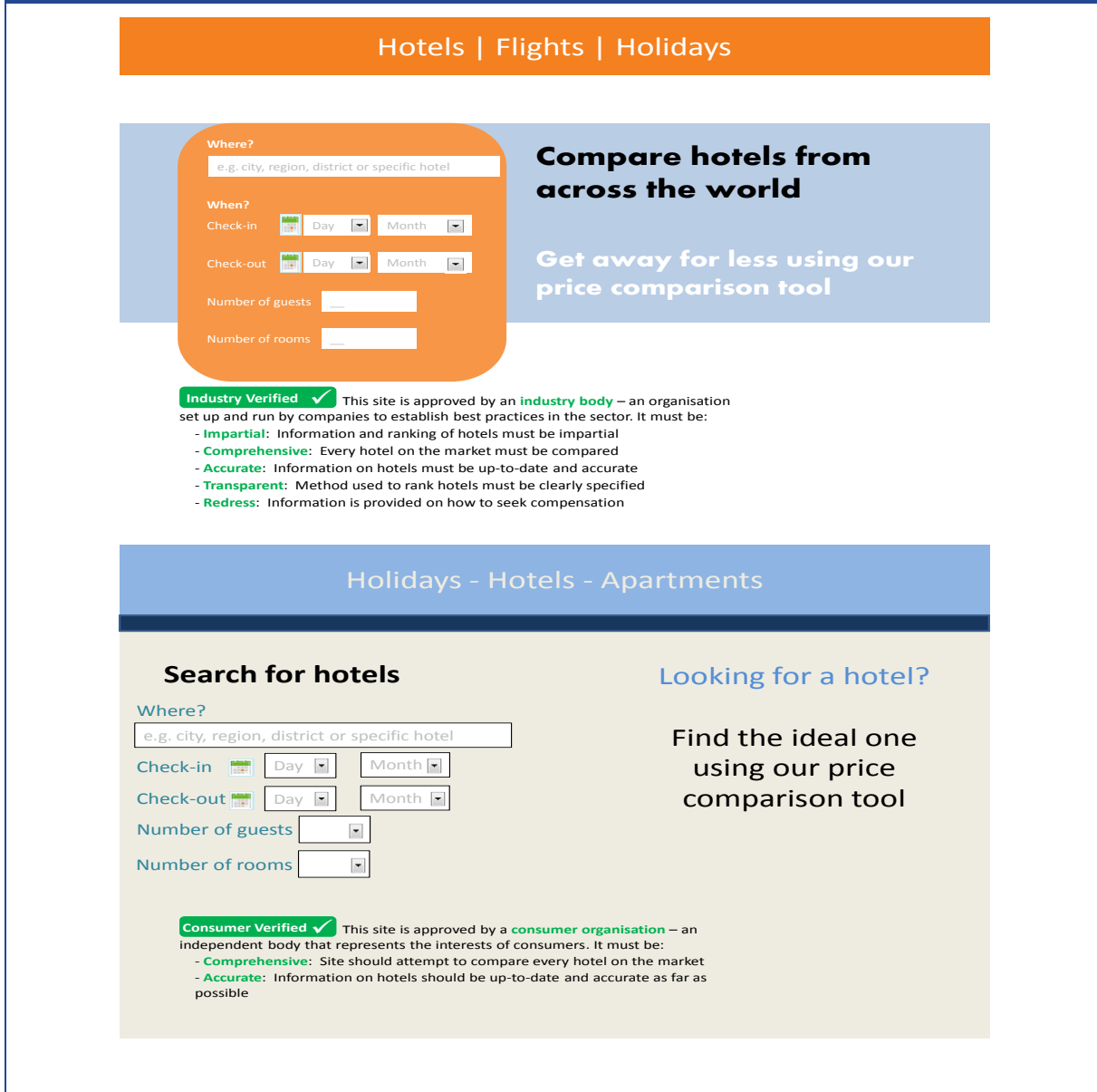
“It [the site] should attempt to be:

- Comprehensive: The site should attempt to compare and every product on the market.
- Accurate: Information on offers should be up-to-date and accurate as far as possible.”

These requirements were based on relevant recommendations contained in the Council of European Energy Regulator’s ‘Guidelines of Good Practice on Price Comparison Tools’. Note that the first, fourth and fifth bullets from the heavy requirements are dropped in order to reach the light requirements (with slight changes to the wording). The requirements kept for the light requirements relate to more pragmatic issues (coverage and accuracy), whereas the ones that were dropped relate to making sure the comparison tool provides a ‘fair’ picture of the market.

The next figure shows two example screen shots. One of a consumer verified hotel comparison tool with light requirements and an industry verified hotel comparison tool with heavy requirements.

Figure 4: Example screen shots of third-party verification



Given the set-up of the experiment there are many possible treatments.¹⁵ Therefore, it was necessary to carefully specify a set of treatments that would enable us to isolate and examine certain effects that are of interest to the study. The treatments used to examine the impact of third-party verification are presented in the table below. These treatments allow us to examine:

- The impact of a comparison tool being third-party verified versus not being third-party verified, for different types of third-party verification, by comparing
 - the shares choosing Sites 2 and 3 versus those choosing Site 1 within T1 to T9
 - the shares choosing Sites 2 and 3 between T0 and T1 to T9 (i.e. comparing down the columns for Site 2 and 3); and

¹⁵ For third-party verification, since there are seven different third-party verification statuses that each site could take, there are 147 possible treatments for which at least one site differs from the others in terms of its third-party verification status.

- The impact of a **consumer group** operator versus **public authority** operator, by comparing the share choosing Site 2 to the share choosing Site 3 on average across T1 and T2.
- The impact of an **industry** operator versus **consumer group** operator, by comparing the share choosing Site 2 to the share choosing Site 3 on average across T3 and T4.
- The impact of an **industry** operator versus **public authority** operator, by comparing the share choosing Site 2 to the share choosing Site 3 on average across T5 and T6.
- The impact of a **heavy requirements** versus **light requirements**, by comparing the share choosing Site 2 to the share choosing Site 3 on average across T7 and T9.

Note that T0 is a baseline treatment that simply uses the base pictures. We include this as a check as to whether respondents prefer one base picture over another when there are no treatments affecting behaviour.

Table 11: Design Third-party verification, both sectors

Treatment	Site 1		Site 2		Site 3	
	Requirement	Operator	Requirement	Operator	Requirement	Operator
T0	None	None	None	None	None	None
T1	None	None	Light	Consumer	Light	Public
T2	None	None	Heavy	Consumer	Heavy	Public
T3	None	None	Light	Industry	Light	Consumer
T4	None	None	Heavy	Industry	Heavy	Consumer
T5	None	None	Light	Industry	Light	Public
T6	None	None	Heavy	Industry	Heavy	Public
T7	None	None	Light	Industry	Heavy	Industry
T8	None	None	Light	Consumer	Heavy	Consumer
T9	None	None	Light	Public	Heavy	Public

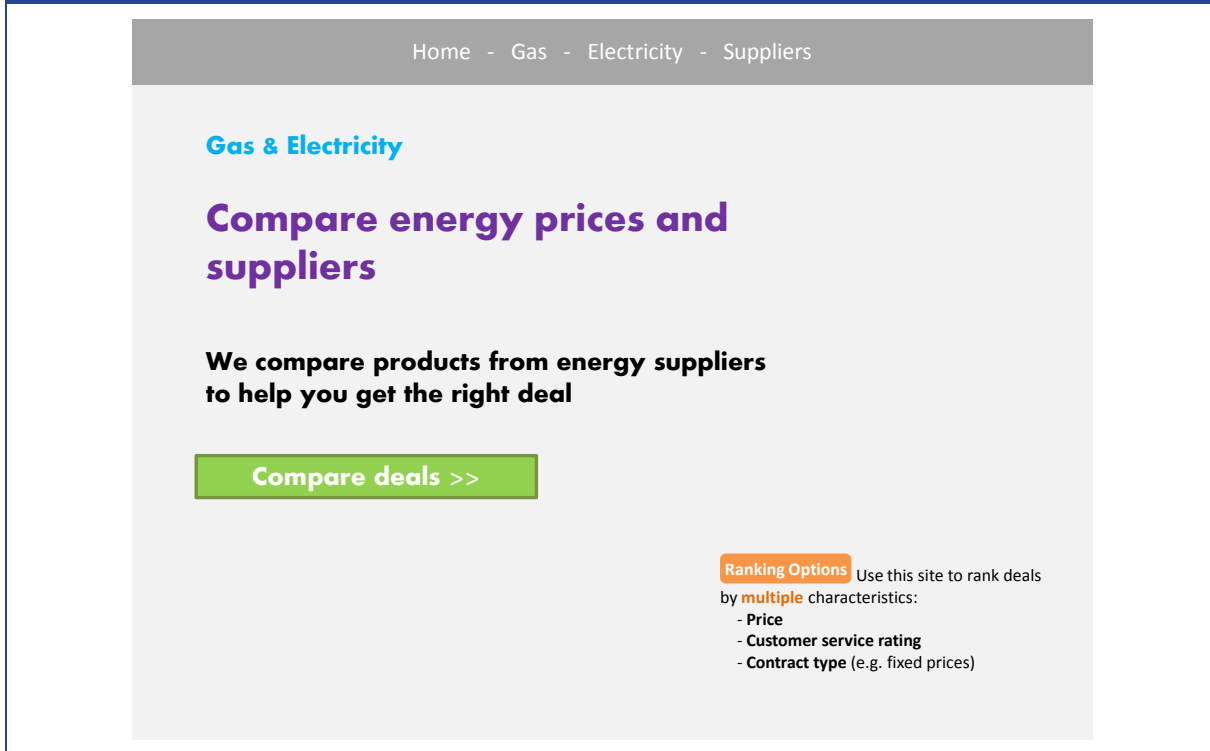
Experiment treatments to examine the impact of alternative sorting methods

Regarding possible ranking methods, the experiment examined the effect of whether or not a comparison tool allows ranking by:

- price (P), customer service rating (CS), contract type (CT) and energy type (ET) in the case of electricity deals; and,
- price (P), official rating (OR), guest rating (GR) and location (LO) in the case of hotels.

The ranking options allowed by a comparison tool were identified using a logo and text. An example for energy deals is shown in the next figure.

Figure 5: Example ranking options, electricity sector



The experiment investigated:

- whether availability of multiple sorting options increased the likelihood that a site was chosen;
- whether increasing the number of available sorting options increased the likelihood that a site is chosen;
- whether/how the ‘mix’ of available sorting options influenced the likelihood that a site was chosen;¹⁶ and
- whether the option to sort by one characteristic is preferable to the option to sort by another characteristic.

The set-up of the experiment and the number of different ranking methods meant that there were a very large number of possible treatments.¹⁷ Therefore it was necessary to carefully specify a set of treatments that will allow particular effects to be examined.

¹⁶ For example, whether the possibility to sort by price, customer service and contract type is ‘better’ than the possibility to sort by price, customer service and energy type.

¹⁷ For alternative sorting methods, since there are 15 different sorting option mixes that each site could have, there are 1,575 possible treatments for which at least one site differs from the others in terms of available sorting options.

These treatments fall into two groups:

- Treatments T1 to T8: the number of available ranking options is gradually increased, with the option to sort by price always included.
- Treatments T9 to T11: respondents were required to choose between (i.e. trade-off) different sorting options.

T0 was included as a baseline where across all sites the only sorting option was the default sorting. We included this as a check as to whether respondents prefer one base picture over another when there are no treatments affecting behaviour, as was explained previously. This treatment is not reported in the experiment results.

The treatment combinations for electricity and hotels are shown in the following two tables.

Table 12: Design ranking options, electricity sector

Treatment	Available sorting options		
	Site 1	Site 2	Site 3
T0	D	D	D
T1	D	D	P
T2	D	P	P + CS
T3	D	P	P + CT
T4	D	P	P + ET
T5	D	P	P + CS + CT
T6	D	P	P + CS + ET
T7	D	P	P + CT + ET
T8	D	P	P + CS + CT + ET

Key: D: Default only. P: Price. CS: Customer Service. CT: Contract Type. ET: Energy Type.

Table 13: Design ranking options, hotel sector

Treatment	Available sorting options		
	Site 1	Site 2	Site 3
T0	D	D	D
T1	D	D	P
T2	D	P	P + OR
T3	D	P	P + GR
T4	D	P	P + LO
T5	D	P	P + OR + GR
T6	D	P	P + OR + LO
T7	D	P	P + GR + LO
T8	D	P	P + OR + GR + LO
T9	D	P + LO	GR + LO
T10	D	P + GR	GR + LO
T11	D	P + GR	P + LO

Key: Price (P), official rating (OR), guests' rating (GR) and location (LO).

2.5.3 Experiment 3

Experiment 3 focused on the impact of a) the placing/positioning (i.e. top, second, third, etc.) of a product/service on a comparison tool and b) product characteristics as shown on a comparison tool. In particular:

- 3a: The experiment looked at the effect of the placing of a product/service, relative to the effect of product characteristics. For example, the eight electricity deals shown below were randomised in terms of their placing in the list, with five different placing orders.
- 3b: Whether respondents choose the optimal product/service, irrespective of the placing of this product/service (i.e. in some treatments one product/service was objectively better than all others in terms of price and contract type (and sustainability criteria in the case of electricity)). For example, out of the 8 electricity deals shown in the next figure, there was one that was objectively better than the others (for illustrative purposes this is highlighted in a red box, respondents were not provided with this). The placing of the deals was randomised, with five different placing orders.

Set up

Respondents were shown a mock comparison tool results page. This page presented a list of products/services, with the same information given about each one. For example, in the case of electricity, the product information included price (presented as an annual price based on assumed/average consumption), customer service rating, rate type (proxied by fixed or variable rates), contract duration (1 or 2 years) and environmental sustainability.

An example screen showing how offers were presented in the energy sector is present below. Respondents could click on the information 'i' icon in order to see an explanation of each heading. Respondents identified their first and second preferences by ticking boxes next to the relevant products.

Figure 6: Energy sector example screen

	Annual cost ⁱ	Customer service ⁱ	Rate type ⁱ	Contract duration ⁱ	Sustainable energy ⁱ
Electricity deal 1	£301.89 /year	★★★★★	Fixed	2 years	✓
Electricity deal 2	£319.14 /year	★★★★☆	Variable	1 year	✓
Electricity deal 3	£336.39 /year	★★★★★	Fixed	2 years	✓
Electricity deal 4	£353.64 /year	★★★★☆	Variable	1 year	✗
Electricity deal 5	£370.89 /year	★★★☆☆	Fixed	2 years	✗
Electricity deal 6	£388.14 /year	★★☆☆☆	Variable	1 year	✓
Electricity deal 7	£405.39 /year	★★★☆☆	Variable	1 year	✗
Electricity deal 8	£422.64 /year	★★☆☆☆	Fixed	2 years	✗

Product characteristics

The product characteristics included in the experiment were varied depending on the product in question (i.e. electricity deals or hotel rooms).

Electricity deals:

The following product characteristics were used for electricity deals:

- Price: reported as an estimated annual cost
- Customer service rating: e.g. a rating out of 1-5 stars
- Rate type: i.e. fixed or variable prices
- Energy type: whether the energy supplied through a contract is green/sustainable
- 'Most popular!' label: a label given to one of the deals, without explanation

Furthermore, since usage rates vary depending on the type of household, respondents self-selected into household bands (single person, couple, family), before seeing the experiment screen for electricity deals. Their household type determined their average annual usage and therefore their average yearly bill.

Hotel rooms:

The following characteristics were used for hotel rooms:

- Official rating: number of stars.
- Price: cost per night.
- Location: km from city centre.
- Guest ratings: rating based on guest reviews, e.g. a mark out of 10.
- Guest review: statements about the hotel in quotation marks (this could take three levels, 'good', 'average' or 'poor')
- 'Preferred hotel' icon: provided but with no explanation of how determined
- Refund policy: if a refund is possible or not

Since the prices of hotel rooms vary greatly and consumers vary greatly in terms of how much they are willing/able to pay for a hotel stay, respondents self-selected into price-bands, before seeing the experiment screen for hotel rooms. Their price-band selection also determines the official rating (i.e. the number of stars) of the hotels that they were shown.

Experiment 3 treatments

Whether respondents choose the optimal product/service (experiment 3b)

Experiment 3b examined whether the probability that a respondent chose the optimal product/service depended on the way in which offers are ranked. In particular, it examined whether this probability was different when offers were ranked using an arbitrary 'relevance ranking' (implemented as random ranking) rather than an objective method (e.g. by price). In order to do this, different experiment treatments represented different ranking methods.

Treatments

For electricity deals the treatments were:

- By annual cost: the deals were ordered from lowest to highest annual cost.
- By customer service: the deals were ordered such that the deal with the highest customer service rating was top and the deal with the lowest customer service rating was bottom.
- By rate type: fixed rate deals were top and variable rate deals were bottom.
- By energy type: the deals with sustainable energy were top.
- Randomly: the deals were not sorted according to any characteristic.

For hotel rooms the treatments were:

- By room rate: the deals were ranked from lowest to highest cost per night.
- By location: the hotel located closest to the city centre was top and the hotel located furthest from the city centre was bottom.
- By guest score: the hotel with the highest guest score was top and the hotel with the lowest guest score was bottom.
- By refund policy: hotels that offered refunds were top
- Randomly: the deals were not sorted according to any characteristic.

Constructing sets of offers that include an optimal product/service

To examine whether respondents choose the optimal product/service under different treatments, it was necessary to construct sets of offers among which one offer was preferable to the rest in terms of objective criteria.

The optimal electricity deal in a set of offers was constructed such that it was superior (or equal) in terms of all subjective attributes. It had the lowest annual cost, equal best customer service rating, was sustainable, and had a fixed rate.¹⁸ For hotels, the optimal offer in a set had the lowest room rate, highest or equal official rating, was closest to the city centre, had highest or equal guest rating a ‘good’ guest review and had a refund policy.

2.6 Methodology of the mystery shopping exercise

2.6.1 Markets and countries covered in the exercise

The mystery shopping exercise was implemented in 11 countries: the Czech Republic, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Romania, Sweden and the United Kingdom. The aim of the mystery shopping exercise was to replicate, as closely as possible, real consumers’ experiences when it comes to comparing prices on price comparison websites in six different markets:

- Electric and electronic appliances,
- Fast-moving consumer goods,
- Travel (including hotels),
- Retail financial services,
- Electronic communications, and
- Energy.

2.6.2 Type of research

Across the six markets, a total of 440 comparison tools were evaluated. Mystery shoppers collected general information from each price comparison website (e.g. signposting of accreditation and how often prices are updated).

The price comparison websites were also tested by using a scenario designed to mimic real-life consumer activity. In each country, for each market included in the study, a total of 24 evaluations were carried out (a random selection of comparison tools was evaluated more than once). For these scenarios, one product was selected for each market and mystery shoppers were instructed to find this article on the price comparison website. The exercise focused on the following products:

- a flat screen TV, led, 32” to 42”,
- a bottle of perfume (50ml – 100ml),
- a standard hotel room in a 4/5 star hotel in Barcelona for 2 persons, 2 nights Friday to Sunday (first weekend of July),

¹⁸ Note that theoretically one of the other deals in the set could be considered the optimal deal, if a participant has a strong preference for a deal with a variable rate and a one-year duration.

- a full coverage car insurance policy,
- a broadband internet connection, with a speed of at least 20Mb, and
- electricity at fixed price.

The forms used in the information gathering and mystery shopping are appended (Appendix 4).

2.6.3 Number of price comparisons websites and mystery shops

The table below indicates the number of comparison tools evaluated in each country, for each product category (the numbers in brackets indicates the number of evaluations or mystery shops conducted in each country, for each product category). In each country, only the markets for which a large enough number of comparison tools were identified during the mapping exercise were included in the mystery shopping exercise.

Table 14: Number of CTs evaluated (number of evaluations in brackets)							
	All markets	Market					
		Flat screen TV	Hotel room	Perfume	Car insurance	B'band Internet	Electricity
Italy	68 (144)	15 (24)	13 (24)	13 (24)	12 (24)	8 (24)	7 (24)
Germany	67 (144)	16 (24)	9 (24)	11 (24)	10 (24)	10 (24)	11 (24)
Netherlands	58 (144)	9 (24)	7 (24)	11 (24)	11 (24)	9 (24)	11 (24)
France	54 (144)	11 (24)	13 (24)	8 (24)	8 (24)	8 (24)	6 (24)
United Kingdom	53 (144)	8 (24)	8 (24)	9 (24)	9 (24)	9 (24)	10 (24)
Hungary	30 (120)	6 (24)	5 (24)	6 (24)	7 (24)	6 (24)	-
Poland	32 (96)	10 (24)	8 (24)	9 (24)	5 (24)	-	-
Greece	28 (96)	6 (24)	11 (24)	6 (24)	5 (24)	-	-
Romania	24 (96)	7 (24)	5 (24)	7 (24)	5 (24)	-	-
Sweden	16 (48)	4 (24)	12 (24)	-	-	-	-
Czech Republic	10 (48)	4 (24)	6 (24)	-	-	-	-
Total	440 (1224)	96 (264)	97 (264)	80 (216)	72 (216)	50 (144)	45 (120)

2.6.4 Supplier website visits

Once shoppers reached the stage of having a list of quotes, they were instructed to select a product of this list. On completion of the price comparison website visit, shoppers immediately visited the website of the supplier for the product they had selected, and attempted to find the same product.

2.6.5 Personalised pricing

In the electric and electronic appliance sector, mystery shoppers were also instructed to complete an exercise on personalised pricing. The aim of this exercise was to test whether e-commerce sites adapt their pricing according to the characteristics of the shopper; the profiles taken into account were: IP tracking (geographic location of consumer), browser history (route into the website) and time of the day (time of purchase).

On completion of the comparison website visit, shoppers were requested to visit a specific e-commerce site. Per country, the most popular/biggest e-commerce sites active in the sector of

electric and electronic appliances were identified, and it was determined which e-commerce sites were active on which price comparison sites. This exercise gave us a number of unique pairs of e-commerce sites and price comparison tools. Given that the number of unique pairs was less than 24 in some countries, a random selection of pairs was evaluated more than once.

Mystery shoppers were required to visit the e-commerce site several times, each time taking different actions; such as hiding/not hiding IP address, allowing or not allowing “cookies”, adjusting browsing setting, and visiting the website at different moments of the day.

Table 15: Number of unique pairs of e-commerce sites and CTs (number of evaluations in brackets)	
	Flat screen TVs
Czech Republic	18 (24)
France	24 (24)
Germany	24 (24)
Greece	17 (24)
Hungary	18 (24)
Italy	20 (24)
Netherlands	24 (24)
Poland	20 (24)
Romania	14 (24)
Sweden	11 (24)
United Kingdom	24 (24)
Total	214 (264)

2.6.6 Analysis of the results of the mystery shopping exercise

When analysing the results of the mystery shopping exercise (and the individualised pricing exercise), we focus on the number of evaluations or mystery shops, rather than the number of CTs compared. In order to control for the fact that some comparison tools were evaluated more than once, we applied a weight to all results. Using this weighting factor, all individual comparison tools received exactly the same weight in the analysis (in other words, a CT that was evaluated only once contributes as much to the final result for a market or a country as a CT that was evaluated three times).

It is worth pointing out that a few cases were observed where mystery shoppers evaluating the same comparison tool were not in agreement when providing their responses. For example, when mystery shoppers were looking for signposting of e-commerce accreditation on the comparison tool, there are a few instances in which one mystery shopper found such a label on the CT, but another mystery shopper evaluating the same CT did not find any sign of accreditation. In our analysis, this comparison tool will have received a final score on accreditation that was less positive than a comparison tool where all mystery shoppers reported the same information. Comparison tools should not only provide information on accreditation on their website, but this information should also be easy to find for all shoppers and consumers.

3 General perception of comparison tools

Box 1: Summary of main findings – General perceptions of comparison tools

- Comparison Tools are generally well perceived and considered an asset to consumers.
- Some shortfalls in the comparison tools sector are a result of overall shortfalls in the EU e-commerce sector (for example; structural constraints such as language barriers, additional costs, regulatory barriers etc.)
- However, the stakeholder survey shows there are some specific concerns in relation to comparison tools, although the overall reported incidence of consumer detriment to authorities and consumer organisations appears to be low.
- Specific consumer detriments which have been highlighted include low levels of transparency regarding business model, how comparison tools actually make their revenues, frequency of price updates, as well as accessibility issues.
- Full price publication, accuracy of offers and a guarantee of impartiality were considered to be the areas in most need of improvement by stakeholders.

Comparison tools, such websites and search engines featuring price comparison and user-generated online reviews, play an increasingly important role in European Union consumers' decision-making. These tools come under various different names, for example, Comparison Tools are also known as aggregators, price comparison agents, shopping agents, and shopping robots (or shopbots for short)¹⁹. In this document we will refer to them as Comparison Tools (CTs) and this term should also be understood as encompassing other aggregator services that provide some form of comparison functions other than price (e.g. quality or reviews).

Seen as tools of consumer empowerment²⁰, price comparison services allow customers to compare product offerings of online sellers and reveal information on the alternatives²¹ and are seen as shifting traditional asymmetries in information and power between a consumer and a supplier.²² Consequently, the competitive dynamics of online sales are affected in both national and cross border EU markets where price-comparison shopping is diffusing rapidly. More than 80% of European consumers used price comparison websites in 2010, with five out of ten consumers using them at least once a month.²³ Considering that the first online price comparison agent was implemented in 1995, this represents a massive take-up in usage by consumers²⁴. Comparison Tools have also ramped in terms of sophistication and value-add. In the late 1990s, as more people gained access to the internet, a range of shopping portals were built that listed retailers for specific product genres with the retailers paying a fixed fee for the listing, akin to

¹⁹ Zhu, H., Madnick, S., Siegel, M. (2007) 'Enabling Global Price Comparison through Semantic Integration of Web Data', MIT Sloan School Working Paper 4673-07, MIT Sloan School of Management.

²⁰ European Commission Press Release(2013) 'EU Consumer Summit 2013: Europe joining forces to enforce consumers' rights, European Commission, Comparison Tools, Report from the Multi-Stakeholder Dialogue, Report presented at the European Consumer Summit, 18-19 March 2013

²¹ Kocas, C.(2002)'Linking Options Evolution of Prices in Electronic Markets Under Diffusion of Price-Comparison Shopping' Journal of Management Information Systems Vol.19, No.3

²² RS Consulting for Consumer Futures, Price comparison websites: consumer perceptions and experiences, 4 July 2013

²³ European Commission, Comparison Tools Report from the Multi-Stakeholder Dialogue Providing consumers with transparent and reliable information, Report presented at the European Consumer Summit 18-19 March 2013

²⁴ Smith, M.D. (2002) 'The Impact of Shopbots on Electronic Markets', Journal of the Academy of Marketing Science, Vol. 30, No.4, pp. 446-454.

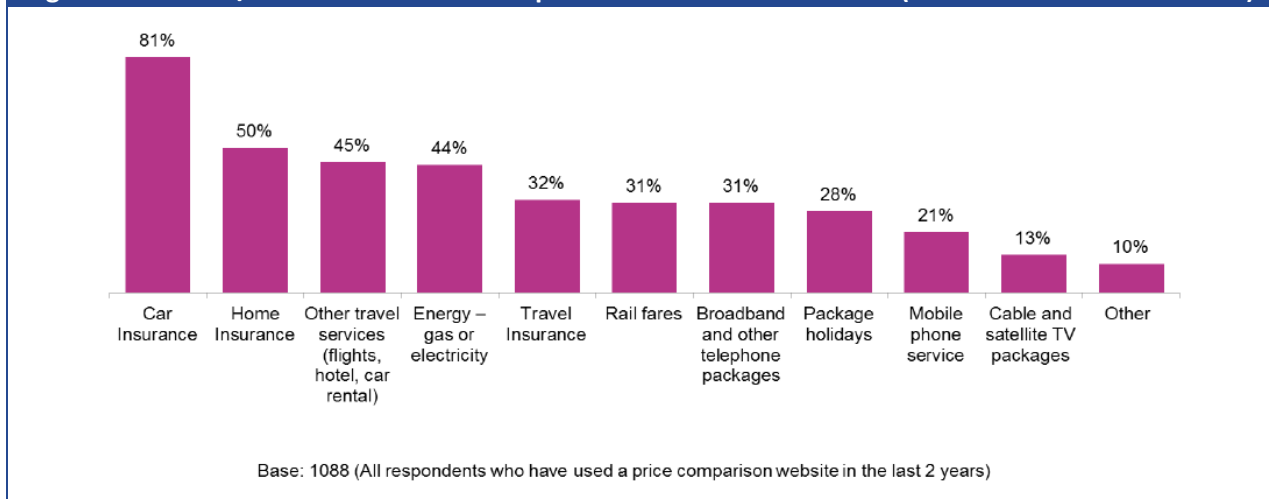
traditional directories²⁵. Now sites can either aggregate data-feeds provided from retailers as well as searching and retrieving the data directly from each retailer site²⁶.

The price comparison market continues to evolve and, alongside more established Comparison Tools which focus primarily on information giving and advice, a new generation of services that build on the price comparison model is emerging. These include collective switching sites, group purchasing, mobile apps or more sophisticated consumption data analysers.²⁷ New mobile technology, given the recent boom in sales of smartphones and tablets, can serve as a platform for "on-the-go" comparisons, allowing consumers to instantly access and compare information on prices, quality and product specifications when in a store²⁸.

3.1 Usage and perception of comparison tools

A 2013 study commissioned by the UK's Consumer Futures displayed the major sectors where consumer's relied upon Comparison Tools.

Figure 7: Products/Services that Price Comparison websites are used for (source: Consumer Futures²⁹)



While this study is for a sophisticated Comparison Tool market, and not necessarily representative of all the countries in this study, it is still a useful overview of how consumers rely on CTs for purchasing decisions. Based on this breakdown we can see the most favourable products and services for the comparison market tend to be within sectors that have:

- Larger outlays in terms of consumer spend – either as one-off purchases or through regular billing. Less complex financial services products (e.g. car and home insurance), travel and utilities all feature highly here.
- Commoditised markets – Even if, for example, electricity contracts and pricing can be complex, when working correctly the actual service itself is exactly the same regardless of provider.

²⁵ Wall Street Journal, 'The Next Generation Of Price-Comparison Sites, As Competition Heats Up, Services Add Protection From Fraud, Bigger Discounts', September 14th, 2005

²⁶ Wall Street Journal, 'The Next Generation Of Price-Comparison Sites, As Competition Heats Up, Services Add Protection From Fraud, Bigger Discounts', September 14th, 2005

²⁷ Consumer Futures, Price Comparison Websites: Consumer Perceptions and Experiences, 4 July 2013

²⁸ Webcredible, (2009), 'Future comparisons: What's next for price comparison websites?'

²⁹ RS Consulting for Consumer Futures, Price comparison websites: consumer perceptions and experiences, 4 July 2013

- A mature data infrastructure and/or brand – Travel and accommodation Comparison Tools benefited from a well-established electronic infrastructure originally developed for travel agents, and, due to a global market, sufficient volume.

On the other hand, larger consumer outlays would intuitively attract a greater investment of time by the consumer in terms of research, while at the same time the larger outlay also attracts entrepreneurs and investors who can subsequently create a CT with the best prospects for profitability (whether via commission, advertising or revenue from users).

And it is not just price which is important to consumers. The development of e-commerce has meant that online reviews have become an increasingly important part of consumers' purchase decisions. Today, it is estimated³⁰ that:

- Around 82% of consumers read reviews before making a purchase;
- Over 70% of consumers note that online reviews make them more comfortable that they are making the correct purchase decision;
- Research indicates that over 60% of consumers trust information received from peers rather than information received from companies, and;
- Over 50% of consumers also perceived review websites as more trusted sources of information compared with companies' official websites.

Overall, it appears that the value-addition offered by Comparison Tools is welcome, and the benefits of Comparison Tools to consumers have been repeatedly stated. Comparison Tools aggregate data from multiple providers and typically display it in an easy to read format with the ability to filter results by preference, saving consumers time and introducing them to new products and services. Over a decade ago the following was written about Comparison Tools:

“Consumers know that they can often find lower prices for books, CDs, computers, and airfares by clicking on-line rather than by standing in line. But they can do much more than compare the prices of an Internet store against those of a traditional retailer. They can log on to price-comparison sites like Pricescan.com and shopping agents like Bottomdollar.com to readily compare the prices and features of more than 10,000 products available on the Web. And every time a customer takes advantage of a cheaper price from an on-line discounter like Buy.com or Onsale.com, she unlearns her long-held rules of thumb about how price and cost are related for the product she just purchased.³¹”

This quotation can be contrasted with that made by the UK's Office of Fair Trading in 2012:

“PCWs³² are a key choice tool for consumers. When they work well, they enable consumers to compare products across the market, reduce the amount of time searching and comparing, and ultimately get better deals. PCWs are also often seen by suppliers as a cost-effective way to reach large numbers of consumers and the price transparency enabled by PCWs can increase competition among suppliers and reduce prices³³.”

Their use in helping consumers choose complex products has also been highlighted. The Netherlands Competition Authority (NMA) stated that price comparison sites were useful tools for

³⁰ European Commission, Study on Online Consumer Reviews in the Hotel Sector, 2014

³¹ Sinha, I. (2000) 'Cost Transparency: The Net's Real Threat to Prices and Brands', Harvard Business Review Magazine.

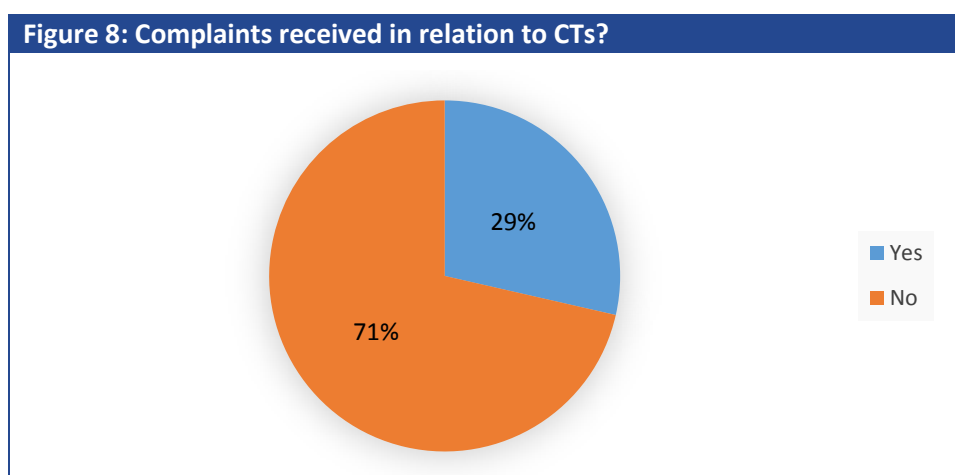
³² An acronym for 'Price Comparison Websites'

³³ Office of Fair Trading, Price Comparison Websites, 13 November 2012

consumers that want to switch energy providers or energy contracts because they were independent, and offered consumers great deals. A member of the Board of the NMA stated: ‘After all, consumers should be able to make informed decisions about their energy providers, based on correct and clear information that is easy to compare as well’³⁴.

Statistically, Comparison Tools are popular and appear to deliver on promised savings. A survey commissioned by the European Commission in 2011 found that price comparison websites provided savings of an average of 7.8% on the online retail price across Europe, and that more than four out of five respondents to a consumer survey had used price-comparison websites in the past 12 months³⁵.

According to our consultation, consumer groups and regulators have a good perception of Comparison Tools websites. Data showed that eleven out of nineteen regulators reported that their organisation had not received any complaints from consumers regarding Comparison Tools in their countries, while nineteen out of twenty-three respondents from the consumer groups reported the same experience (see chart below).



Furthermore, data revealed that relatively low percentages of consumer groups and regulators noted consumer detriment occurring – under 32% of consumer groups were aware of specific consumer detriment, while just under 28% of regulators were aware of specific detriment.

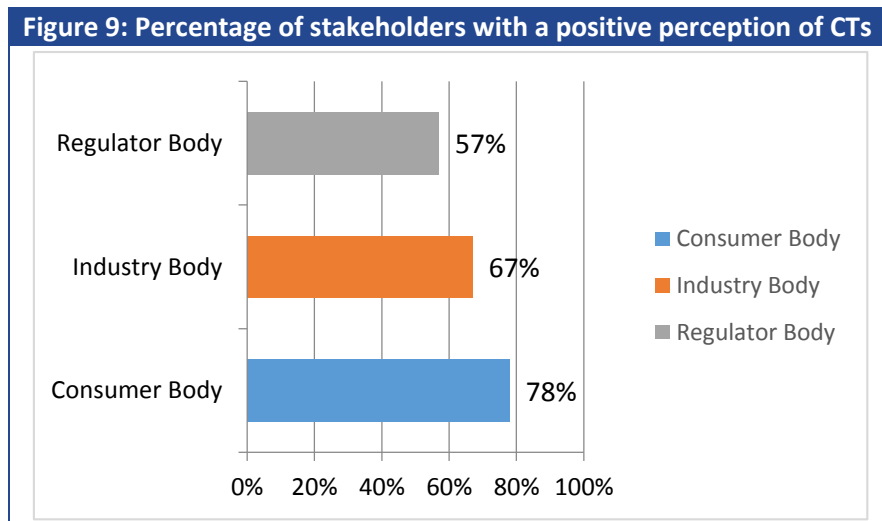
While the low ratio of complaints can be interpreted as a high level of customer satisfaction, this may also be affected by limitations in either resources or perception, both for consumer advocates as well as consumers. For example one consumer group respondent stated that, “We are not a complaint receiving body and as such we do not receive consumer complaints. Hence we cannot provide feedback to the question.” Consumers may also not be aware of all the dynamics in the comparison tool environment, and therefore may not be cognisant of issues which may affect them.

Considering that Comparison Tools are used as a new distribution channel for companies, 55% of the industry bodies agreed that this channel has a positive impact on competition in the sector it represents. Data showed that 78% of consumer groups have a normal or good perception, while

³⁴ Dutch Authority for Consumers and Markets, NMA: ‘Energy consumers can safely use price comparison websites when switching energy providers’, 7 April, 2011

³⁵ Executive Agency for Health and Consumers, Consumer market study on the functioning of e-commerce and Internet marketing and selling techniques in the retail of goods, 2011

67% of industry bodies have a positive perception, and 57% regulators have a positive perception of Comparison Tools.



But despite these positive evaluations, Comparison Tools are not only prone to many of the shortfalls afflicting e-commerce in general, but also have room for improvement within their specific industry sector. While some of these issues are structural in nature and not easily solved within a union of 28 different legal jurisdictions, others relate to specific business choices made by certain Comparison Tool operators. It is helpful to divide these issues accordingly.

3.1.1 E-commerce shortfalls

Barriers and shortfalls within e-commerce in the EU naturally impact on the European Comparison Tools which act as aggregators for this sector of industry. If the ultimate vendor fails to supply key information, then the Comparison Tool will not be able to rectify this shortfall. This is particularly true for referral CTs which redirect consumers to the vendor website to complete the transaction.

For businesses, there are a number of barriers which have been identified in their ability to operate on a pan-European basis³⁶. These are:

- Language
- Cross-border payments
- Cross-border logistics
- Search and advertisement
- Costs (for developing and maintaining a website)
- Lack of IT skills
- Higher administrative costs due to different legislations and regulations across the EU
- Fragmentation of consumer protection regulations
- Fragmentation of VAT regulations
- Fragmentation of copyright regulations (e.g. for digital/ audio-visual products)
- Fragmentation of electric waste disposal regulations
- Risk of fraud and non-payment
- Lack of branding

³⁶ European Commission, EU online Trustmarks, Building Digital Confidence in Europe, Interim Report 2:Trustmark Clusters, Stakeholder Evaluation and Policy Options, 18 December 2012

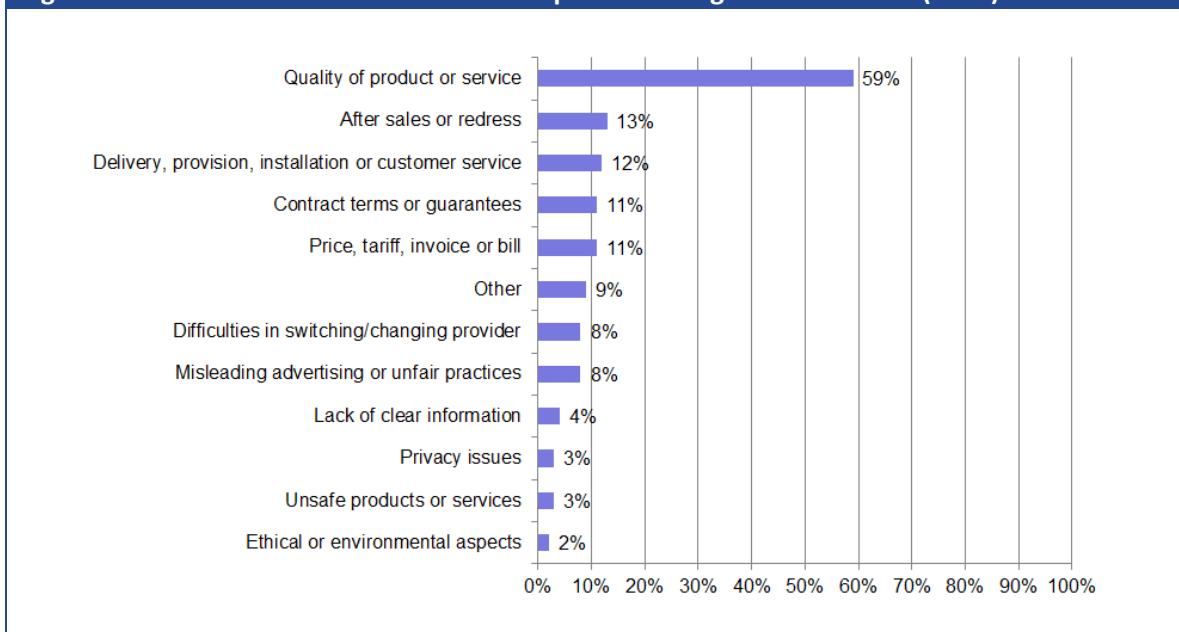
In addition, legal and regulatory barriers are more pronounced when it comes to cross-border e-commerce. For retailers, having to deal with different legislation and regulations' frameworks across the EU, presents a major barrier, as they will have to pay large amounts to adapt to all these different legal contexts. For instance, it is estimated that the administrative costs alone increase from €5,526 for only selling in the home country to €9,276 when active in one or two other EU Member States, to €70,526 for selling in 27 EU Member States³⁷.

According to representatives from ECC-Net³⁸, problems experienced by consumers online are typically related to:

- non-delivery or late delivery of goods;
- goods not as described;
- problems with guarantees;
- problems with the 'cooling off period' rule; and
- prices, hidden costs or incorrect display of prices.

Often these problems are due to miscommunication or insufficient language skills and some problems arise because of consumers' lack of knowledge about the terms of the contract they enter into. ECC-Net also points out that in some cases consumers are not even aware that they have entered into a contract.

Figure 10: Main reason for most recent complaint relating to e-commerce (2009)³⁹



³⁷ European Commission, Commission Staff Working Document. Report on cross-border e-commerce in the EU. Brussels; 5.3.2009 SEC(2009) 283 final

³⁸ European Parliament (2011) Consumer behaviour in a digital environment, Report written by London Economics at the request of Internal Market and Consumer Protection Committee (IMCO)

³⁹ European Parliament (2011) Consumer behaviour in a digital environment, Report written by London Economics at the request of Internal Market and Consumer Protection Committee (IMCO)

In many ways e-commerce is considered to be similar to other forms of distance selling⁴⁰. According to the Office of Fair Trade (OFT) in 2007, online consumers in the UK experienced issues that are typical when buying over a distance. 48% percent of online shoppers in the UK who had a problem in the previous 12 months said their most recent problem was delivery and 14% had issues communicating with the trader. These issues were unlikely to arise when buying the good offline, except if the good requires delivery (for example furniture). Across the EU, e-commerce accounted for 37% of distance selling in 2010 and 17% of consumers who purchased from a distance experienced a problem. The most common problems with distance selling relate to the quality of the product or service (59% of problems). Problems related to delivery are also relatively common and accounted for 13% of complaints to sellers in 2009.

Failure to list the full price of the product (inclusive of delivery charges etc.) is also a major reason for consumers to either not shop online, or to abandon a transaction at a midway point. A previous Commission study⁴¹ found that younger shoppers assumed that cross-border online shopping would incur higher costs while more educated shoppers stated that additional costs and customs charges actually deterred them from cross-border shopping. A 2010 Forrester study focussing on the US market⁴² found that, while just 6% of Web buyers abandoned their cart because they thought it would take too long for the product to arrive, 44% refused to purchase once the price of shipping was included. This was despite the fact that 57% of Web buyers deemed that standard shipping costs of up to 10% of the transaction value as reasonable. The study believed that another area of obvious improvement was to address the 22% of cart abandoners who felt that shipping prices were calculated too late in the checkout process⁴³.

Other areas of significance were privacy concerns and site difficulties. A small portion of those people who abandoned their purchase were wary of sharing information and/or experienced technical glitches. 12% of those who abandoned their purchase felt that the site was asking for too much information, while 11% deemed the checkout process laborious or the Web site sluggish⁴⁴.

3.1.2 Comparison tool shortfalls

While the above topics are related to the overall e-commerce environment, a number of these issues take on much more significance in the Comparison Tool sector. It stands to reason that meaningful comparison is less likely without full and accurate information available on each contrasted product and service. The major shortfalls which have been highlighted in the CT industry are issues surrounding transparency and impartiality, quality of information including accuracy, and comprehensiveness.

A consumer market study⁴⁵ on e-commerce conducted in 2011 on behalf of the European Commission found that one in eight respondents felt that they had been misled by price comparison websites. In most of the cases, the reason was that they went on to find a cheaper price elsewhere, while in other cases the price indicated on the price comparison website did not

⁴⁰ European Parliament (2011) Consumer behaviour in a digital environment, Report written by London Economics at the request of Internal Market and Consumer Protection Committee (IMCO)

⁴¹ Executive Agency for Health and Consumers, Consumer market study on the functioning of e-commerce and Internet marketing and selling techniques in the retail of goods, 2011

⁴² Forrester, Understanding Shopping Cart Abandonment: Customers Are Often Unprepared To Buy And Stunned By Shipping Costs, May 20, 2010

⁴³ Forrester, Understanding Shopping Cart Abandonment: Customers Are Often Unprepared To Buy And Stunned By Shipping Costs, May 20, 2010

⁴⁴ Forrester, Understanding Shopping Cart Abandonment: Customers Are Often Unprepared To Buy And Stunned By Shipping Costs, May 20, 2010

⁴⁵ European Commission, Consumer market study on the functioning of e-commerce, 2011

correspond to the price on the seller's website. The UK's Office of Fair Trading (OFT) also highlighted the fact that Comparison Tools were not always transparent about how search results are presented, how results were ranked and the effect that any commercial relationships may have on the ranking. Similarly claims regarding the proportion of the market that has been searched were not always fully clear or appropriately qualified, and Comparison Tools did not always explain the identity of the business operating the website.⁴⁶

Consumer organisations have also highlighted these issues. Consumer Focus stated that "There are gaps in leading comparisons sites' user experience offering, with many sites needing to improve their presentation of results and control over how the results are presented and manipulated. In terms of accuracy, consumers should not automatically assume that a price comparison website will save them money on their purchase. The research revealed it was only true in 21% of cases"⁴⁷.

Four separate respondents to our consultation also highlighted specific issues with comparison tools in their specific markets. One respondent, referring to a study carried out by a regulatory body stated that, "In [...] the [...] conducted a research on comparison websites. This research made clear that there are some issues with comparison websites, which leads to consumer detriment. For example, most of the websites lacked information on (a) the comparative method they used, (b) the completeness of the comparison and (c) the business model. The [...] also conducted several researchers [...] on websites that compared energy prices and found some problems, such as: 1. The contract cannot always be traced back to the offer; 2. Indecipherable promotional fares and terms and conditions; 3. It is sometimes unclear that the total costs of the contracts are different from the prices indicated on the comparison websites".

A second respondent stated that, "Outdated and / or incorrect information and misleading pricing or product availability information may lead to unfair commercial practices."

Two of the four respondents referred to unfair competition issues. Regarding the real estate sector, one authority stated that, "As a competition authority we have dealt with a web comparison tool for housing. This CT did not meet the rules for fair competition. CTs for travelling have also been our focus of attention: some sites did not list complete prices". Another body noted that publication of prices by CTs might even allow for price fixing. "We are aware, though, that the Competition Authorities, in some instances (e.g. supermarket/ groceries market) consider that greater price transparency can stimulate coordination of prices, and in this way weaken competition."

Consumer organisations have also highlighted the vulnerability of CT sites to deliberate efforts to skew rankings via the use of consumer reviews. BEUC, the European Consumer Organisations, stated that reviews "cause a lot of problems of credibility". According to the organisation, the validation process is not guaranteed, a lot of fake consumers participate to the process and the uploading of negative comments is sometimes prevented.⁴⁸ Examples of this activity were reported in the Republic of Ireland when two separate hotel groups were reported in the national media for asking their own staff to post 'positive' reviews on a leading Comparison Tool site⁴⁹

⁴⁶ Office of Fair Trading, (2012), 'Price Comparison Websites. Trust, Choice and Consumer Empowerment in online markets'

⁴⁷ Consumer Focus, 'Comparing comparison sites – Price comparison website mystery shopping report', 14 February 2013.

⁴⁸ BEUC position paper, the consumer voice of Europe, 'Comparison Sites', Ref.: X/2012/065 - 28/08/2012

⁴⁹ See Irish Times, *Carlton Hotel group staff urged to write positive web reviews*, 31 January 2012 and *Independent.ie*, *Hotel told staff to fake reviews on TripAdvisor*, 30 October 2010

The usage of personal data by Comparison Tool operators has also been highlighted. The OFT stated that UK Comparison Tool operators typically collected a large amount of information about customers, especially in relation to searches that can only be facilitated by detailed personal information (such as a quote for car insurance). The regulator went on to say how, “This information may often be re-used by the business for purposes other than facilitating a comparison of quotes, for example it might be used for marketing purposes. Information may also be passed on by PCWs to third parties who might then further pass it on. In this situation the information might be put to a wide range of uses”.⁵⁰

From a commercial standpoint, other challenges have been highlighted. As one report stated, one aspect of using price comparison sites is encountering a number of unknown sellers, and therefore buyers may be reluctant to purchase from brands they don’t recognise, and so will miss out on the advantages price comparison sites offer. In addition to this, with poor brand perception Comparison Tools may have to work harder to win user confidence.⁵¹

A 2013 stakeholder dialogue report by the European Commission⁵² reiterated the above issues and detailed other specific issues which had been observed within the Comparison Tool sector. These were:

- Transparency and Impartiality of comparisons, specifically in relation to:
 - Impartiality – the nature of relationship between the CT operator and the vendors represented within the CT is unclear.
 - Financing – there is a lack of transparency in relation to how CTs actually make money.
 - Data-sourcing – the sourcing, frequency of sourcing and ultimately reliability of the data is not clear to consumers.
 - Ranking methodology – the nature by which products are ranked, particularly in the default ranking, is not always clear and can be misleading.
 - User Review and Ratings – as user reviews are a common feature, as well as being a ranking feature, the accuracy and impartiality is a key consideration.
 - Search neutrality – the neutrality of online search engines, particularly those which also have Comparison Tools, is in question.
 - Dynamic and Personalised pricing – the ability to single out individual consumer profiles and increase or decrease prices depending on each profile becomes feasible with the technology of the internet.
- Quality of information, in relation to:
 - Comparability - comparing offers becomes more difficult when the characteristics of products or services are not presented in a uniform, systematic way.
 - Accuracy – discrepancies between the information featured on a CT and the actual price or product characteristics on offer.

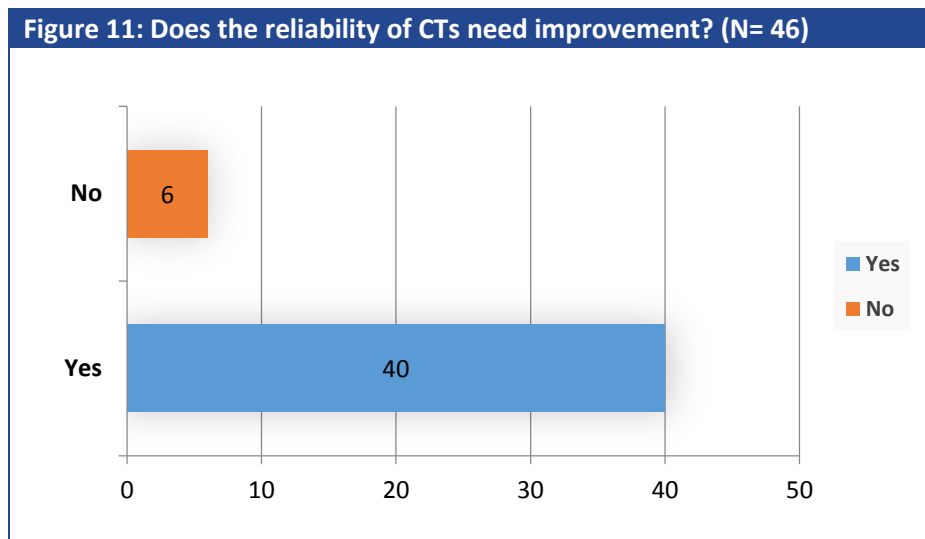
⁵⁰ Office of Fair Trading, (2012), ‘Price Comparison Websites. Trust, Choice and Consumer Empowerment in online markets’

⁵¹ Webcredible, (2009), ‘Future comparisons: What’s next for price comparison websites?’

⁵² European Commission, Comparison Tools Report from the Multi-Stakeholder Dialogue Providing consumers with transparent and reliable information, Report presented at the European Consumer Summit 18-19 March 2013

- Updates – information received through CTs must be up-to-date and capable of reflecting actual offers available on the market without any discrimination between retailers referenced
- Pricing – the pricing of products and services should be accurate and presented in a comprehensive way without additional costs shown later in the transaction.
- Comprehensiveness of:
 - Comparison Parameters – the ability to evaluate the worth of a product or service based on not just the price but also additional features, conditions etc.
 - Coverage – many Comparison Tool operators fail to state the coverage they have of a specific market, leading consumers to believe that they are researching a greater amount of the market than they actually are.
 - Cross-border comparisons – the vast majority of Comparison Tools are focused on single national markets, and not available in more than one language.
- Other factors affecting consumer relationships to Comparison Tools:
 - Availability – the overall penetration of CTs across European markets varies considerably.
 - Consumer Awareness and Understanding of Comparison Tools – Consumers are not always fully aware of the potential which CTs offer.
 - Filtering, Search and Personalisation Options – shortfalls remain in the sophistication of tools available to consumers which could offer more value-add options.
 - Accessibility – the general lack accessibility features on CT websites which would assist vulnerable consumers (the disabled, elderly or those with low IT competencies)
 - Personal Data – the protection of consumer data and assurances that the risk that it will be used for purposes other than the operation of the CT.
 - Accreditation – participation in accreditation schemes that will enhance the transparency and reliability of CTs.
 - Liability and Redress - CTs often fail to provide consumers with adequate complaint handling mechanisms.
 - Enforcement – the challenges of ensuring compliance of CTs with the existing consumer protection legislation.

Contrasting these principles with consultation results, responses from our consultation also showed that regulators and consumer groups thought the reliability of Comparison Tools needed improvement regarding accuracy of information and transparency of business model. For instance, nineteen out of twenty-four regulators (80%) and twenty-one out of twenty-two consumer groups (96%) – 87% of both groups – agreed that the reliability of Comparison Tools needed improvement.



Despite expressing the need to improve the reliability of CT operations, 71% of regulators and consumer groups combined (thirteen out of twenty-three regulators and nineteen out of twenty-two consumer group respondents) have not undertaken any specific action with regard to improving the reliability of Comparison Tools. Of the 29% of respondents who have undertaken action (nineteen of twenty-five regulators and three of twenty-two consumer groups), they indicated that they have either conducted a study or survey on the Comparison Tool sector. One authority which responded had taken an enforcement action against Comparison Tools which were deemed to be in breach of the act implementing the Unfair Commercial Practices Directive. Another authority had created two short films to increase awareness and educate consumers.

With this in mind, both consumer groups and regulators agreed there are criteria that must be respected by Comparison Tools operators to provide reliable information to consumers. A number of the most important criteria are listed in the table below:

Table 16: Most important criteria to improve Comparison Tools (N= 41)		
	Consumer Groups	Regulators
<i>Full price publication</i>	18/21	19/20
<i>Accuracy of offers</i>	17/21	19/20
<i>Guarantee of impartiality in comparison</i>	17/21	15/20
<i>Protection of personal data</i>	17/21	13/20
<i>Ease of comparability (same data)</i>	16/21	13/20

Fully published prices of goods and services on Comparison Tools were the most important improvement criteria put forward by respondents as a group. This is a feature which has been dealt with in other sectors, such as the airline industry, and appears to be an intuitive area for improvement not just in CTs, but across e-commerce in general. For example the Air Services regulation states:

“Customers should be able to compare effectively the prices for air services of different airlines. Therefore the final price to be paid by the customer for air services originating in the Community should at all time be indicated, inclusive of all taxes, charges and fees. Community air carriers are

also encouraged to indicate the final price for their air services from third countries to the Community.⁵³

3.2 Decision-making biases and consumer behaviour in the context of comparison tools

Decision making biases can lead consumers to make sub-optimal purchasing decisions, even when they are presented with full information. Complex products in particular appear to present consumers with difficulties, and this is true in both on and offline purchasing. Three markets in particular have been highlighted as difficult for consumers, being the Energy, Financial Services and the Online Environment industry sectors⁵⁴. Depending on the maturity of the market, these three sectors are also some of the most prominent in the Comparison Tool sector.

The financial services sector (specifically banking services) was the worst performing sector within the Consumer Markets Scoreboard⁵⁵. According to the European Consumer Consultative Group⁵⁶, even more “sophisticated consumers” are not able to deal with the lack of transparency and the complexity of financial services products. At the same time, the group recognised that every consumer needs such products in their daily lives (e.g. investment products, pensions, life insurance etc.).⁵⁷

One recent behavioural study⁵⁸ carried out across a number of European countries concluded that the features of the retail investment market may make consumer decisions particularly prone to biases and errors. Evidence suggests that many people - especially the younger and less educated - do not possess a sufficient level of financial knowledge and understanding, as evidenced by the limited success of financial literacy programmes. Furthermore retail investment products are inherently risky and often involve long time horizons. Although the market is characterised by a wide array of products with complex pricing structures, it appears that consumers do little searching and instead typically rely on the advice of a professional advisor or salesperson.

The energy sector is also an area of concern. According to a study on retail electricity markets⁵⁹, while consumers typically knew how much they spent on electricity bills, they were far less aware of the number of units of electricity consumed. In addition to this point:

- Consumer awareness of the characteristics of their tariff and how the price is calculated is not high and, on average across the EU only 58% and 42% of consumers, respectively, are well aware of these two factors.
- Given that consumers are not very aware of the price and tariff details which apply to them, it is not surprising that consumers are even less aware of alternative tariffs available to them either with their current supplier or alternative suppliers.

⁵³ REGULATION (EC) No 1008/2008 Of The European Parliament And Of The Council of 24 September 2008 on common rules for the operation of air services in the Community (Recast)

⁵⁴ European Commission, Consumer Markets Scoreboard 8th edition, December 2012

⁵⁵ European Commission, Consumer Markets Scoreboard 8th edition, December 2012

⁵⁶ European Consumer Consultative Group, Opinion on consumers and vulnerability, Adopted on 7th February 2013 by ECCG Plenary

⁵⁷ European Consumer Consultative Group, Opinion on consumers and vulnerability, Adopted on 7th February 2013 by ECCG Plenary

⁵⁸ Decision Tree Ltd, Consumer Decision-Making in Retail Investment Services: A Behavioural Economics Perspective, Final Report, November 2010

⁵⁹ European Commission, The functioning of retail electricity markets for consumers in the European Union, Final Report, November 2010

- The results of the consumer survey also show that consumers who have read their terms and conditions may not necessarily know the details of the contractual arrangements such as the advance period for termination of the contract.

In addition to these findings, despite the advantages of deregulation of the market and increased opportunities to seek cheaper providers, other studies have found that consumer behaviour is not uniform and that vulnerable consumers may be disadvantaged when participating in competitive markets. The UK's National Audit Office⁶⁰ cited evidence from the electricity market, where consumers in social group E (those aged over 65, those in rented accommodation; or those on pre-payment meters) were less prone to switch than the wider population.

According to Lunn and Lyons⁶¹ there is also more compelling evidence that behavioural biases play a role. Across a range of markets, when faced with decisions that involve too many options or too much information on each option, consumers become less inclined to be active and more likely to make errors. They considered the two findings to be related, i.e. faced with a more complex decision, a consumer may assume, correctly, that they are more likely to make a mistake and hence may be less inclined to be active. Lunn and Lyons cite work by the UK Centre for Competition Policy which made extensive use of survey data from the UK electricity market and found that consumers' decisions about whether to engage in search and switching were more influenced by how confident they felt about estimating the impact of these activities than about the level of gains they expected to make. The findings revealed that 20-32% of consumers who switched supplier in order to obtain cheaper electricity actually ended up paying more, while less than 20% switched to the firm offering the highest saving.

Similar to financial service and energy, the online environment is an area of increasing complexity, encompassing not just internet access and usage, but also internet technologies and mobile communications as well as rapidly increasing e-commerce and marketing models. According to Lunn and Lyons, evidence from electronic communications markets is consistent with a widespread influence of behavioural biases. The authors state that consumers with lower levels of income, education and in lower socio-economic groups are also less likely to have broadband at home⁶² and cite surveys which have found significant group variations, such as low activity in the fixed line and mobile markets among over-65s⁶³ and low switching activity of fixed line services by disabled persons under 65⁶⁴.

In a market of this complexity, Comparison Tools offer clear advantages to consumers. In 2010 the Dutch Authority for Consumers and Markets praised Comparison Tools active in the Dutch energy market and stated that, in relation to energy prices, "special offers on energy contracts can often be so complicated to the average consumer, that energy price comparison sites can be a helpful tool in helping them make the right choice. What is more, these kinds of sites usually have the best offers and deals on energy contracts⁶⁵".

⁶⁰ National Audit Office 2008, Protecting consumers? Removing retail price controls, report by the Comptroller and Auditor General, HC 342 Session 2007-2008

⁶¹ Dr. Pete Lunn and Dr. Sean Lyons, Behavioural Economics and „Vulnerable Consumers“: A Summary of Evidence, Economic and Social Research Institute (ESRI) for the Communications Consumer Panel, 9th December 2010

⁶² Dr. Pete Lunn and Dr. Sean Lyons, Behavioural Economics and „Vulnerable Consumers“: A Summary of Evidence, Economic and Social Research Institute (ESRI) for the Communications Consumer Panel, 9th December 2010

⁶³ Ofcom, The Consumer Experience: Research Report, 9 December, 2009

⁶⁴ Consumer Panel, Consumers and the communications market, 2007

⁶⁵ Dutch Authority for Consumers and Markets, Price comparison sites and energy companies must improve their information provision to consumers, 7 January 2010

However, these elements of complexity may also lead to consumer detriment via an over-reliance on Comparison Tools. One study⁶⁶ cited evidence that firms may charge price premiums if they can make shopping more convenient e.g. by making websites easier to navigate or by appearing at the top of search results on search engines. However, there was also evidence that firms may be able to charge a price premium by reintroducing market frictions such as reduced price transparency and search frictions⁶⁷. Price transparency, for example, may be reduced if firms use drip-pricing and hence only show part of the price up-front, but then add additional charges further along the purchasing process. Other examples that could introduce market frictions include price-framing⁶⁸, making bundled offers⁶⁹, baiting⁷⁰, and dynamic pricing⁷¹.

In addition to pricing strategies, there is evidence that consumers do not utilise online search and filtering tools fully and only consider websites that appear among the top search results⁷². Guarantees, transparent return policies, and order fulfilment have also been shown to increase the likelihood that consumers return to the retailer's website, however evidence has also shown that loyalty reduces the extent of the search effort in future purchases⁷³.

⁶⁶ European Parliament (2011) Consumer behaviour in a digital environment, Report written by London Economics at the request of Internal Market and Consumer Protection Committee (IMCO)

⁶⁷ European Parliament (2011) Consumer behaviour in a digital environment, Report written by London Economics at the request of Internal Market and Consumer Protection Committee (IMCO)

⁶⁸ Marco Bertini and Luc Wathieu, Harvard Business School, Working Paper: the Framing Effect of Price Format, May 16, 2006

⁶⁹ Rajneesh Suri and Kent B. Monroe, "Effect of Consumers' Purchase Plans on the Evaluation of Bundle Offers", *Advances in Consumer Research* Volume 22, Pages 588-593, 1995

⁷⁰ OFT, Pricing Practices: Their Effects on Consumer Behaviour and Welfare, March 2010

⁷¹ European Parliament (2011) Consumer behaviour in a digital environment, Report written by London Economics at the request of Internal Market and Consumer Protection Committee (IMCO)

⁷² European Parliament (2011) Consumer behaviour in a digital environment, Report written by London Economics at the request of Internal Market and Consumer Protection Committee (IMCO)

⁷³ European Parliament (2011) Consumer behaviour in a digital environment, Report written by London Economics at the request of Internal Market and Consumer Protection Committee (IMCO)

4 Mapping of comparison tools and third-party verification schemes

In the following section we display the results of a mapping of Comparison Tools carried out across the EU28 plus Norway and Iceland. We have also mapped Third Party Verification Schemes specific to CTs across these markets. We also analyse some aspects of the Comparison Tool sector in more depth, including business models and data sourcing activities.

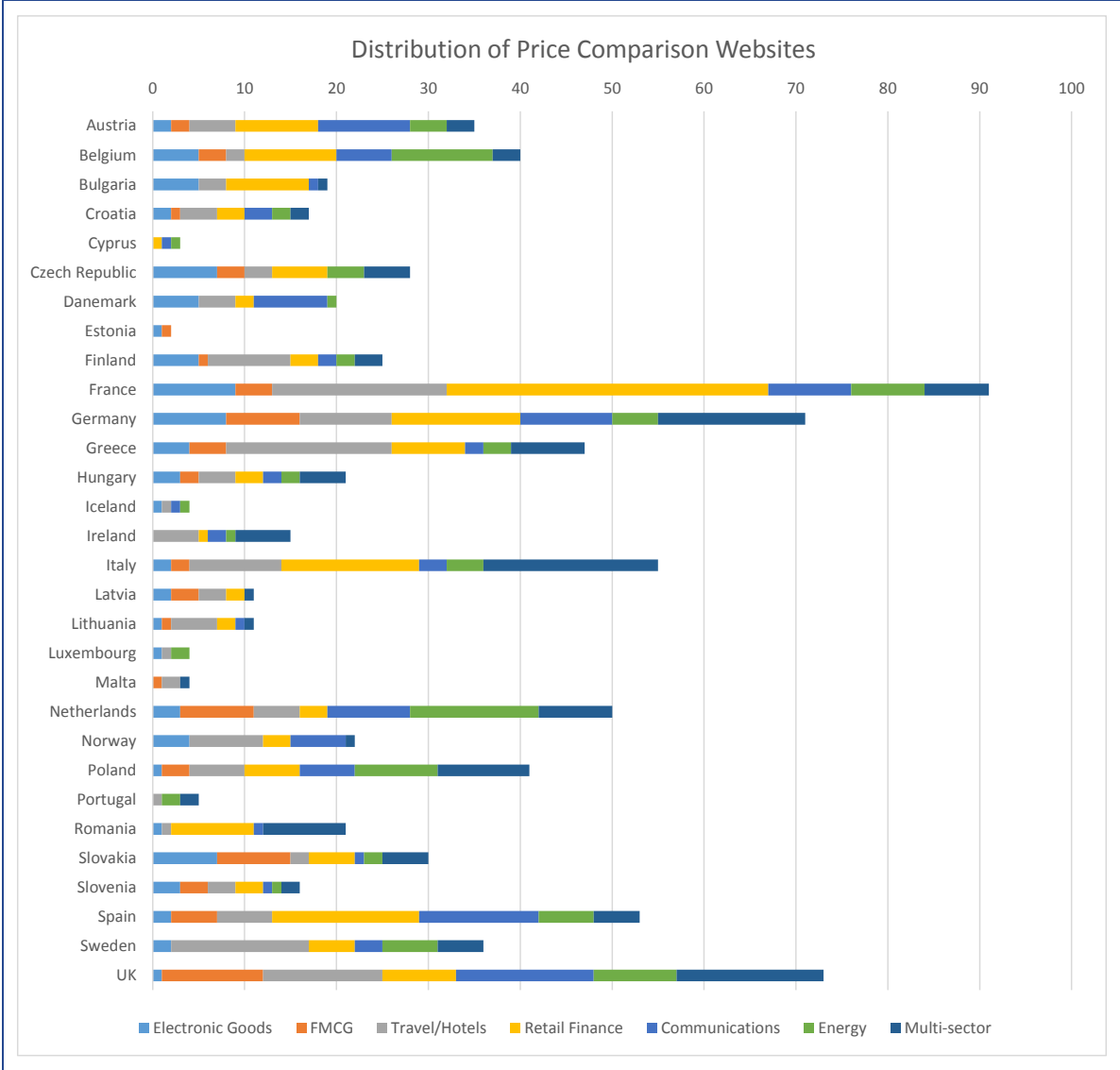
Box 2: Summary of main findings – Mapping of comparison tools and third-party verification schemes

- A total of 1042 electronic Comparison Tools were mapped and analysed, being 910 unique Price Comparison Tool websites and 132 unique mobile apps.
- Based on both mapping activities and survey responses, over 90% of comparison tools companies are privately owned and operated, with remainder being operated by regulators and/or are funded by the government or run by consumer groups.
- A total of 9 Third-Party Verification schemes were mapped; 5 were UK based, and 1 each in France, Italy, Belgium and Ireland.
- Verification schemes are either guideline, code of conduct or accreditation based, with accreditation being the most rigorous.
- Stakeholders are generally in favour of Third-Party Verification, but also believe it should be coordinated at EU level.
- Comparison Tools have a diverse range of business models and revenue streams, and in many cases CTs combine traditional revenue streams (advertising and commission) with newer forms of revenue (switching services).
- Comparison Tool ownership and operation is overwhelmingly private sector-based across Europe.
- Less than half of Comparison Tools were willing to disclose details on their supplier relationship, description of business model or the sourcing of their price and product data (e.g. whether from the supplier or gathered independently from web sources).
- Only 12% to 18% of websites disclosed information on either the market coverage they enjoyed, their primary revenue or the frequency by which their data was updated.
- CTs appeared to be diligent in their updating of prices – the majority of CT operators update their prices either on a daily or greater than daily basis.

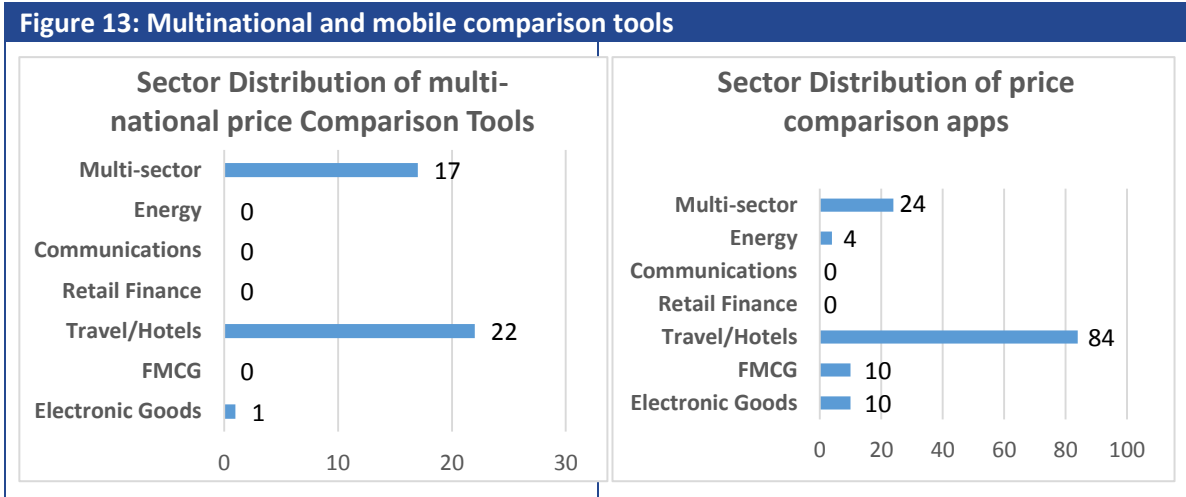
4.1 Results from the mapping exercise

The mapping of Comparison Tools was conducted across all 28 states of the European Union plus Norway and Iceland. A total of 1042 electronic Comparison Tools were mapped and analysed, being 910 unique Price Comparison Tool websites and 132 unique mobile apps across six industry sectors. The six sectors were examined specifically, being Electronic Goods, Fast Moving Consumer Goods (FMCG), Travel and Hotels, Retail Finance, Electronic Communications and Energy.

Figure 12: Breakdown of Price Comparison Websites per country



870 Comparison Tools were mapped and analysed per country, with a further supplemental group of 40 multi-national Comparison Tools (select Comparison Tools with global coverage – not included in above table); while mobile apps were mapped and analysed based on the underlying operating system (71 Android apps and 61 iOS apps).



It is not possible for us to state that our mapping of Comparison Tools has been exhaustive as this would have meant that researchers would have had to conduct searches until failure (i.e. significant periods of time when *no additional Comparison Tools* could be found), which would have incurred substantially more costs to the study. Nevertheless, we believe that we have identified upwards of 70% of the Comparison Tool website market in the EU28 plus Norway and Iceland. We base this estimate on two separate benchmarks. In the first we can point to the 99 price comparison websites identified in one UK study in 2013⁷⁴. Within the UK study, of the 99 websites examined, many are double counted. This is the case because there are multi-sector websites active in more than one market, so the number of unique websites in this study is, in fact, lower than 99. By contrast, all of the 73 websites visited in this study within the UK market were unique based on the domain name. Another benchmark is the recent study for online Hotel Reviews, which focussed solely on one sector and identified 423 hotel review websites across the EU28 (as opposed to 274 Travel and Hotel Comparison Tools identified in 30 countries within this study). After removing sites which would not have fulfilled our definition of Comparison Tools, we believe that we have identified approximately 75% of this sample⁷⁵.

Additionally, the vast majority of Comparison Tools found were located by Deloitte researchers using relatively generic search strings in each country (e.g. 'price comparison car insurance'). The largest, most active (and presumably the most profitable Comparison Tools) are the most likely to be the highest ranked when generic search terms are entered into a search engine. Therefore these CTs are also those that consumers are most likely to find on their first perusal of the internet.

We accept that a dedicated search using a large variety of niche search strings would most likely have yielded many more websites; however, the effort to locate these additional sites would have progressively involved much more search effort for diminishing returns. Additionally, in many smaller markets, researchers simply could not find more than a handful of Comparison Tools even after hours of searching, while in larger markets, very basic search terms could reveal tens of

⁷⁴ Consumer Focus, Comparing Comparison Sites, 2013. This report also makes reference to a letter which the UK's Office of Fair Trade sent to '100 of the leading price comparison websites' in November 2012.

⁷⁵ See European Commission, Study on Online Consumer Reviews in the Hotel Sector, 2014. In this report, 423 Hotel review websites were identified across Europe. However, the typology used between the studies differs, with the Hotel Review study including Blogs and Forums (39 sites), Social Networking sites (7), none of which would have been included in our study. The remaining 377 sites would likely have other reductions in order to remove single vendor websites (travel agents or groups representing only their own range of destinations).

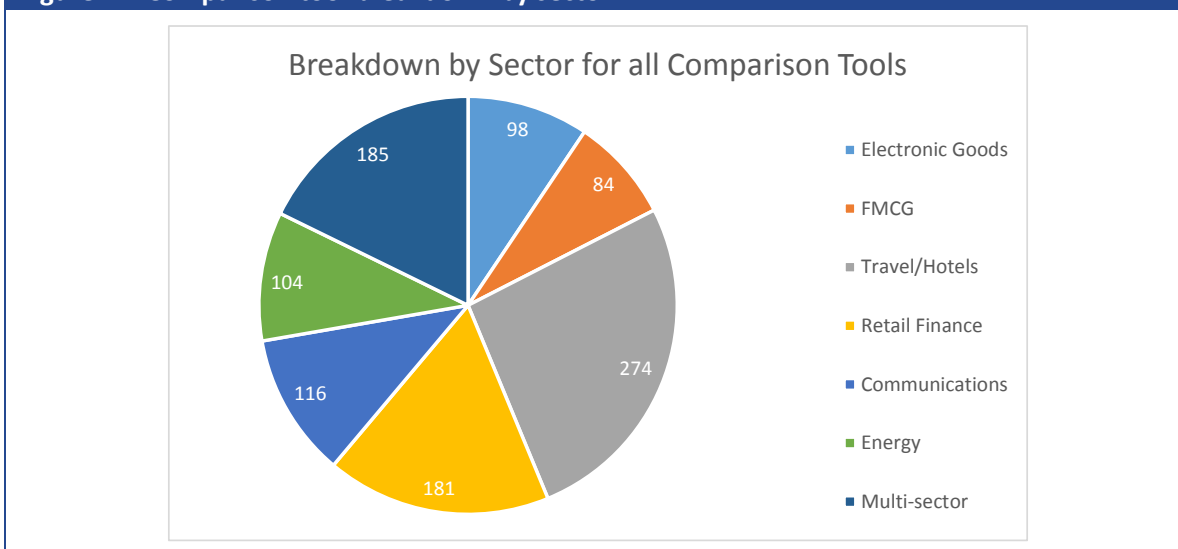
pages of relevant results. We are therefore confident that the sample we have amassed is both robust and is a good representation of the overall European Comparison Tool market.

4.1.1 Breakdown of multi-sector CTs by sector combination

When Deloitte initially conducted the mapping of the Comparison Tools, it was decided in the methodological approach to assign each Comparison Tool to one of six primary sectors, corresponding to the industries being examined (Electronic Goods/Appliances, Fast-moving Consumer Goods, Travel and Hotels, Retail Financial Services, Electronic Communications and Energy). However, Deloitte noticed that many websites covered multiple combinations of these sectors. This meant that researchers who encountered Comparison Tools serving multiple sectors had to allocate the CT to one sector on an arbitrary basis. Therefore the seventh category of 'multi-sector' was added and, in addition to this, the industries covered by multi-sector Comparison Tools were also recorded. This proved to be significant to the analysis, as prior to the use of the multi-sector categorisation we found that Comparison Tools had been fairly evenly distributed amongst six industry sectors. This appeared to be counter-intuitive given that certain sectors might be more commercially attractive than others, and/or easier to serve. Subsequent to the re-categorisation we found that:

- Multi-sector Comparison Tools accounted for 185 of the 1042 Comparison Tools identified by the research, including mobile apps and multi-national sites;
- The addition of the multi-sector category lead to a shrinkage of certain sectors – some dramatically; and
- Clear trends were identified regarding the sectors of industry most likely to be included in multi-sector Comparison Tools, as well as those industry sectors likely to be 'stand-alone' (i.e., not paired with any other sector).

Figure 14: Comparison tool breakdown by sector



Below we display a table showing the combinations of the different sectors within specific CTs. As can be seen, most combinations appear to be ‘opportunistic’ – i.e. the combination is unusual and not widespread, resulting in very low numbers of Comparison Tools attempting to combine these market sectors in one CT offering.

- Of 185 CTs classified as Multi-Sector, 107 of these websites were selling both Electronic Goods with Fast-moving consumer goods. This was by far the largest single combination of sectors evident in CTs.
- The next largest combination was Communications, Financial Services and Energy, which were combined in 14 CTs
- All other combinations were relatively minor (8 CTs or less), but even in these categories we see combinations which reinforce the above – e.g. Electronic Goods, FMCG and Travel&Hotels (7), Financial Services and Energy (6), Electronic Communications and Financial Services (8)

Table 17: Comparison Tools offering comparisons in combined sectors

Sectors in Combination	CTs
Electronic Goods, FMCG	107
Electronic Communications, Energy, Financial Services	14
Electronic Communications, Financial Services	8
Electronic Goods, FMCG, Travel&Hotels	7
Financial Services, Energy	6
Electronic Goods, Electronic Communications	3
Electronic Goods, FMCG, Electronic Communications	3
Electronic Goods, FMCG, Travel&Hotels, Financial Services, Electronic Communications, Energy	2
Electronic Goods, FMCG, Energy	2
Electronic Goods, Financial Services, Energy	2
Financial Services, Travel&Hotels	2
Electronic Goods, FMCG, Financial Services, Electronic Communications, Energy	2
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Electronic Goods, Electronic Communications, Energy	1
FMCG, Travel&Hotels	1
Electronic Goods, FMCG, Electronic Communications, Financial Services	1
Electronic Goods, FMCG, Financial Services, Travel&Hotels	1
Electronic Goods, Electronic Communications, Financial Services, Travel&Hotels	1
Electronic Goods, Electronic Communications, Financial Services, Travel&Hotels, Energy	1
Financial Services, Energy, Travel&Hotels,	1
Electronic Goods, FMCG, Electronic Communications, Energy, Travel&Hotels	1
Electronic Communications, Travel&Hotels	1

4.1.2 What do these results tell us about the commercial aspects of CTs?

We believe that the practicalities of servicing the different sectors are the main reasons for the observed combinations. Our reasoning is as follows:

Low margin – high volume goods lend themselves to being sold together:

- Of all six industry sectors, Electronic Goods and Appliances and FMCG are the most likely to have the lowest value purchases;
- Although many goods (TVs, Fridge Freezers, certain luxury goods) can involve a large single cash outlay, this outlay is not repeated frequently by consumers;
- Goods bought online additionally entail packaging and delivery, which further erode profit margins and complicate business models;
- It is important to create volume through more sales, not necessarily always of the same product but also through many specialist purchases – this corresponds to the ‘Long-Tail’ concept⁷⁶.

Services tend to be combined together, if at all:

- Travel and Hotels is a highly coherent sector which is rarely featured in combination with other sectors. Particularly in the mobile app environment, 50 of 71 Android apps were devoted exclusively to this sector, and 34 of 61 iOS apps.
- Retail Financial Services is also relatively resilient as a standalone sector, though it should be noted that this covers insurance, debt and investment products. Energy, Electronic Communications and Retail Financial Services are also found in combination (sometimes with one other sector).
- Travel and Hotels, Energy, Electronic Communications and Retail Financial Services involve a higher cash outlay by consumers and/or regular commitment via bill-paying.

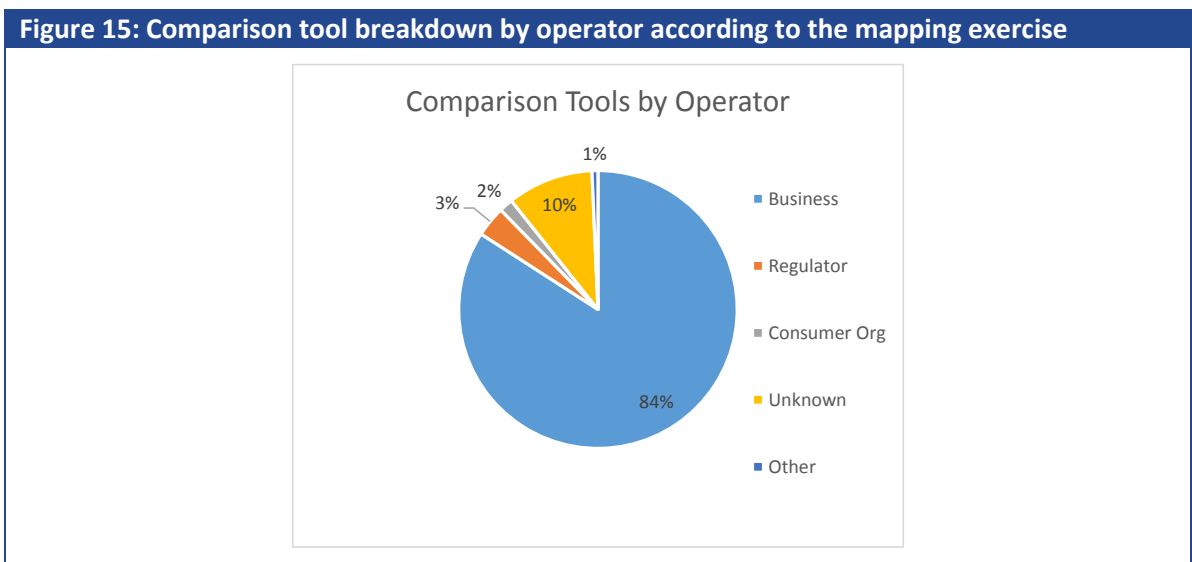
Another interesting feature is the sector distribution of both multi-national Comparison Tools and mobile comparison apps. In both these categories, Travel and Hotels plus multi-sector Comparison Tools (focussing on FMCG and Electronic Goods primarily) were by far the greatest leaders, based on their ability to access global markets through offering relatively simple services (travel and accommodation bookings) and purchases, by contrast to the highly regulated and complex services within financial services and utilities. We found no multi-national CT that offered only Retail Financial Services, Electronic Communications or Energy.

4.1.3 Who operates comparison tool websites, and what do they do?

The vast majority of operators of Comparison Tool websites are primarily commercial, followed by regulators and consumer organisations. The operators of 87 Comparison Tools could not be identified (due to the absence of contact details or even a description of the nature of the service

⁷⁶ The concept of the ‘Long Tail’⁷⁶ has gained popularity in recent times as describing the retailing strategy of selling a large number of unique items with relatively small quantities sold of each as well as selling fewer popular items in large quantities⁷⁶. This concept applies perfectly to sites such as Amazon, eBay and other multi-trader platforms. While the goal of long tail retailing was not price comparison as such, in order to generate the highest volume of niche trades it is necessary to open platforms to smaller and individual traders. This in turn leads to multiple fungible products being offered by competing sellers, ultimately offering a comparison environment. In statistics, a long tail of some distributions of numbers is the portion of the distribution having a large number of occurrences far from the “head” or central part of the distribution. When charted on a graph, the line should rapidly decrease from a peak and then level out. See Wired, The Long Tail, October 2004

and operator), but can be assumed to be commercial operations as well. Of 870 national Comparison Tools, the following breakdowns were evident:

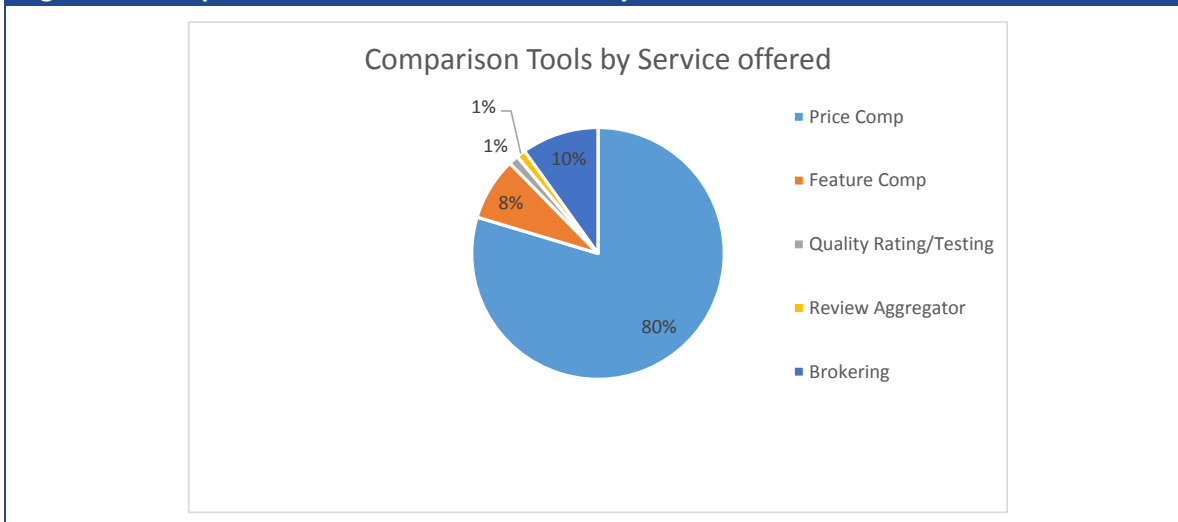


These ratios were supported by our consultation as well. Amongst survey responses, approximately 90% of Comparison Tool were privately owned and operated. Around 8% of respondents were operated by regulators and/or are funded by the government while 2% were operated by consumer groups.

Price comparison is by far the greatest service offered (693 Comparison Tools), with brokering and feature comparison coming thereafter with 86 and 70 Comparison Tools respectively. Brokering captured primarily insurance Comparison Tools, but also some switching services in utilities, as these services rely on the consumer sharing data via the Comparison Tool, with the consumer then receiving a selection of quotations thereafter.

Feature comparison also ranks highly as it is used to assist purchases in complex products, such as smartphones, laptops and some financial services products. Feature comparison can incorporate highly specific features (e.g. interest rates on savings accounts or credit cards, computer and mobile phone capabilities) as well as user reviews. However, sites which focussed purely on reviews – review aggregators – were relatively rare. Normally such CTs tend to offer more meaningful comparison by allowing users to search by feature first – i.e. first you find the product or service you want, then you consult a review to receive some idea of quality.

Figure 16: Comparison tool website breakdown by services offered



In the latter two categories there is also some overlap with the final CT category of Independent Quality Rating/Testing. In this category we looked for CTs who offered a specific quality rating based on an independent test analysis (such as Germany’s Stiftung Warentest), rather than a quality review from a single editor or an average star rating from many end-users.

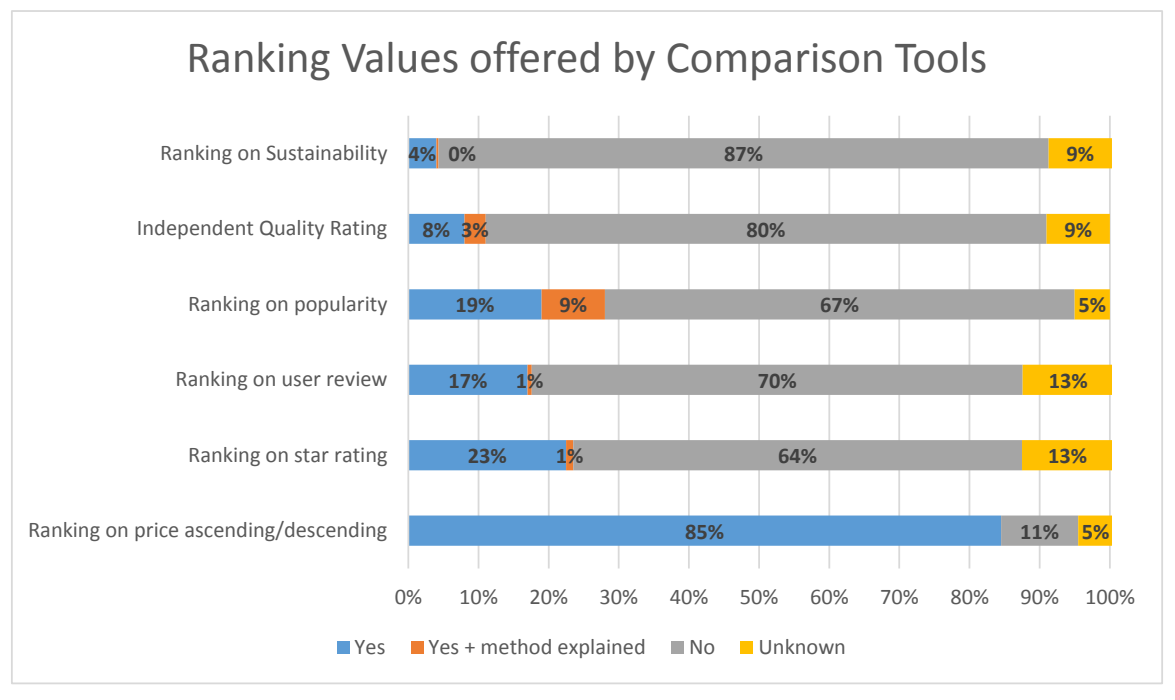
4.1.4 Ranking values given on comparison tools

The ranking values on Comparison Tools are overwhelmingly price-oriented, with 735 of the identified Comparison Tools relying on price comparison. Thereafter, popularity rating, star rating, user reviews, independent quality rating and sustainability appear in descending order. 206 Comparison Tools offered star ratings at one end of the spectrum, while only 41 Comparison Tools offered rankings on sustainability. While price is a straight forward value, other rankings are based on either calculation or user interaction (e.g. for reviews). However, in only a minimal number of cases is the method involved in the ranking actually disclosed. While star ratings are typically used as a filter in the Hotel and Travel category⁷⁷, often being explicitly linked to star rating of the hotel or resort, in other sectors it can be more ambiguous⁷⁸.

⁷⁷ Note: in one submission to the study it was stated by one industry association that in relation to ratings of hotels (hotel stars – the most frequent filtering option on hotels with 93% according to the study) the common European hotel classification system of Hotelstars Union (the official star classification in more and more European countries) is offering CTs (hotel booking or review sites) free of charge a daily exchange between CTs and the Hotelstars Union database, so that CTs can always have the latest updated information on the official rating of classified hotels in Europe.

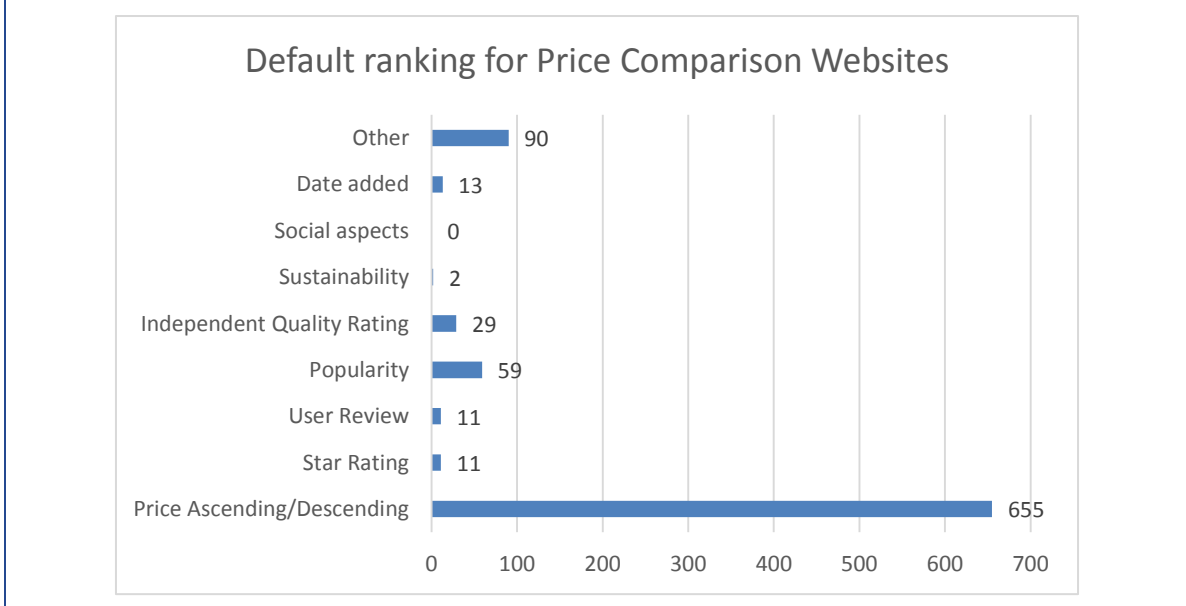
⁷⁸ For example, see European Commission, Study on Online Consumer Reviews in the Hotel Sector, 2014. In this report The website checking exercise showed that, only around 30% of websites included an ‘explanation’ of their scoring or rating system or described their ranking logic in detail (note that ‘explanation’ was used broadly here to cover all attempts to explain an approach to ranking ranging from more basic explanations (e.g. 1 = best, 5 = worst) to those that described the specific ranking/algorithms applied. This is consistent with the finding that only around 40% of websites had a FAQs page and 1 in 10 websites had a page explaining “how it works”

Figure 17: Comparison tool website breakdown ranking values



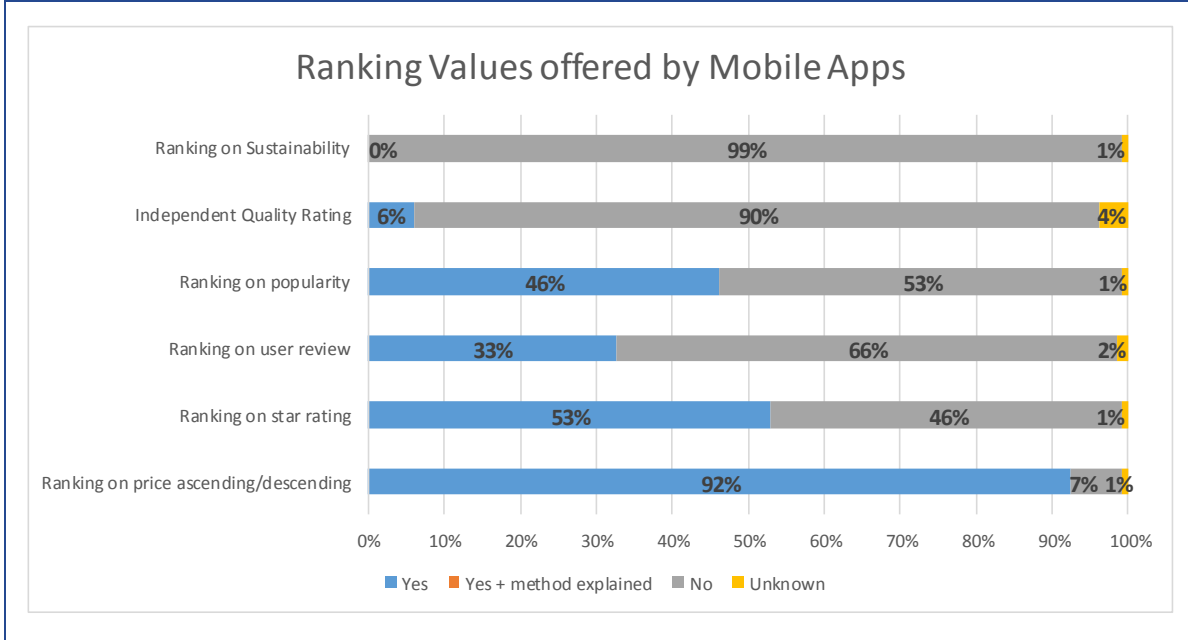
Default rankings follow the same pattern of reliance as displayed in ranking values. Price is predominant (and is in line with known consumer preference) followed by ‘Other’ (covering any other option not listed and could depend greatly on the product or services being displayed on the Comparison Tools, for example energy usage in the energy sector) and then popularity. However it should be noted that fewer than 100 Comparison Tools relied on a default ranking other than price.

Figure 18: Comparison toll website default rankings



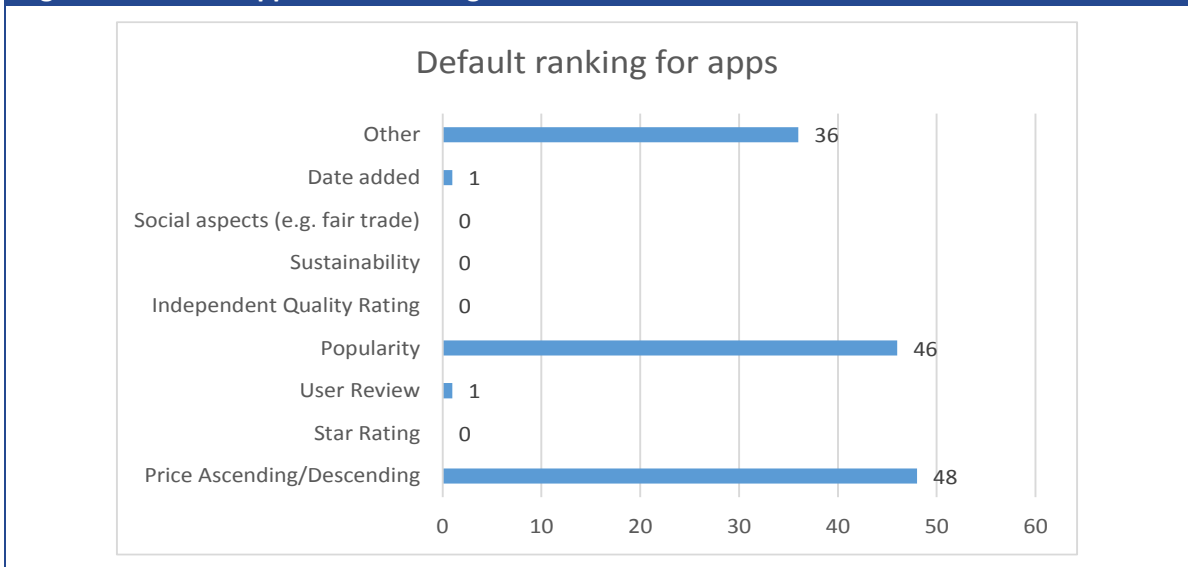
Ranking values offered by mobile applications mirror those of price comparison websites to a point; insofar as there is a heavy reliance on price ascending/descending. Thereafter the differences are more marked, with a higher proportion of apps offering rankings based on popularity, user review and star ratings. However, given the fact that many of the apps are focused on the Travel and Hotels sector, it seems that the ranking values are heavily influenced by the predominant sector.

Figure 19: Mobile Apps breakdown of ranking values



When it comes to default rankings for apps, there is a rough split between price, popularity and ‘other’ as default rankings with ‘date added’ and ‘user review’ minimally used. The category of ‘other’ could occur for values such as location, with CTs displaying immediate services in the user’s location (e.g. hotels in a main city).

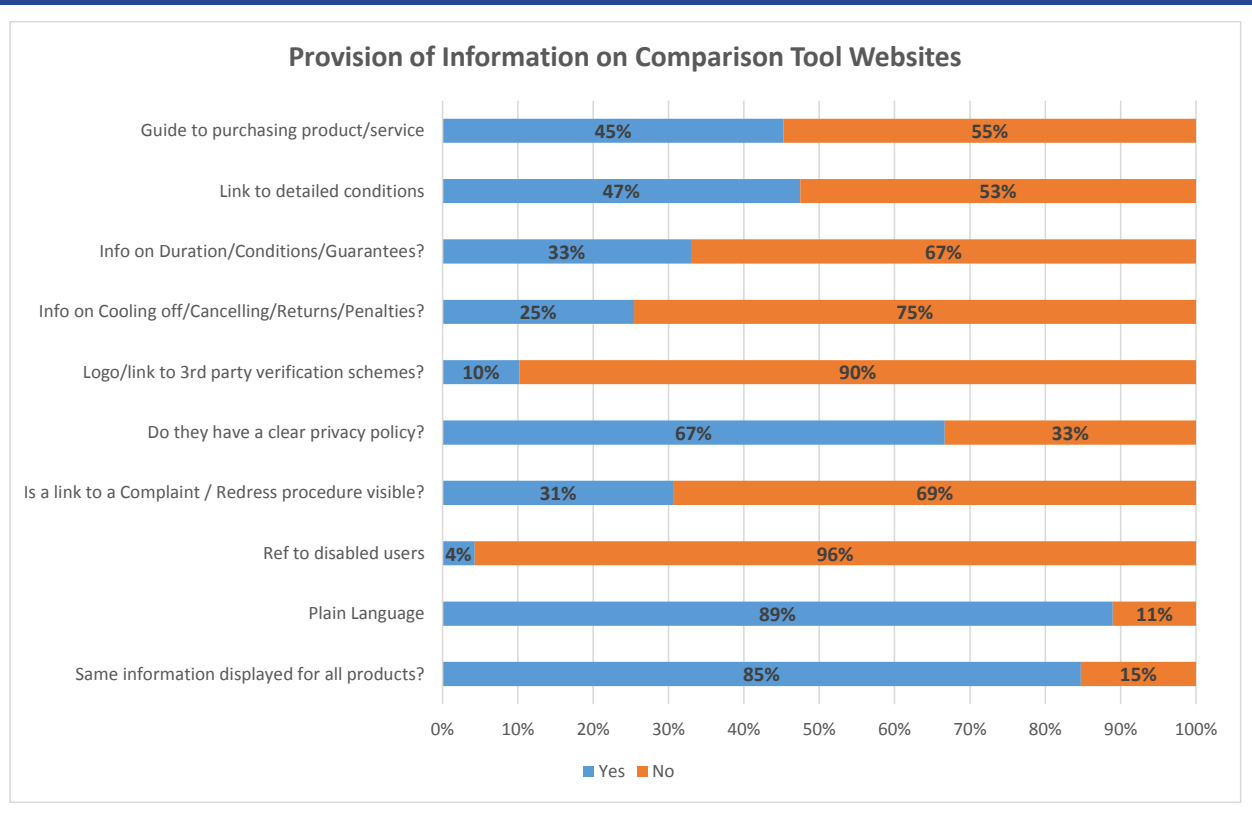
Figure 20: Mobile App default rankings



4.1.5 Important consumer information available on comparison tools

Regarding the provision and format of important consumer information, Comparison Tools are quite divergent. Format and communication appear to be well developed, with the vast majority of Comparison Tools displaying both the same information for all products as well as relying on plain language.

Figure 21: Provision of information on Comparison Websites

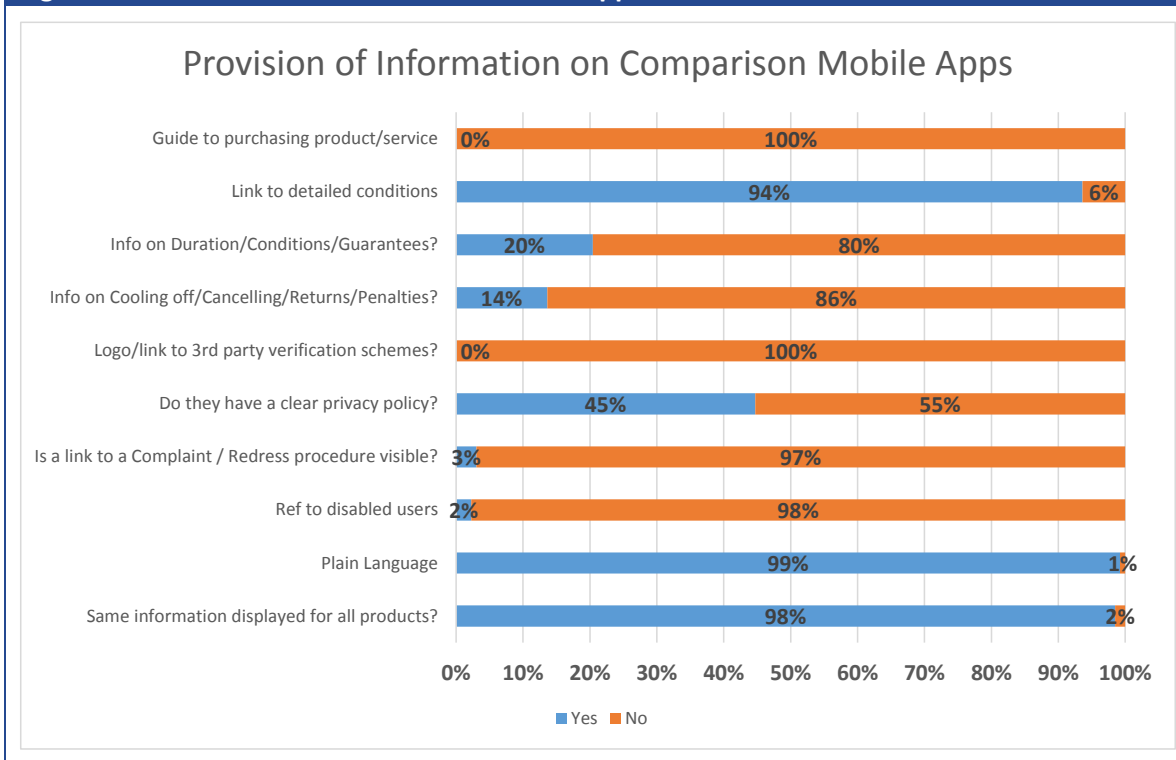


Somewhat behind was the provision of information on a clear privacy policy, which 580 (67%) of 870 comparison websites displayed. Thereafter the accessibility of information is poorer. While links to Third-Party Verification schemes are dependent on such schemes being in operation, other important consumer information covering conditions, guarantees, cancelling products and services and impartial guides to purchasing products are far below what would be expected. Less than half of the comparison websites displayed this information. We cannot rule out that this information is displayed to customers immediately prior to purchasing, or within another website which the Comparison Tool links to. However, it would be much more valuable to consumers to appraise themselves of the various conditions and consumer rights they enjoy prior to engaging in a transaction. The lowest scoring value of all related to disabled users, with only 37 price comparison websites of the 870 examined considering the needs of disabled user specifically.

The trends observed within comparison websites appear to be exacerbated within the mobile app environment. Almost without exception, mobile apps displayed the same information for all products and communicate via plain language. Links to detailed conditions are far more prevalent in apps than in websites, although privacy policies are significantly less clear. Thereafter mobile app Comparison Tools underperformed by contrast to website Comparison Tools, with links to

important consumer information covering conditions, guarantees, cancelling products and services and impartial guides to purchasing products represented in only 20% or less of the sample, and sometimes non-existent. Only three of 132 apps attempted to accommodate disabled users.

Figure 22: Provision of information on Mobile Apps

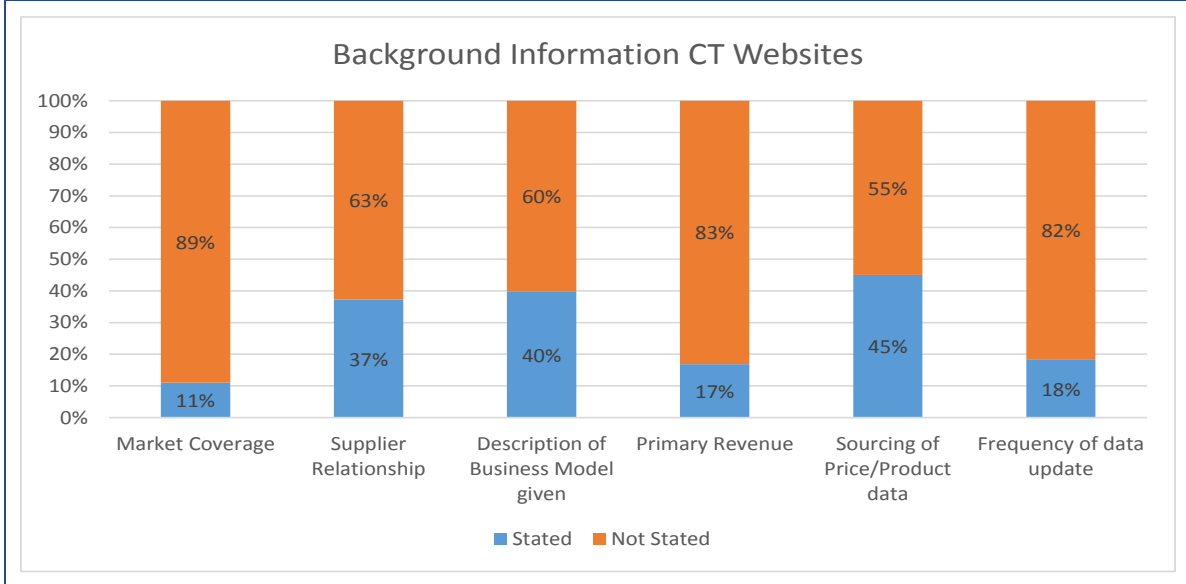


4.1.6 The great unknowns

In our investigation of Comparison Tool websites, we found that only a minority of websites were willing to be candid about their business model. Between 37% and 45% of websites were willing to disclose details on their supplier relationship, description of business model or the sourcing of their price and product data (e.g. whether from the supplier or gathered independently from web sources). Figures were much less when considering other aspects of commercial relationships. Only 12% to 18% of websites disclosed information on the market coverage they enjoyed, their primary revenue or the frequency by which their data was updated.

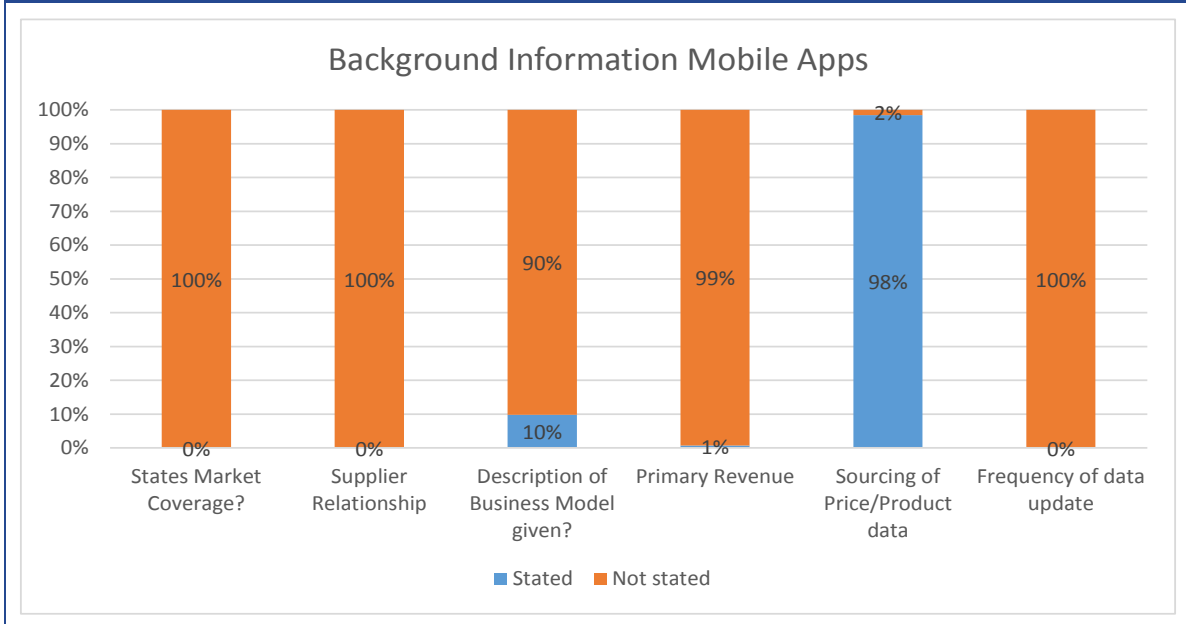
Regarding market coverage, in 870 price comparison websites, only 96 shared their market coverage, however, out of the 96, 82 stated that they covered greater than 75% of the market. By contrast, only 8 stated that they represented greater than 50% of the market while 6 CTs stated that they covered more than 25% of the market. The trend was for CTs to display market coverage only when they had high market coverage.

Figure 23: Background information on Comparison Tool Websites



Background information for Comparison Tool apps is even less well developed than is the case for CT websites. None of the identified apps displayed market coverage, supplier relationship details or frequency of data updates. Only 1 displayed details on the source of primary revenue.

Figure 24: Background information on Mobile Comparison Tools



When questioning CTs on market coverage during our consultation, the range of vendors represented in the CT varied widely. Some respondents indicated their CT business focused on a specific market, while others covered a wide range of goods and services. Comments from respondents revealed that the range of vendors covered by Comparison Tools operators ranged from as low as 5% to as high as 100% of total vendors in the market. However, given the very dramatic differences between market sectors (e.g. ranging from highly concentrated markets in

energy and communications to highly diverse cross-border markets in FMCG), it is not possible to discuss appropriate coverage for the CT sector as a single industry.

4.2 Further analysis of comparison tool revenue streams and sourcing of data

Various actors are currently engaging in the comparison of products and services: private entrepreneurs, business organisations, national public authorities – such as energy and telecommunications regulators – and consumer organisations. CTs are also becoming increasingly sophisticated, incorporating functions such as personalised search and user ratings and coupling comparisons with additional services, for example assisting consumers in switching from one service provider to another⁷⁹.

Comparison Tools are similar to traditional intermediaries in that they “facilitate” trade between online shoppers and retailers. However, what distinguishes a comparison site from a traditional intermediary is that the latter typically buys goods or services from upstream producers or sellers and re-sells them to consumers. Comparison Tools do not (generally speaking) trade goods, but add value by aggregating information. In that sense, Comparison Tools “are more similar to employment agencies and realtors, who also serve the purpose of establishing a bridge between the supply and the demand side of the market”⁸⁰.

Below we analyse further the revenue and data sourcing strategies of CTs.

4.2.1 Revenue streams

Business models vary across Comparison Tools, and there can often be multiple streams of revenue involved, such as listing fees, commission, advertising and data sales. Most Comparison Tools do not charge consumers for access to their sites and therefore the bulk of their products are obtained via commercial relationships with the vendors they list. They get paid via subscription fees, click-through fees, or commission fees. Some comparison sites list sellers at no cost and get their revenue from sponsored links or sponsored ads. A lesser used model is where some Comparison Tools charge consumers to obtain access to its information, while firms do not pay any fees⁸¹.

The most common business model is where users can access the comparison site for free, while sellers have to pay a fee. Initially, most comparison sites charged a flat fee for the right to be listed. Sellers may often be given the possibility to obtain priority positioning in the list after paying an extra fee (i.e. premium ranking)⁸².

More recently, this fee usually takes the form of a cost-per-click and is paid every time a consumer is referred to the seller's website from the comparison site (in one paper, Baye, Xiaxun and

⁷⁹ European Commission, Comparison Tools Report from the Multi-Stakeholder Dialogue Providing consumers with transparent and reliable information, Report presented at the European Consumer Summit 18-19 March 2013

⁸⁰ Moraga-Gonzalez, Wildenbeest, (2011), ‘Comparison Sites’, Working Papers, Indiana University, Kelley School of Business, Department of Business Economics and Public Policy and IESE Business School

⁸¹ Moraga-Gonzalez, Wildenbeest, (2011) ‘Comparison Sites’, Working Papers, Indiana University, Kelley School of Business, Department of Business Economics and Public Policy and IESE Business School

⁸² Moraga-Gonzalez, Wildenbeest, (2011), ‘Comparison Sites’, Working Papers, Indiana University, Kelley School of Business, Department of Business Economics and Public Policy and IESE Business School

Morgan (2011)⁸³ displayed how platforms could maximise profits by using click through fees exclusively in contrast to charging for combined advertising page impressions and clicks). Many Comparison Tools now rely on this model (for instance pricegrabber.com and shopping.com in the United States), with fees typically depending on product category. As an example, 2011 rates at the US Comparison Tool PriceGrabber.com ranged from \$0.25 per click for clothing to \$1.05 per click for plasma televisions⁸⁴. The range was similar in one European cost-per-click model. A 2013 presentation by one Comparison Tool market leader stated that merchants paid a fee of between €0.03 and €1.00 each time an internet user clicks on one of their products and is redirected.⁸⁵ When the Comparison Tool acts as a reseller or broker, a direct commission may be received. For example, in the United Kingdom one widely quoted study estimated that the UK population was paying over £650m per annum in commission to price comparison websites⁸⁶.

A second business model consists of offering product and price comparison services for free to both sellers and buyers and relies on advertising as a source of revenue. Both Google Shopping and Microsoft's Bing Shopping are examples of comparison sites that have adopted this type of business model (Bing Shopping was discontinued in 2013 in favour of a product search⁸⁷). Any seller can list products in these websites by uploading and maintaining a product data feed containing information about the product price, availability, shipping costs, etc.⁸⁸ Google already offers price comparison on a spectrum of products, including financial services products such as credit cards, and has been reported as intending to expand further into this market via an airfare comparison site according to one media report⁸⁹. Relying on a Spartan interface, Google also displays information relating to their business model at the base of a results page⁹⁰.

A third, although less common model is to have consumers pay a membership fee to access the comparison site, while sellers are listed for free. The US website AngiesList.com for instance aggregates consumer reviews about local service companies, which can be accessed by consumers for an annual membership fee between \$10 and \$50, depending on where the consumer lives.⁹¹ A similar model is prevalent in a number of EU member states, where a number of organisations (typically non-profit consumer groups) offer this service to subscribers. The model usually involves independent quality testing being undertaken by the organisation on specific products, with the results stored in directory or database which consumers can access for a fee. This is carried out

⁸³ Baye, M.R., Xiaxun, G., and Morgan J. (2011). "On the Optimality of Clickthrough Fees in Online Markets*." *The Economic Journal* Vol. 121 No. 556, pp.340-367.

⁸⁴ Moraga-Gonzalez, Wildenbeest, (2011), 'Comparison Sites', Working Papers, Indiana University, Kelley School of Business, Department of Business Economics and Public Policy and IESE Business School

⁸⁵ Presentation by one Comparison Tool operator to the European Commission, made available to the study 15th November 2013

⁸⁶ Saveitbuddy.com/Yougov Press Release, Price Comparison Websites Take Over GBP 650 Million in Commission Each Year From Consumers, 17 May 2011. The study was undertaken as part of the promotion of the Saveitbuddy.com price Comparison Tool. The figure was arrived at as follows: the average amount spent on price comparison websites is GBP 269.14, and the average commission (based on 24 per cent) is GBP 64.59. Saveitbuddy then looked at the percentage of people that have spent money through price comparison sites in the last year, which stood at 40 percent of those surveyed (783 people). This leaves 60 percent (1178 people), who do not use price comparison sites. The GB household population stands at 25.3 million - Saveitbuddy took this figure, and based it on the 40 per cent that have spent money through price comparison sites, which equated to 10.1 million, this was then multiplied by the commission amount of GBP 64.59 = GBP 652.5 million.

⁸⁷ Searchengineland, 'Bing Says Goodbye To Bing Shopping, Hello Product Search With Rich Captions & Product Ads', 23 August, 2013

⁸⁸ Moraga-Gonzalez, Wildenbeest, (2011), 'Comparison Sites', Working Papers, Indiana University, Kelley School of Business, Department of Business Economics and Public Policy and IESE Business School

⁸⁹ Irish Independent, O'Leary reveals Ryanair-Google plan to 'change how we buy tickets forever', 12 January 2014

⁹⁰ For example stating: "Google is compensated by some of these merchants. Payment is one of several factors used to rank these results. Tax and shipping costs are estimates." Reference given at base of page accessed on 20 February 2014 during search query on Google Shopping for a Playstation 4. URL reference <https://www.google.com/#q=playstation+4&tbm=shop>

⁹¹ Moraga-Gonzalez, Wildenbeest, (2011), 'Comparison Sites', Working Papers, Indiana University, Kelley School of Business, Department of Business Economics and Public Policy and IESE Business School

by at least six consumer organisations across the EU, and is not a new trend as such, but has in fact evolved from a paper based subscription service to a web enabled activity. Below are six examples:

- Test-Achat in Belgium⁹² who shows the result of comparative tests in their magazine and on their website based on quality/price. Consumers pay a subscription to review.
- The French consumers' protection organisation called "UFC-Que Choisir"⁹³ conducts comparative tests as well and show results for free on their website.
- The Spanish consumers' protection organisation called "OCU"⁹⁴ also runs comparative tests on behalf of consumers, and offer the results via their website to consumers who pay a fee to subscribe.
- Germany's Stiftung Warentest receives money from membership and magazine subscriptions⁹⁵
- In the Netherlands Consumentenbond also receives money from membership and magazine subscriptions.⁹⁶
- The UK's Which? consumer organisation runs comparative tests for consumers which can be accessed for a subscription or single fee⁹⁷.

Another source of revenue is the sale of data on consumer habits or preferences, for example as carried out by Independer.nl in the Netherlands which sells market research about consumers' financial product needs⁹⁸ as does the UK's Moneysupermarket, which also provides a free tracking solution which allows merchants to follow up on a result of their campaigns⁹⁹. The sale of consumer data in the form of sales leads (i.e. information on consumers who may be on the verge of making a purchase) is also a form of revenue for some Comparison Tool operators¹⁰⁰. However, this appears to be ancillary revenue in most cases.

Multi-trader models also deserve a mention as they differ in nature from other Comparison Tools insofar as the price comparison function may not be the main objective of their business model, or may not have been the original objective. e-commerce ventures which were originally (and often remain) vendors in their own right (such as Amazon) or were designed as online marketplaces for second-hand goods (eBay as well as national equivalents such as Ireland's adverts.ie) are prime examples of multi-trader platforms whose design offers important price comparison functionality for consumers.

The study attempted to learn during both mapping and consultation activities the actual reliance on different revenue streams with the CT sector. Similar ratios of responses were discovered.

⁹² See <http://www.test-achats.be/informations/association>

⁹³ See <http://www.quechoisir.org/>

⁹⁴ See <http://www.ocu.org>

⁹⁵ Forrester, Europe's Financial Comparison Site Jungle: A Diverse Range Of Sites Are Battling To Control Online Product Distribution, September 4, 2008

⁹⁶ Forrester, Europe's Financial Comparison Site Jungle: A Diverse Range Of Sites Are Battling To Control Online Product Distribution, September 4, 2008

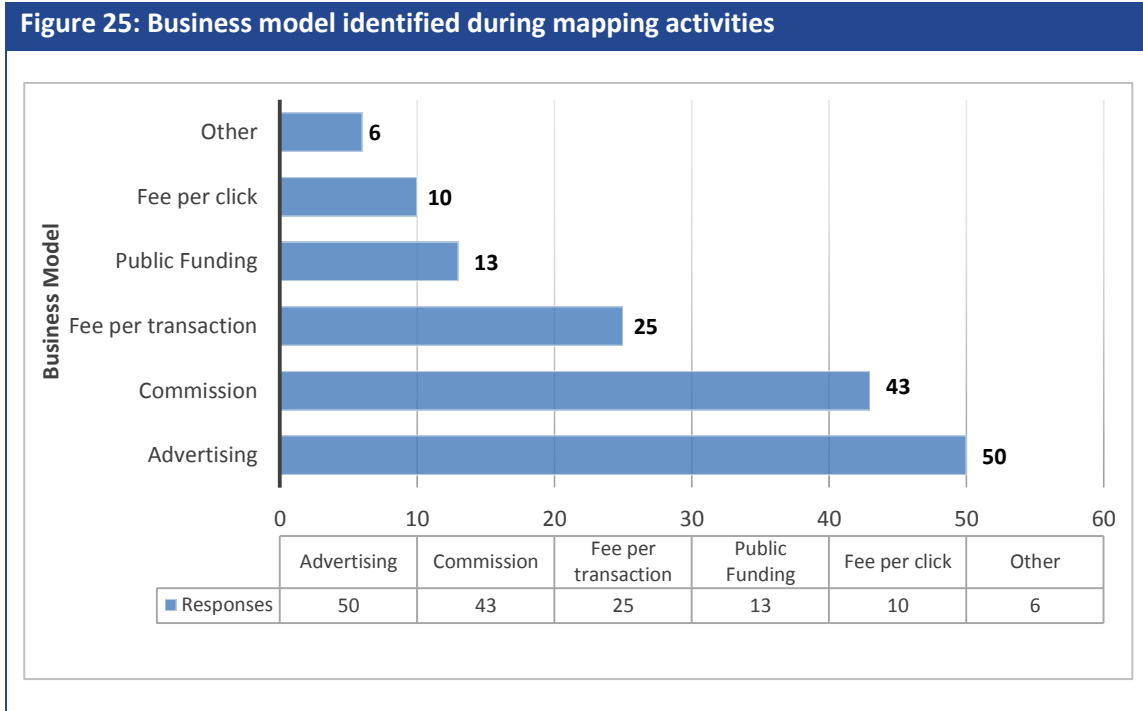
⁹⁷ For example, see <http://www.which.co.uk/energy/saving-money/#?intcmp=GNH.Reviews.Energy.Saving-Money>

⁹⁸ Forrester, Europe's Financial Comparison Site Jungle: A Diverse Range Of Sites Are Battling To Control Online Product Distribution, September 4, 2008

⁹⁹ MoneySupermarket.com Group PLC, Annual Report 2012

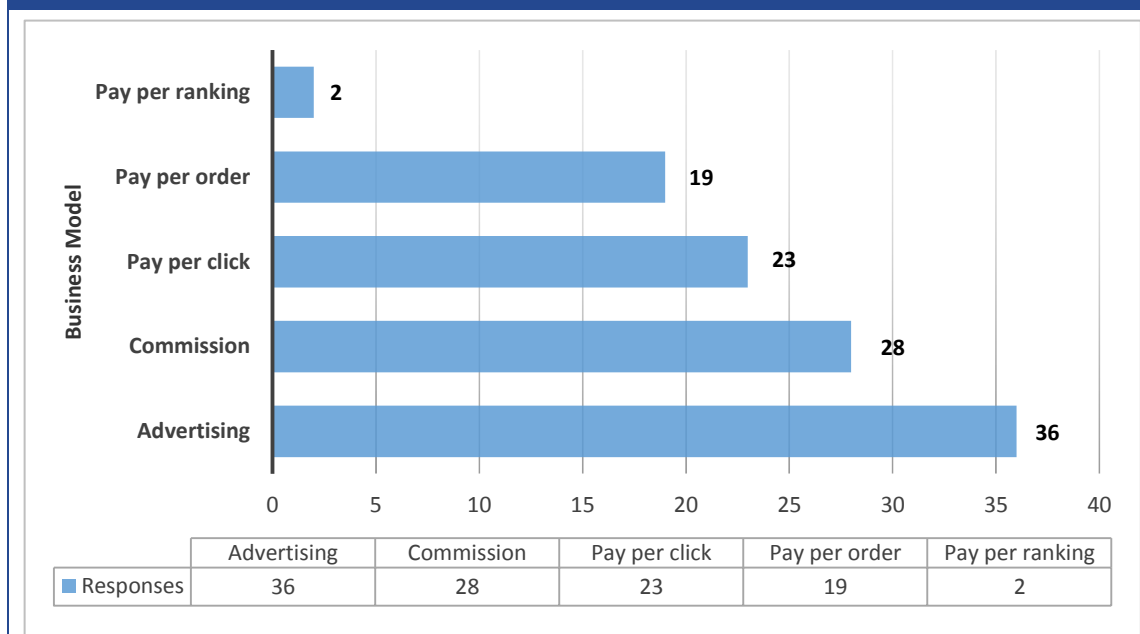
¹⁰⁰ MoneySupermarket.com Group PLC, Annual Report 2012

Although the revenue for a full 723 comparison tools could not be determined by researchers due to lack of information on the CT website (see section 4.1.9 regarding information provision by CTs), during the mapping of CTs it was found that sales commission and advertising were the top 2 sources of revenue.



During our consultation we established that multiple revenue streams are often in place, with CT operators combining revenues from many functionally different services. The most prevalent revenue stream was advertising, with 64% of Comparison Tools websites adopting this model, followed by commission, on which 54% of Comparison Tools relied upon. One CT operator stated their website earned 70% from using Google AdSense while 5% of revenue came from advertising on Facebook, with other income streams coming from commission.

Figure 26: Business model identified during the consultation (N= 52)



Unusually, ancillary revenues covered many services which might have been believed to have been the primary revenue source – these included switch orders, pay-per-click, pay-per-order, subscription as well as the selling of data. The latter included the selling of financial product data and merchant referral commissions.

We noted that the majority of CT operators (77%) who responded to the consultation do not offer paid-for premium ranking. CT operators (sixteen of sixty-six) who do offer paid-for premium ranking reported that they do indicate clearly that the ranking was paid. When CT operators were asked if they share their information with specific suppliers to boost rankings, forty-eight out of sixty-five operators indicated they do not share information with suppliers.

Of the seventeen respondents who said they shared their information with suppliers, a few respondents provided explanations as to why they shared. One Comparison Tools operator remarked that their CT operation “shares feedback from customers with suppliers.” A fellow CT operator mentioned that their CT shares studies of subscription rates with suppliers. A third stated, “The target is to improve the process and product/service of vendors. Important: a change in ranking is not a direct consequence of this information exchange. However if the product is improved in such a manner that the features relevant for ranking change (e.g. lower price, more service...) - the ranking also changes.”

4.2.2 Sourcing of data

A major aspect of Comparison Tool business models is the method by which they aggregate data to begin with. The product data for these comparison engines come from a variety of sources. Sometimes this data is gathered from individual product providers, often by small information companies that were originally set up to provide either the providers themselves or product brokers with comparative information¹⁰¹. Many Comparison Tool operators have contractual

¹⁰¹ Forrester, Europe's Financial Comparison Site Jungle: A Diverse Range Of Sites Are Battling To Control Online Product Distribution, September 4, 2008

relationships with suppliers (e.g. airlines, travel agents, financial services firms etc.) to provide the comprehensive information needed to power their services. Other Comparison Tool operators, however, utilize technologies that allow them to access to this information without any contractual relationship or agreement between the parties. This technology goes by many names, including “bots” (short for robots), “intelligent agents,” “smart software,” “web crawlers” or “screen scrapers.”¹⁰² These programs “operate across the Internet to perform searching, copying and retrieving functions on the websites of others.”¹⁰³ The aim of these programs is to gain access to, and copy information from, vendors’ inventory and pricing or users’ account information and return that information to their own database¹⁰⁴. Screen-scraping has been described as a ‘big breakthrough’ for comparison sites as it allowed comparison sites to aggregate prices from providers’ Web sites with or without their cooperation¹⁰⁵. It has also been stated that this technology ‘has a great potential to empower online shoppers by helping them locate the best deals on the Internet’.¹⁰⁶

According to our consultation, many CT operators use multiple streams of data gathering. 77% of responding CT operators obtain their product/service data through a live feed from vendors. 56% of responding CTs stated that their data came from human research, while another 36% of respondents sourced their data from web scraping of sites. On average, the majority of Comparison Tools operators update their data sources more than daily (51%), while a minority update their data daily (29%) or less than daily (20%).

¹⁰² Ian Ballon, ‘Bots, Screen Scraping, Content Aggregation and the Evolving Doctrine of Database Trespass,’ *The Cyberspace Lawyer*, May 2001

¹⁰³ Middlebrook S. & Muller, J. (2000) ‘Thoughts on Bots: The Emerging Law of Electronic Agents’, *Business Lawyer*, Vol.56, No. 341, p.362

¹⁰⁴ Smith, M.D. (2002) ‘The Impact of Shopbots on Electronic Markets’, *Journal of the Academy of Marketing Science*, Vol. 30, No.4, pp. 446-454.

¹⁰⁵ Forrester, Europe’s Financial Comparison Site Jungle: A Diverse Range Of Sites Are Battling To Control Online Product Distribution, September 4, 2008

¹⁰⁶ Sadeddin, K.W., Serenko, A. and Hayes, J. (2007) Online shopping bots for electronic commerce: The comparison of functionality and performance, *International Journal of Electronic Business*, Volume 5, Number 6, pp. 576-589

Below we display some of the comments made by respondents in relation to the data gathering activities.

Table 18: Data gathering methods described by CT operators

<i>Source</i>	<i>Method</i>
Vendor	<ul style="list-style-type: none"> • “Vendors send to us e-mails with new products and tariff plans, and we manually put them in our standardised database.” • “Data on particular product is to be provided by vendor through web-based interface (access is authorized to registered users only) - data should be provided by vendors before particular product enters the market (date of validity) or in advance according to obligations in legislation - the confirmation procedure is applied.” • “Majority of the vendors are sending via email details of the products (new products or when a modification appears in current product's details). The data gets inserted in the database and uploaded on the site.”
Web search	<ul style="list-style-type: none"> • “We gather by XML on a 24-hour basis and via web crawler on a 72-hour basis.” • “Data is gathered via an extranet or via a live XML feed from suppliers.” • “We mainly gather information manually, from financial institutions' websites.” • “Web/screen scraping happens up to 4 times per hour between 7 and 11pm. Quotes that are not screen scraped are either entered by suppliers when they change or updated on average 3 or 4 times per day.” • “Daily automated software collection of data changes complemented by human verification.” • “Daily scraping of vendor websites Daily scraping of our concurrent websites Human research all the time”
Others	<ul style="list-style-type: none"> • “Combination of web service that is live and human research which is done every day.” • “Weekly updates: from the bank's websites and/or asking directly for updates from contact persons, call centres and branches.” • “We download csv-files from our customers. Most of them more than 2-3 times a day. Then we process this data collection to build a price comparison. We host a manually created Category-tree and we create Products manually with bot-support. To match the offers from our Shops we use algorithms and do this automatically.”

4.2.3 Summary

Based on our mapping of the Comparison Tool sector, we concluded the following in relation to the nature and dynamic of the sector:

The industry sector has a definite impact on the business model and nature of the Comparison Tool

As discussed, certain sectors such as Hotels and Travel are predominantly stand-alone sectors. This means they have little crossover with other industry sectors. We believe this is due to the fact that this sector involves sufficient profitability due to the outlay involved by consumers. In this sector, there is less advantage for CT operators to attempt to introduce new products and services (other than complimentary items such as travel insurance) to consumers. In fact, by doing so, consumers may even be distracted and directed away from the Comparison Tool. By contrast, and as discussed previously, many FMCG and Electronic Goods may have lower overall purchase values, and therefore it is more important for the consumers to be exposed to multiple buying opportunities.

Website Comparison Tools may continue to be the favourite for more impactful/complex purchasing decisions (bill switching, utilities, etc.)

While mobile users use apps and mobile internet/email for browsing and keeping up-to-date with communications and information, they do not tend to use mobile devices for intensive or involved work. Desktop computers and laptops remain the ‘workhorse’ for such activity¹⁰⁷. Based on these trends, plus the low occurrence of apps relating to complex products (e.g. energy and financial services products), we believe that consumer decision making relating to complex products is likely to be done via a website and computer rather than via an app and mobile device. This is due to the ability of the consumer to more comfortably enter data such as name, address, age as well as more specific information such as medical conditions relating to a life insurance application for example. Additionally, consumers can more easily conduct research via computers based on larger screens, the ability to have multiple browser windows open, and ease of typing search strings. However, this does not rule out the possibility of mobile apps becoming more sophisticated and/or better integrated with existing consumer habits.

Apps appear in some respect to favour immediacy, single-use consumption and one-off purchases

The apps within our sample tended heavily towards Travel and Hotels and FMCG. Of the small number of apps focussed on energy, this related to car fuel and not utilities such as gas and electricity. Each of these areas refer to services and products which can be used on a fairly frequent basis (Travel and Hotels would be frequently used by commercial travellers) and refer to a single, closed transaction with no further commitments on behalf of the consumer. We interpret this as being in line with relative simplicity of the consumer transaction in terms of information to be shared, the ease of comparability for the services and products involved and potentially the consumer’s prior knowledge of the service or product, ranging from a commoditised product such as petrol (price is the major differentiator) through to the expectations of quality in a 3 star hotel room. Furthermore, should expectations not be met, the consumer can easily change provider in the next similar transaction (a different petrol station or different hotel), and therefore the risk and associated investment of time in the transaction, is lower. Apps can be used by consumers immediately and conveniently for these transactions.

There is a lot of scope for improvement in some basic areas of information provision

Provision of information is an area which could be improved on by Comparison Tools. Many areas of important consumer information are either not displayed, or are not readily accessible (i.e. could not be found after a search of intuitive areas of the website). Similarly the background to the operations and business model of the Comparison Tools are also shared only by a minority of websites. In certain cases this may be due to the relationship the Comparison Tool has with suppliers, for example the Comparison Tool may act as an intermediary but is not the vendor, and the actual terms and conditions of purchase are offered from the vendor’s website. There may also be commercial considerations involved – for example we found clear evidence that CTs were much more likely to share information on their market coverage when the market coverage was high. A Comparison Tool operation may fear to display a low coverage rate if the operators believe that consumers would infer that a low coverage rate may mean (incorrectly) that the Comparison Tool will not have the lowest prices. However, not all Comparison Tools may be able to share similar information. When the market is highly concentrated, such as in utilities, it is easy

¹⁰⁷ See for example: PwC, Study on reduction of the number of desktops in the EMAS context and impact of introducing tablet technology in the European Parliament, 2013

to determine market coverage. However, when the market is commoditised and has a lot of cross border activity (for example, in the sales of FMCG or electronic products) it may be impractical or even impossible to state market coverage with any confidence. For a multi-trader platform the difficulties would be even greater. In the main, however, most of the relevant consumer and CT background information can easily be displayed in an intuitive area of the website.

The shortcomings of the website CTs are (mostly) exacerbated in the mobile app environment

The app environment is relatively new, and the smaller size of the screens involved apparently promotes an economic approach to information sharing. This has resulted in a decrease of consumer information available to consumers, while at the same time presenting them with more immediacy. This may change naturally as the app market continues to develop and mature. However, even lengthy documents can be read on mobile devices, and therefore there is no technological barrier to providing more information through an app. In addition to this point, much of the information on the background of, for example, a Comparison Tool's business model or supplier relationship is not text heavy. Comparison Tool apps should therefore strive to come in line with the standards of Comparison Tool websites whenever possible, bearing mind that Comparison Tool website should also improve on their information provision.

4.3 Mapping and evaluation of comparison tool third-party verification schemes

When mapping and evaluating CT Third-Party Verification schemes, we deliberately focussed on schemes which were *specific to Comparison Tools*. We did not map or evaluate Third-Party Verification schemes which are intended for the broader e-commerce market as this would have been too broad to include in our study, and also due to the fact that alternative research has covered this area previously (see below). Instead we sought to understand the dynamic and principles underlying CT Third-Party Verification, and how these may relate to future policies in the sector.

4.3.1 Trustmarks for e-commerce websites

Trustmarks have to-date been one of the most relied upon methods of Third-Party Verification in e-commerce as they display which vendors comply with a code as well as providing awareness of the code visually. Trustmarks aim to assure consumers that a particular site or online seller has been validated by a trustmark provider and found to be safe to use.

According to Eurobarometer, a lack of trust in the safety of internet transactions was the third most important reason for consumers not to engage in online transactions, with a 2009 survey indicating that 42% of respondents did not have confidence in these transactions¹⁰⁸. Trustmarks and 'web-seals' have been used from the late nineties to attempt to assuage consumer fears and give confidence to the online environment as a viable consumer marketplace¹⁰⁹. In this context, trustmarks offered a quality certification system and were used to foster a consumer's trust in the merchant's behaviour — particularly with respect to security, privacy, and general commercial practices. To date, a wide variety of online trustmarks related to e-commerce exist. Most are national schemes and not well-known by consumers from other EU countries. They vary in scope,

¹⁰⁸ Eurobarometer, Confidence in the Information Society Analytical Report, May 2009,

¹⁰⁹ European Commission, EU online Trustmarks, Building Digital Confidence in Europe, Interim Report 1: Barriers to e-commerce and Trustmarks Inventory, 18 December 2012

business model, quality and enforcement. Web shops and online service providers that wanted to place the trustmark on their website, would typically subscribe to the code of conduct of the trustmark organisation and undergo an audit by the trustmark organisation to guarantee compliance. Trustmarks have therefore become the hallmark of self-regulation schemes¹¹⁰. Two macro-categories have been identified: the ‘single issue’ trustmarks (presented by the privacy trustmark, or the technically oriented trustmarks), and the traditional ‘all-round’ trustmarks. The latter is divided into six categories with various levels in complexity of the certification process and with various service propositions to online shop customers¹¹¹.

Despite this, it has been stated that, although they have been around for quite some time, trustmarks have ‘never really taken off’¹¹². According to a 2006 study¹¹³, some EU Member States did not have any trustmark at all. Also, relatively very few web traders belong to a trustmark organisation — for example, in the UK and Germany less than 10% of web shops have applied for a trustmark. A 2012 study by the European Commission¹¹⁴ confirmed the relatively low distribution of trustmarks, with 29 EU trustmarks identified, but with 25 of these marks associated with one country.

The remaining four trustmarks operated across border, of which two merged. The study also concluded that the operating schemes and the trust features of trustmark services ‘are extremely diverse’¹¹⁵.

¹¹⁰ European Commission, EU online Trustmarks, Building Digital Confidence in Europe, Interim Report 1: Barriers to e-commerce and Trustmarks Inventory, 18 December 2012

¹¹¹ European Commission, Commission Staff Working Document. Report on cross-border e-commerce in the EU. Brussels; 5.3.2009 SEC(2009) 283 final

¹¹² European Commission, EU online Trustmarks, Building Digital Confidence in Europe, Interim Report 1: Barriers to e-commerce and Trustmarks Inventory, 18 December 2012

¹¹³ See, for example, TRZASKOWSKI, E-commerce Trustmarks in Europe – an overview and comparison of Trustmarks in the European Union, Iceland and Norway, January 2006

¹¹⁴ EU online Trustmarks, Building Digital Confidence in Europe, TNO/Intrasoft, 2012

¹¹⁵ EU online Trustmarks, Building Digital Confidence in Europe, TNO/Intrasoft, 2012

Table 19: European trustmarks¹¹⁶

Active in more than 10 countries	Active in 2-10 <u>European</u> Countries	Domestic Trustmarks
1. TrustedShops (DE) – merged with ISIS UK	1. EHI Geprüfter Online Shop (Eurolabel)(DE)	1. Sicher einkaufen (AU)
2. SafeBuy (UK)	2. Güte Zeichen (Euro-label) (AU)	2. APEK (CZ)
3. EuroPrise (DE)	3. TÜV Süd (DE)	3. SOAP (CZ)
4. Segala (IE)	4. Qshops keurmerk (NL)	4. Thuiswinkel Waarborg (NL)
	5. ISIS (UK) – merged with TrustedShops	5. Webshop Keurmerk (NL)
	6. Safe2Shop (NL)	6. mkbOK (NL)
		7. Trusted.ro (RO)
		8. InfoCons (RO)
		9. Confianza Online (ES)
		10. Confianza Online (POR)
		11. Euro-label (POL)
		12. E-Mark (DK)
		13. Certifierad E-handel (SE)
		14. Trygg e-handel (SE)
		15. Trygg e-handel (NO)
		16. Be-commerce (BE)
		17. eShops (LT)
		18. eShops (MT)
		19. VSV-Garantie (CH)
		20. Fia-net (FR)
		21. Fevad (FR)

There is also evidence suggesting that trustmarks have difficulties in achieving brand recognition by consumers and in becoming commercially viable and sustainable operations¹¹⁷. As a result, there is a very low awareness of trustmarks, with only 10% of EU consumers claiming to have heard of them according to a 2007 report¹¹⁸. Moreover, some trustmark organisations have not actually proven to be trustworthy as they failed to react to breaches of the applicable codes. In some of these cases the trustmarks remained on the breaching merchant's website at the time the violations occurred and remained there after the wrongful act was discovered¹¹⁹. Despite these rather uninspiring findings, there is evidence that consumers do value the concept of a trust mark. For example in one study conducted, consumers were very positive about voluntary accreditation schemes for price comparison websites, but their awareness levels and the genuine importance they attach to whether a site belongs to one, were very limited¹²⁰.

¹¹⁶ EU online Trustmarks, Building Digital Confidence in Europe, TNO/Intrasoft, 2012

¹¹⁷ R. DE BRUIN et al, Analysis and definition of common characteristics of trustmarks and web seals in the European Union - final report, February 2005

¹¹⁸ European Parliament, Consumer Confidence in the Digital Environment Briefing Note, DG internal policies of the union, Policy Department Economic and Scientific Policy, 2007

¹¹⁹ European Parliament, Consumer Confidence in the Digital Environment Briefing Note, DG internal policies of the union, Policy Department Economic and Scientific Policy,

¹²⁰ Price comparison websites: consumer perceptions and experiences, Findings from qualitative and quantitative research, 4 July 2013

The workshop on ‘trust and confidence in the internal market’ organized in June 2011¹²¹ identified four main problems with trustmarks in Europe:

- There are too many,
- They are poorly regulated,
- They vary in quality, enforcement and credibility and
- They are national.

The wide variety of trustmarks has led to a fragmented provision of trustmarks which in turn reduces the recognition and significance of the existing ones. The workshop concluded that there was a need for EU level involvement in the co-regulation of trustmarks between EU, national authorities and trustmark suppliers. The creation of some kind of accreditation model was widely supported and the easiest way envisaged was to build on the existing models by defining minimum criteria¹²². A 2012 study on EU trustmarks¹²³ reported that stakeholders to the trustmark study agreed that, as policy options, both ‘doing nothing’ and ‘setting-up a pan-European trustmark’ were too extreme. The most widely accepted approach was to develop a self-regulatory scheme and then develop it into a European Commission-backed scheme¹²⁴.

Currently, the European Multi-Channel and Online Trade Association (EMOTA¹²⁵) is coordinating a European trustmark scheme based on a co-branding model which is intended to sit alongside known national trustmarks with harmonised accreditation criteria which includes:

- A code of conduct with a high level of consumer protection
- A comprehensive accreditation process
- Continuous monitoring of trader’s compliance
- ADR Schemes
- Enforcement and sanctions

Part of the EMOTA strategy involves leveraging off existing institutions and frameworks, such as cooperation on cross-border dispute resolution between merchants and consumers via the European Consumer Centre’s Network (ECC-net) as well as checking national trustmarks against EU level criteria.

4.3.2 Sector and national initiatives to create third-party verification for comparison tools

Sector and national initiatives to create Third-Party Verification of Comparison Tools have not been widespread across Europe. However, two countries in particular have led in this regard, being the United Kingdom and France.

In the United Kingdom for some sectors there is an accreditation scheme for price comparison websites (for example such as those offered by Ofgem, Ofcom, National Rail – see below).¹²⁶

¹²¹ European Commission, Digital Agenda Assembly, Brussels 16-17 June 2011, Report from workshop 14. Building confidence for the digital single market

¹²² European Commission, Digital Agenda Assembly, Brussels 16-17 June 2011, Report from workshop 14. Building confidence for the digital single market

¹²³ European Commission, EU online Trustmarks, Building Digital Confidence in Europe, Interim Report 2: Trustmark Clusters, Stakeholder Evaluation and Policy Options, 18.12.2012

¹²⁴ European Commission, EU online Trustmarks, Building Digital Confidence in Europe, Interim Report 2: Trustmark Clusters, Stakeholder Evaluation and Policy Options, 18.12.2012

¹²⁵ www.emota.eu

Additionally, in 2010 the Association of British Insurers (ABI) launched a guide to good practice for insurance price comparison sites.

In July 2011 the Financial Services Authority (FSA) warned price comparison websites covering insurance markets that, where they provide more than introductions to insurers, they must provide details about their relationship with the insurers, whether they have a financial interest and the procedure for complaints.¹²⁷ In October 2011 the FSA published guidance on the sales of insurance policies through price comparison websites¹²⁸ which covered the technical and legal aspects of insurance intermediation within this distribution channel.

In France the national trade association of e-commerce and distance selling, FEVAD, has developed its own code of conduct for comparison websites¹²⁹. FEVAD represents e-commerce and distance selling actors independently of the sector and communication method used and the organisation represents more than 370 companies and 600 websites¹³⁰.

FEVADs code of conduct for comparison websites¹³¹ was drafted together with the leading French comparison websites and endorsed by the French government. It contains provisions on the transparency and relevance of information provided by Comparison Tools (CTs) to internet users as well as on the relationships between shopping websites and CTs. FEVAD has also set up a Trustmark Committee and a Trustmark Commission tasked to further update the Code and oversee the use of the trustmark and Internet users can complain to FEVAD or to the Trustmark Commission for any breach of the Code provisions¹³².

Also relevant to the CT sector are commercial products related to verification of consumer reviews, as many CTs utilise consumer reviews in order to provide qualitative feedback to buyers. In France, Afnor¹³³ (the French Association for Standardisation) has pioneered an industry standard for online consumer reviews¹³⁴. Responding to concerns regarding the abuse of user reviews in order to falsely influence an organisation's reputation for competitive advantage, Afnor's standard is based on three steps of the review process: Collection, where the reviews must be obtained in an objective and verifiable way; Moderation, where content is checked for compliance with French legislation and with the site's General Terms of Use regarding publishing, rejecting or removing content; and Display, where consumer reviews are displayed after their collection and moderation.

Another private sector initiative similarly intended to combat false user reviews is the Trustpilot service¹³⁵. Unlike the Afnor approach whereby the CT moderates published reviews, Trustpilot takes a different approach and solicits reviews from genuine consumers. This takes place based on a client company contracting Trustpilot to contact customers based on a database of the customer's names, emails and order IDs. Trustpilot then contacts the customers and solicits a

¹²⁶ Comparing comparison sites, Price comparison website mystery shopping report for Consumer Focus by eDigitalResearch, 2012

¹²⁷ Comparing comparison sites, Price comparison website mystery shopping report for Consumer Focus by eDigitalResearch, 2012

¹²⁸ Comparing comparison sites, Price comparison website mystery shopping report for Consumer Focus by eDigitalResearch, 2012

¹²⁹ Code of Conduct for comparison websites : <http://www.fevad.com/reglementation/charte-des-sites-comparateurs#topContent>

¹³⁰ www.fevad.com

¹³¹ Code of Conduct for comparison websites : <http://www.fevad.com/reglementation/charte-des-sites-comparateurs#topContent>

¹³² European Commission, Comparison Tools Report from the Multi-Stakeholder Dialogue Providing consumers with transparent and reliable information, Report presented at the European Consumer Summit 18-19 March 2013

¹³³ www.afnor.org

¹³⁴ AFNOR NF Z74-501 - Online Consumer Reviews, Principles and requirements for collection, moderation & display, Presentation to DG SANCO – Brussels, February 5th

¹³⁵ Please see <http://business.trustpilot.com/product/collect> for a description of the service.

review of the recent purchase experience, which are in turn published on behalf of the company which has contracted Trustpilot. Trustpilot can also publish the reviews or review data in other areas of the internet, including on Google search rankings based on an agreement with Google.

While solutions preserving the integrity of user reviews are clearly of tremendous importance to the CT sector, neither the Afnor standard nor Trustpilot are intended solely for Comparison Tools, but in fact for all e-commerce ventures. For this reason they are not included in the mapping of Third-Party Verification schemes for Comparison Tools.

4.3.3 European initiatives to create third-party verification of comparison tools

A number of consultations on best practices have been carried out in the area of Comparison Tools, such as those by the European level Council for European Energy Regulators (CEER) as well as the Report from the Multi-Stakeholder Dialogue on Comparison Tools.

CEER present 14 recommendations¹³⁶ for Comparison Tools which cover the following themes:

- Independence: Comparison Tools in the energy sector should be independent from energy supply companies (1), National Regulatory Authorities (NRAs) should maintain a role by assisting self-regulation, establishing accreditation/regulation or by creating Comparison Tools (2).
- Transparency: Comparison Tools should disclose the way they operate, their funding and their owners/shareholders (3).
- Exhaustiveness: All prices and products available for the totality of customers should be shown as a first step. If not possible, the Comparison Tool should clearly state this before showing results. After the initial search, the option to filter results should be offered to the customer (4)
- Clarity and Comprehensibility: Costs should always be presented in a way that is clearly understood by the majority of customers, such as total cost on a yearly basis or unit kWh-price including amount and duration of discounts and whether prices are an estimation based on historic or estimated consumption (5). Fundamental characteristics of all products, for example fixed price products, floating price products or regulated end user prices, should be presented on the first page of the result screen. This differentiation should be easily visible to the customer. Explanations of the different types of offers should be available to help the customer understand their options (6). The price Comparison Tool should offer information on additional products and services, if the customer wishes to use that information to help choose the best offer for them (7).
- Correctness and Accuracy: Price information used in the comparison should be updated as often as necessary to correctly reflect prices available on the market (8).
- User Friendliness: The user should be offered help through default consumption patterns or, preferably, a tool that calculates the approximate consumption, based on the amount of the last bill or on the basis of other information available to the user (9).

¹³⁶ Council of European Energy Regulators (CEER), Guidelines of Good Practice on Price Comparison Tools, Ref: C12-CEM-54-03, 10 July 2012

- **Accessibility:** To ensure an inclusive service at least one additional communication channel (other than the Internet) for getting a price comparison should be provided free of charge or at minimal cost (10). Online Comparison Tools should be implemented in line with the Web Accessibility Guidelines (WCAG) and should ensure that there are no barriers to overcome to access the comparison (11).
- **Customer Empowerment:** Where the Comparison Tool is run by an NRA/public body they should promote the service to customers. Where the NRA/public body is regulating/ accrediting/actively monitoring privately run Comparison Tools they should consider establishing a marker or logo (12). Comparison Tool providers should provide background information on market functioning and market issues if the customer wants this information or provide links to useful independent sources of information (13). Information provided to customers should be clearly written and presented using consistent or standardised terms and language (14).

More recently EIOPA's report on good practices in the comparison tools sector for insurance¹³⁷ outlines good practices for websites that compare insurance products derived from input from EIOPA Members, position papers as well as guidance provided at national level.

The Report gives guidance on the following topics:

- Information about the comparison site itself,
- The market coverage of the site,
- How the site deals with conflicts of interest,
- The criteria used to make the ranking of providers and products, and
- The presentation and the frequency of updating the information.

EIOPA found that comparison websites were used by consumers primarily as a source of information; some also make use of the possibility to buy contracts online. Overall it was concluded that comparison websites stimulate competition between insurers and intermediaries.

The recommendations of both CEER and EIOPA can be compared with those based on the outcome of the discussions within the Multi-Stakeholder Dialogue on Comparison Tools¹³⁸ which made several recommendations under five key headings, each addressing a different area of concern related to Comparison Tools. These recommendations principally requested Comparison Tool operators to:

- Be transparent about their business model and the methodology used for conducting comparisons and that comparisons conducted by CTs should be impartial.
- Take measures to ensure that the information provided by the CT is easily understandable, accurate and verifiable.

¹³⁷ European Insurance and Occupational Pensions Authority (EIOPA), Report on Good Practices on Comparison Websites, 30/01/2014, see https://eiopa.europa.eu/fileadmin/tx_dam/files/publications/reports/Report_on_Good_Practices_on_Comparison_Websites.pdf

¹³⁸ European Commission, Comparison Tools Report from the Multi-Stakeholder Dialogue Providing consumers with transparent and reliable information, Report presented at the European Consumer Summit 18-19 March 2013

- Act responsibly and put systems in place to deal efficiently with consumer concerns (it was also stated that consumer protection legislation should be properly enforced also in the field of CTs).
- Develop their services so as to provide consumers with comprehensive information as regards pricing, the terms of purchase, the number of offers, comparison parameters and the geographical scope covered by the CT.
- Organise the information on the CT in a user-friendly manner, taking into account also the needs of more vulnerable consumers, and that they incorporate features enabling consumers to extract the information that is most relevant to their individual needs.

We have found that these principles are evident in many of the third-party schemes already operating in the market.

4.3.4 Mapping of third-party verification schemes

We used four streams of research to map Third-Party Verification schemes: 1) direct questioning of stakeholders within the consultation, 2) telephone calls to regulators and consumer groups, 3) cross referencing against the mapped websites, and 4) direct discussion with stakeholders during Commission sponsored meetings. We have included in our findings not just Third Party Verification schemes, but also formal guidelines and codes developed specifically for the sector (although it could be argued that the key element of ‘verification’ is absent in guidelines and codes as these tend to be solely voluntary).

Overall we found only 9 schemes across the 30 countries covered by the study, of which 5 were in the UK, 1 in France and 1 each in Belgium, Ireland and Italy. Additionally, we noticed that some schemes do not have many members (in some cases only 1), although in one case at least there is a large number of affiliates as the minimal number of accredited CTs allow their engines to be reused by the wider market. Below we display the mapping.

Table 20: Third-party verification schemes in Europe

Country	BE	FR	IE	IT	UK	UK	UK	UK	UK
Operator Name	CREG	FEVAD	CER	AGCOM	OFGEM	OFCOM	National Rail	ABI	FSA
Regulator	√		√	√	√	√			√
Consumer Organisation									
Other Public Body									
Industry Association		√					√	√	
Private Company									
Semi-state									
National Coverage	√	√	√	√	√	√	√	√	√
Multi-national coverage									
Code of Conduct	√								
Guidelines								√	√
Accreditation		√	√	√	√	√	√		
Honour Based	√								
Independent Verification		√	√	√	√	√	√		
Audit			√	√	√	√	√		
Subscription/Fee based			√	√	√	√	√		
Free	√							√	√

In principle, Verification schemes fall into three main categories:

- Guidelines – guidelines can be issued by any group to assist Comparison Tools to become compliant with existing regulations, principles or best practices. Guidelines themselves may not have any force of law, but when issued by a regulator, may indicate the practices by which a CT may become compliant with existing regulation. Guidelines often do not make use of any logo or visual icon, and in general are issued with some degree of flexibility for the intended audience i.e. voluntary compliance, or choice in the method of compliance.
- Codes of Conduct – Although similar to guidelines in terms of a lack of verification activity, codes tend to be more rigid insofar a single authority (for example an Industry Association or Regulator) elaborates a specific set of criteria, principles and best practices which Comparison Tools agree to be bound by. Generally speaking, the Comparison Tool can publish the fact that it abides by the code, and the code may come with a logo that can be published to draw attention to the Comparison Tool's alignment with the principles and practices of the code.
- Independent verification – Independent verification is in effect a set of requirements (as spelt out in a code of conduct or guidelines by authorities) followed up with an audit, mystery shopping or other ad hoc checks to ensure compliance. It is the approach by which CTs can 'prove' their adherence to best practices, thereby giving the greatest consumer confidence, while at the same time involves the highest investment by the Comparison Tool in terms of time, effort and expense. Verification schemes often offer a logo or visual icon which can be displayed to consumers.

As can be seen from the data, verification schemes in Europe are solely national in scope and run by either regulators or industry associations. As for codes of conduct and guidelines, the scheme supervisors have offered a set of criteria for which Comparison Tools may adhere to on a voluntary basis. There is no regular supervision or follow up of firms which claim to have implemented the guidelines, and compliance is honour-based.

The other verification schemes are more rigorous, and all are accreditation based. In all cases of accreditation, independent verification is required and is carried out via an audit of the Comparison Tool. This ensures that scheme members are compliant.

As can be anticipated, voluntary membership of accreditation schemes is not universal. For example, in our mapping we found 24 Comparison Tools in the UK CT market which were primarily focussed on electronic communications, or carried out comparisons on electronic communications within a multi-sector Comparison Tool website. However, as of late 2013, only five websites were officially accredited (although the leverage effect may have been greater as the comparison engines were being used by other sites). Similarly, of 16 Comparison Tools focussing fully or partly on energy, only 11 were accredited by the UK's energy regulator OFGEM, while in Italy, of 9 mapped electronic communications Comparison Tools, only 1 was accredited by Italy's AEGOM.

4.3.5 Description of third-party verification schemes

Below we give a description of each of the schemes identified:

Box 3: Accreditation or scheme owner and description

Commission de Régulation de l'Électricité et du Gaz (CREG) - Belgium

CREG established the 'Charter of good practices for the websites of comparison of electricity and gas prices for residential consumers and SMEs' in July 2013. The Charter guarantees the consumer two things:

- The best estimate of its future invoice; and
- Optimal comparison of different fixed and variable products.

Service provider comparison sites that have acceded to this Charter can make reference to it on their website, and use the logo of the Charter. Acceding to the charter is voluntary, and CTs that wish to accede to the requirements of the charter can do so at any time.

When CTs accede to the charter they commit to strict price compliance with the provisions of the agreement, the main part of which detail the calculation and comparison of standardized and uniform price across all regulators (CREG, VREG, and CWaPE Brugel). The scheme commits members to a list of actions falling under three headings:

1. Being independent and impartial – the Comparison Tool cannot favour one supplier over another, nor can it show advertisements for any specific energy provider. Neither can the CT recommend another supplier if it is clear that the consumer cannot change suppliers. Commissions are allowed for the Comparison Tool operator, but the CT must indicate any payment of commissions on the website. Full contact details (address and phone or email) are mandatory, as are VAT and Company registry numbers.
2. Rates and Price comparison, covering completeness, clarity, intelligibility, accuracy and precision – the conditions for subscribing to the contract must be clearly indicated. Any limitations (such as the connection type, the conditions meter reading etc.) must be identified

in advance. The site must perform a calculation on annual consumption based on postal code address, type of electricity meter, residents, installed capacity (e.g. solar panels), and relevant power connection. For missing information, it is possible to use estimates in line with the Charter.

3. User friendliness, accessibility, supply and information – the service provider must offer the possibility to the user to print the results and ask questions about the results of the comparison of prices. The CT should ensure good accessibility of the website as well as the protection of users of the Website, their data and results of the comparison. The user of the website price comparison must be able to print and save on a durable medium the result of comparing prices or separate detailed calculation of a selected product. The data entered by the user must always be mentioned and the date on which the calculation was made.

The provisions of the Charter guarantee fair trade practices regarding the consumer and persons other than the consumer, in accordance with provisions of the Act of 6 April 2010 on market practices and the protection of consumers.

Members: 6

FEVAD - France

Established in June 2008, the FEVAD Code of Ethics is the result of work undertaken with FEVAD since the end of 2007 in cooperation with the main price comparison websites operating in France, and received the support of the Secretary of State responsible for the Development of the Digital Economy.

The Code includes a set of rules of conduct in the form of voluntary commitments. These commitments are designed to improve the rules of transparency and fairness in the collection and presentation of information provided by the comparison websites, based on adoption of best practices. The Charter consists of 15 rules divided into two main parts.

The first part concerns the information provided by the comparison websites to users as well as information on the classification criteria, the nature of the relationship between the comparators and sites referenced, presentation of information about sites referenced particular about the main characteristics of the products, pricing, delivery and warranty. One of those measures is to dereference websites which do not comply with these commitments. Furthermore, comparison shopping websites undertake to update their deals every 24 hours at a minimum.

The second part of the Charter concerns the relationship between merchant sites and the comparator sites. It aims, inter alia, to ensure compliance with the rules of fair competition on the pricing conditions, information on how Search Engine Optimisation works, and display offers from commercial sites or billing rules. Finally, the data collected from merchant sites may only be used in accordance with agreements between the comparator sites and commercial sites.

The original charter was signed by 7 signatories upon launch, and FEVAD commenced with the implementation of the quality label includes the development of a detailed auditing checklist based on the 2008 Charter commitments and a draft of clear and transparent governance rules. The awarding of a quality label is conditional on:

1. conformity to pre-requisites
2. commitment to undergo a thorough audit

Websites can display the logo of the scheme after a compliance audit carried out by an audit firm. A simple click on the "Compare Charter" logo makes it possible for the user to view a secure certificate certifying the validity of the label.

Members: 10

The Commission for Energy Regulation (CER) - Ireland

The Commission for Energy Regulation's Accreditation is awarded to domestic energy price comparison services that meet a series of standards designed to make switching energy providers as transparent, impartial and as straightforward as possible for consumers. The Accreditation Framework is a voluntary code of practice designed to provide assurance to consumers that the service they are using is accurate.

The following are the principles on which accreditation will be assessed:

1. Independence and Impartiality – a website must not be owned by or affiliated with any electricity or gas supplier. In addition the manner in which information is presented on the price comparison website must adhere to certain principles of impartiality.
2. Inclusion and Presentation of Tariffs - it is essential that any accredited website provides consumers with a picture as complete as possible of the tariffs available. Principles have been proposed for how tariff information is presented.
3. Calculation of Price comparisons - it is essential that the calculation of any price comparisons gives impartial results that provide consumers with clear and accurate information. The CER has set out a number of principles to ensure that this is the case.
4. Accuracy and Frequency of Tariff Updates – The CER has proposed a number of principles which require website providers to update their website regularly to have the most up to date and accurate tariff information for price comparisons.
5. Website Filter Options and Results – Consumers must have a reasonable set of criteria to filter tariff results. Results received should be comprehensive, accurate and ordered in the most appropriate manner. In order to ensure that this is the case, the CER has proposed a number of principles.
6. Green Tariffs – As some suppliers are currently offering tariff products labelled “green”, the CER has set out principles for how green tariffs should be treated on accredited price comparison websites.
7. Website Management – It is essential that an accredited website provider must maintain control over the management of the website, including the tariff information and comparison calculator. Therefore the CER has proposed certain principles to ensure that this is the case.
8. Consumer Information and Accessibility – Accredited websites must be accessible and understandable for all energy consumers. Several principles have been proposed to ensure that accredited websites are as user friendly and accessible as possible.
9. Customer Service Ratings – The CER has proposed that any accredited website wishing to assign ratings to suppliers based on customer service must first seek approval from the CER on the methodology used to assign ratings.
10. Customer Care - Accredited websites must be consumer-focused and should provide a link to www.energycustomers.ie, the CER's website for electricity and natural gas consumers.

Members: 1

Autorità per le Garanzie nelle Comunicazioni (AGCOM) – Italy

AGCOM in Italy offers an accreditation scheme for Comparison Tools in the field of electronic communications. The scheme covers:

- Verification of the preliminary possession by the owners of calculation engines of the minimum experience and independence necessary for access to the evaluation procedure;
- The subsequent qualitative and quantitative assessment of the characteristics of calculation engines to be used for the comparison of rates of offers of the operators;
- The management of information needed for the best operation of the comparison tool engine.

The evaluation team for the accreditation process is appointed by AGCOM's Secretary General and is composed of officials and experts from the technical, economic and legal disciplines. The evaluation stage of the calculation engines consists of two distinct activities:

- qualitative analysis of the characteristics of computing engines, designed to assess accessibility and transparency of the presentation, and a
- quantitative analysis of the characteristics of computing engines, designed to test the accuracy of the calculation model in terms of analysis of all the cost components and discount deals present in the current market,

Additionally, the scheme requests that provision be made for end-users who do not have access to broadband internet connection, as well as disabled users (particularly the blind and the deaf). Calculations must be accompanied by a clear explanation of the way in which a comparison is performed and any approximations / limitations provided for in the calculation and on the home page a link back to the code of conduct must be provided. Costs for accreditation are: €1,000 for access to the qualitative assessment, €2,000 for access to the quantitative evaluation, and then another €1,000 for acceptance of the accreditation. This last amount is then payable annually.

Members: 1

Ofgem – UK

Ofgem's accreditation activity operates through a confidence code. The Confidence Code sets out the minimum requirements that a provider of an internet domestic gas and electricity price comparison service (service provider) must meet in order to be, and remain, accredited by Ofgem. There are nine requirements.

Requirement 1: Independence and impartiality

According to this requirement, (i) the service provider must be independent of any gas or electricity supplier; (ii) the service provider must clearly identify on its website each supplier with whom the service provider has a commission agreement and (iii) advertisements from energy suppliers or their agents must not be displayed on the home/main page or on the energy price comparison pages of the service provider's website.

Requirement 2 – Tariffs and price comparisons

The main conditions of this requirement are the following: (i) the service provider must use all reasonable endeavours to include price comparisons in respect of all available domestic tariffs and where applicable for all available payment types, (ii) a service provider must notify Ofgem in the event of being asked by an energy supplier, to remove a tariff for its website, which to the best of that service provider's knowledge is still available to consumers and (iii) where the end date of a supplier's tariff is

within two months of the length of the comparison period, the service provider's reference to that tariff shall be accompanied by a 'warning message'.

Requirement 3 – Control and management

This requirement makes it a must that the service provider manages and controls its price comparison website and uses its own tariff database and calculator.

Requirement 4 – Payment methods

This item requires that a service provider must provide consumers with an explanation of the following payment methods: standard credit by cash/cheque, monthly and quarterly Direct Debit; prepayment meter.

Requirement 5 – Results and filters

According to this requirement, taking into account any relevant filters, a price comparison provided to a consumer must list (on a single page) no less than 10 of the cheapest tariffs available in the region where the consumer requires to be supplied. The prices must include VAT (and state that they do so). A service provider may provide filters so that consumers may search results based on the different types of tariff available or an energy supplier's service rating etc., but these must be opt-in options only. Furthermore, a service provider must provide a facility or follow-through page(s) so that consumers have the ability to view a list of all of their price comparison results.

Requirement 6 – Quality of service and energy efficiency

The service provider may assign ratings to a supplier's performance and invite the consumer to consider quality of service issues, including any such supplier service ratings. Moreover, service providers must give energy efficiency advice or signpost consumers to other relevant energy efficiency information or programmes.

Requirement 7 – Accuracy and updating tariffs

According to this requirement, prices and price comparisons must be accurate and state when they were last updated. A service provider must also state the date that its website and database has been updated.

Requirement 8 – Annual audit

The service provider must comply with an annual audit undertaken by an auditor independent of the provider, working according to Terms of Reference supplied by Ofgem. The cost of each audit will be borne by the service provider, unless otherwise advised by Ofgem prior to commencement. The service provider must also comply with quarterly and ad-hoc audits undertaken internally by Ofgem.

Requirement 9 – Complaint handling

The service provider must establish and operate an effective consumer complaint and enquiry handling procedure and respond to any complaint or enquiry within seven working days of receipt.

Members: 11

OFCOM – UK

To help consumers get accurate, transparent and comprehensive advice comparing communications providers and services, Ofcom has established an accreditation Scheme for Price Comparison Websites in 2006.

Comparison Tools can apply to Ofcom for accreditation and are assessed by an independent auditor against approval criteria set by Ofcom. The criteria require the accredited CTs to be accessible,

accurate, transparent and comprehensive. After achieving accreditation, CTs are audited initially after 12 months and every 18 months thereafter to ensure they continue to meet the criteria.

While only five CTs were accredited in 2014, a much larger number of CTs were affiliated to the accredited CTs and use their accredited price comparison calculators.

Applicants can apply to Ofcom for accreditation of their price comparison calculator. The accreditation process involves i) an independent technical audit of the company's price calculator and ii) a "soft" audit undertaken by Ofcom considering some qualitative aspects of the price comparison service (e.g. nature of the business model)¹³⁹. If a CT passes these audits, it may then be accredited. Once accredited, these companies can display the Scheme logo on their websites and in publicity campaigns. CTs must meet the following approval criteria¹⁴⁰:

Accessible

1. Services must be accessible by all consumers including disabled users.
2. Web-based services should offer consumers the option of getting advice offline.
3. PCWs must comply with existing relevant legislation, including the Data Protection Act and Equality Act and any other applicable legislation.
4. PCWs should have in place clearly explained, fair and timely processes for handling complaints.

Charging

5. PCWs must provide a free service or impose only a reasonable charge on consumers accessing their services.

Accurate

6. Data used to calculate price comparisons should be updated no later than every two weeks. Web based calculators should indicate when they were last updated.
7. Data on prices and tariffs should reflect the availability of special offers and any upfront costs, for example installation and equipment.
8. PCWs should provide, on their result pages, information about any limits on data usage that apply to services identified in comparison searches
9. The price comparison service must display 'up to' broadband speeds on its results page.

Transparent

10. The price comparison calculator must enable consumers to sort the results of any price calculation by price.
11. The PCW must make it clear to consumers how it makes money or funds its activity.
12. PCWs should alert consumers that their provider may increase the cost of their monthly deal and that they should be allowed to exit their contract without penalty if this happens.
13. The price comparison service must explain that traffic management policies may apply and provide links to communications providers' policies where available.
14. PCWs should explain that actual broadband speeds experienced may vary from the 'up to' speed

¹³⁹ Full details of the criteria for accreditation assessed as part of the technical and soft audits are available at <http://stakeholders.ofcom.org.uk/consultations/price-calculator-accreditation/>

¹⁴⁰ From OFCOM's Guidelines on How to Apply, see <http://stakeholders.ofcom.org.uk/consultations/price-calculator-accreditation/guidelines>

provided by a package and provide a link to Ofcom's work on broadband speeds.

15. Services must provide tools, or links to tools, for consumers to test the speed of their line.

16. PCWs should provide links to Ofcom's comparative information on customer service and complaints handling, including regular information on the complaints received by Ofcom.

Comprehensive

17. Price comparison information must be full and comprehensive. Data should include a comprehensive number of providers to reflect the level of choice available to consumers in the relevant market, including key players.

18. PCWs should take into account the consumers' location when presenting information on what services are available.

Applicants will be asked to contribute to the cost of the independent audit, which is conducted by an independent auditor. A reduced charge applies in the case of an applicant i) with a relevant turnover of less than £200,000 or ii) who does not receive commission

Members: 5

National Rail - UK

National Rail has issued a Rail Settlement Plan (RSP) Accreditation Guide in order to standardise the way in which rail tickets are sold. Accreditation is the process by which RSP ensures that various Ticket Issuing Systems (TIS) used to sell and issue National Rail tickets for travel on UK passenger train services are able to:

- produce tickets that conform to industry standard specifications (RSP Standards), so that they can be accepted by all Train Companies (TOCs) and thus support interoperability across all TOCs in line with the Ticketing & Settlement Agreement (TSA);
- generate the associated ticket transaction data ensuring it conforms to the relevant RSP Standard and is therefore acceptable to the centralized RSP settlement systems, in order to ensure accuracy and probity of settlement;
- generate data which interfaces appropriately with other RSP systems and allows for interoperable functionality between TIS for seat reservations, Ticket on Departure (ToD) and other systems;
- maintain RSP Standards of security and integrity in relation to RSP systems;
- assure TOCs that their TIS comply with the terms of the TSA, and assure third party retailers that their TIS comply with the terms of their retailing licence;
- ensure that the TIS uses RSP standard data feeds in their retailing processes to meet consistency and impartial retailing requirements; and
- support disaster recovery/business continuity and recovery from system fault conditions, error handling and preserve an audit trail.

Accreditation is based on the following process:

- Application
- Supplier Documentation
- Pre-Accreditation Support

- Compliance Review
- Accreditation Review of TIS Supplier Testing
- Pilot
- Certification
- Full Roll-out

Websites are compliant with the RSP may display the logo on their website.

Members: Unknown

Association of British Insurers – ABI

The good practice guidance for insurance comparison websites, insurers and brokers selling general insurance online was developed by the ABI in 2009. The guidance has been developed by the ABI, the British Insurers Brokers Association, the consumers' association Which? and leading insurance comparison websites.

The guidance issued by the organisation sets out a series of high-level standards insurers, brokers, comparison websites and software house should seek to achieve in order to ensure customers have positive experiences when purchasing general insurance products online.

The guidance establishes standards in the following areas:

Excess levels: The standard aims to (i) provide customers with clear information about what excesses are, (ii) ensure customers understand what the different components of their excess are and (iii) to have clear information about what is and what is not covered by the policy.

Add-ons: Here the guidelines aim to (i) ensure quotes are consistent with the customer's request, (ii) be clear about what cover is provided as standard and (iii) to ensure that the customer preferences are passed from the comparison websites to the provider's site, so the customer need not reselect.

Total price disclosure: The aim is to make sure that the total price of the policy is displayed. Insurers and brokers need to provide all the information needed by the comparison websites.

Accurate data: This standard aims to (i) encourage customers to enter accurate data about their risk and (ii) be clear where any assumptions have been made about anyone to be covered by the policy.

The standard about guaranteed prices aims to ensure that the customers know how long a quote is valid for.

Policy information: The aim of this standard is to ensure that the customers are able to review sufficient information before they make an informed decision to purchase the policy, before the customer is transferred to the selected insurer/broker site.

Referrals and signposting: This standards aims to ensure that non-standard customers get enough help to find cover. An important point here is that the timing of passing customer details onto a third party.

Members: Not applicable

Financial Conduct Authority (previously Financial Services Authority) – UK

In October 2011 the UK Financial Services Authority issued a guidance to Comparison Tools active in the insurance sector, entitled 'Guidance on the: Selling of General Insurance Policies through price comparison websites'. The document identified two types of business models in insurance comparison which they believed were in need of guidance. The first was the use of a proprietary price Comparison

Tool which redirects the customer to an insurer or other intermediary. The second model concerned 'white labelling' where the host firm uses in its own business a price Comparison Tool provided by a third party. Having reviewed the market the FSA came to the conclusion that there were:

- Failures to observe the general prohibition and restrictions on financial promotion in sections 19 and 21 of the Financial Services and Markets Act 2000 (FSMA) respectively and firms not having appropriate permissions in breach of s.20 FSMA;
- Non-compliance with the requirements in the Insurance: Conduct of Business sourcebook (ICOBS); and
- Non-compliance with the Senior Management Arrangements, Systems and Controls sourcebook (SYSC).

The purpose of the regulator's guidance was to remind insurance Comparison Tools of the requirement to hold the appropriate permissions and comply with the appropriate handbook rules for any other regulated activity they are engaged in. This included arranging and advising on mortgages and investment products.

This guidance was dissimilar to a code of conduct or an accreditation scheme as the regulator was warning the Comparison Tool sector that a number of its firms were in effect involved in the intermediation of financial products, and as such came under the supervision of the financial services regulator. Therefore it was not seeking membership or declarations, but instead warning on the consequences of non-compliance with existing regulations.

Members: Not Applicable

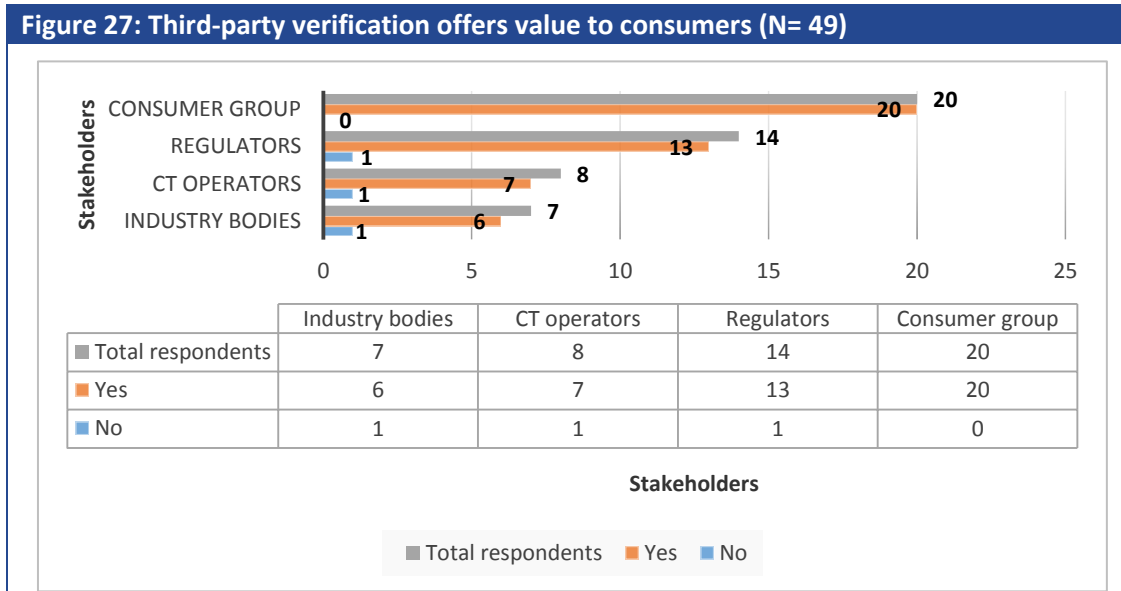
4.3.6 Stakeholder perspectives of third-party verification schemes

As part of our consultation, stakeholders to the study (Comparison Tool operators, Industry bodies, Consumer groups and Regulators) were asked to share their opinion on Third-Party Verification schemes, and whether this area should be developed (if at all) for improved consumer welfare.

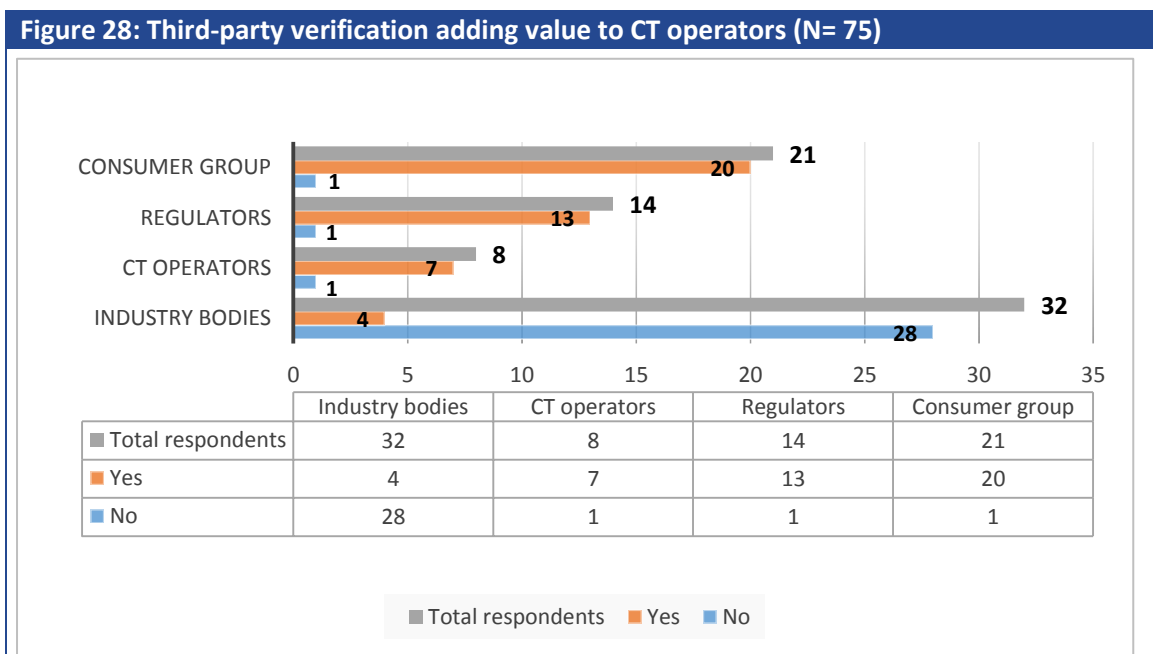
Do Third-Party Verification schemes offer value?

As can be seen in the table below, the majority of respondents from the four stakeholder groups believed that Third-Party Verification Schemes for Comparison Tools offered value to consumers. Of those responding, consumer groups (100%), regulators (92.86%), industry bodies (85.7%), and Comparison Tools operators (88.9%) positively acknowledged this value. In spite of this, only eight operators responded to this question, the other seventy-two participants skipped.

A few of the eight operators who thought a Third-Party Verification scheme offers value shared their comments. One commented that, "Being a member of a Third-Party Verification scheme gives retailers such as ourselves a voice and representation within in the industry." Another noted, "The Charter offers a guideline to reflect on the CT's own functioning. It is conceived as a protection mechanism towards consumers and forces the CT to reflect on how it serves best the needs of consumers without confusing them too much."



However, while thirteen of fourteen regulators and twenty of twenty consumer groups respondents recognised the added value that Third-Party Verification schemes offer to the Comparison Tool operators, the vast majority of industry bodies did not believe that verification schemes added value to Comparison Tool operators. Despite this position, whilst only 8 Comparison Tool operators replied to the question, 7 were positively inclined towards the idea that Third-Party Verification adds value to their sector.

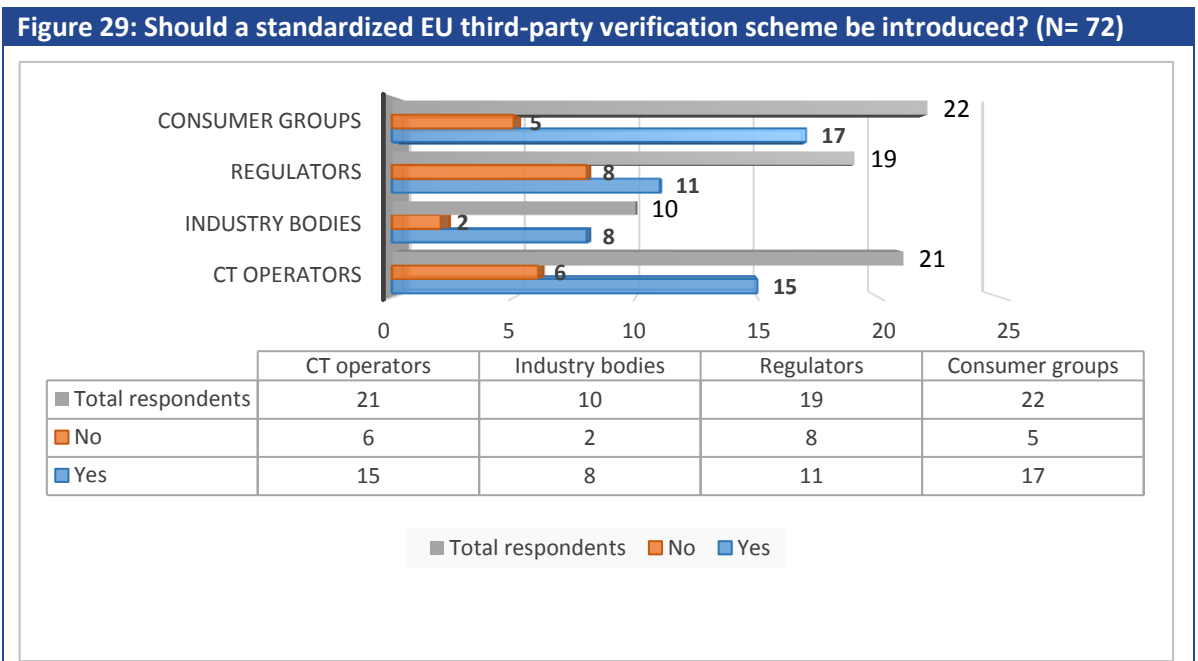


Discussing Third-Party Verification, a number of CT operators commented that the application for verification is a lengthy process and contained complicated requirements. One noted that “there is a list of requirements that CT operators must meet before receiving an accreditation from the Third-Party Verification regulator”. A fellow CT operator indicated, “There is a lot of information required and calculations must be tested.” Another CT operator provided a detailed explanation of the process they went through to receive accreditation:

“Applying for Third-Party Verification is a lengthy and complicated process and will vary depending on individual circumstances. We were granted an interim license to operate [year] but the accreditation process was such that we were unable to launch until [year]. Our third party license was due to be awarded by [year], a month after our launch but was not actually granted until late [...]. [...] The requirements entailed ... ensuring accuracy and probity of settlement; generate data which can interface with other central [...] systems; implement and maintain industry security & integrity standards; - comply with [...] licence conditions; ensure that standard [...] industry data feeds are used; [...] error handling and preserve an audit trail.”

As for regulators whose organisations operate a Third-Party Verification scheme, they concurred that the application process is lengthy. “A Comparison Tool can apply to [...]. There are several steps. Applicants will be asked to contribute to the cost of the required independent audit. Then, successful applicants will enter into a contract with the specific Third-Party Verification scheme. This Third-Party Verification scheme will issue a certificate of accreditation. When an organisation's service is accredited, the organisation can display the official Third-Party Verification logo. Members are then asked to undertake regular audits. The Third-Party Verification scheme will also carry out quarterly spot checks.”

Interestingly, the majority of all respondents who answered were in favour of an EU level standardised Third-Party Verification scheme, as illustrated in Figure 28. This response was given by fifteen of twenty-one CT operators; eight of ten industry bodies; eleven of nineteen regulators; and seventeen of twenty-two consumer group respondents.

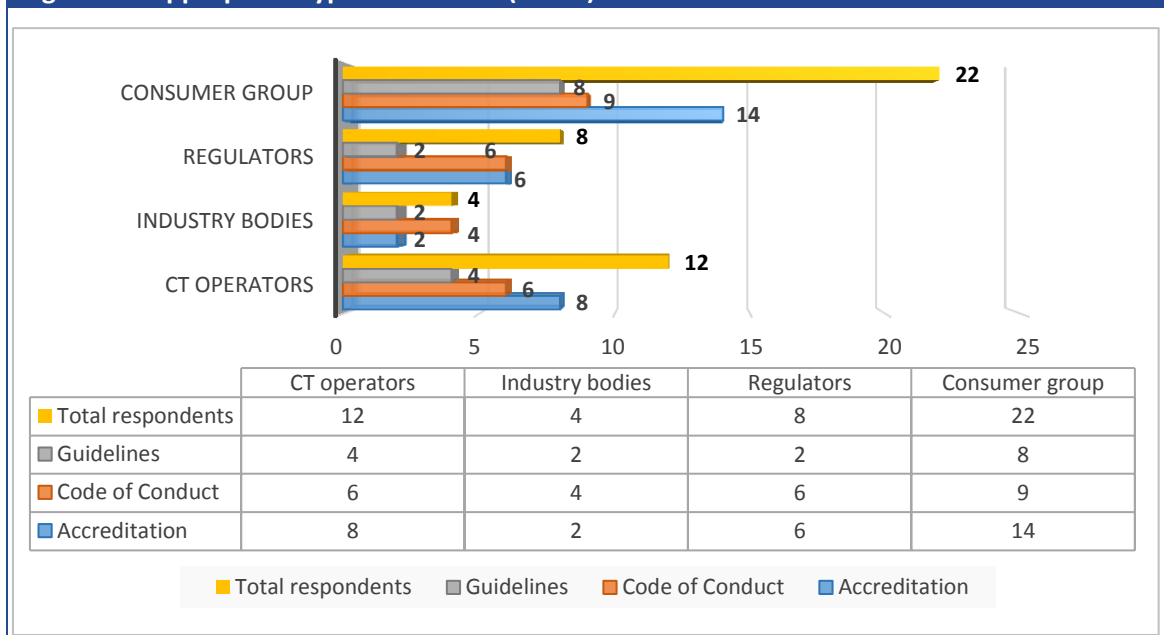


Most appropriate types and operation of third-party verification

When asked what the most appropriate type of Third-Party Verification scheme would be, respondents had a preference for more rigorous approaches first. 68% of forty-six respondents (eight CT operators; two industry bodies; six regulators; fourteen-consumer groups) believed an

Accreditation/Trustmark (where a third-party would validate compliance) would be the appropriate scheme.

Figure 30: Appropriate type of schemes (N= 46)



A slim majority (56%) of respondents (six CT operators; four industry bodies; six regulators; nine consumer groups) selected the Code of conduct; and thirdly, 36.4% (four CT operators; two industry bodies; two regulators; and eight consumer groups) thought Guidelines were the appropriate scheme.

Despite this feedback, it should be noted that only 27% of the surveyed base actively responded to this question, including only 12 of 90 CT operators. Regarding the operation of the verification scheme, 58% of thirty-nine respondents (five of twelve CT operators; thirteen of fifteen consumer groups; two of three industry bodies; three of nine regulators) preferred it to be publicly supervised (by regulator, ombudsman, etc.).

For the self-supervised by industry sector or CT operators model, 20% of thirty-nine respondents (four of twelve operators; zero of fifteen consumer groups; zero of three industry bodies; two of nine regulators) responded.

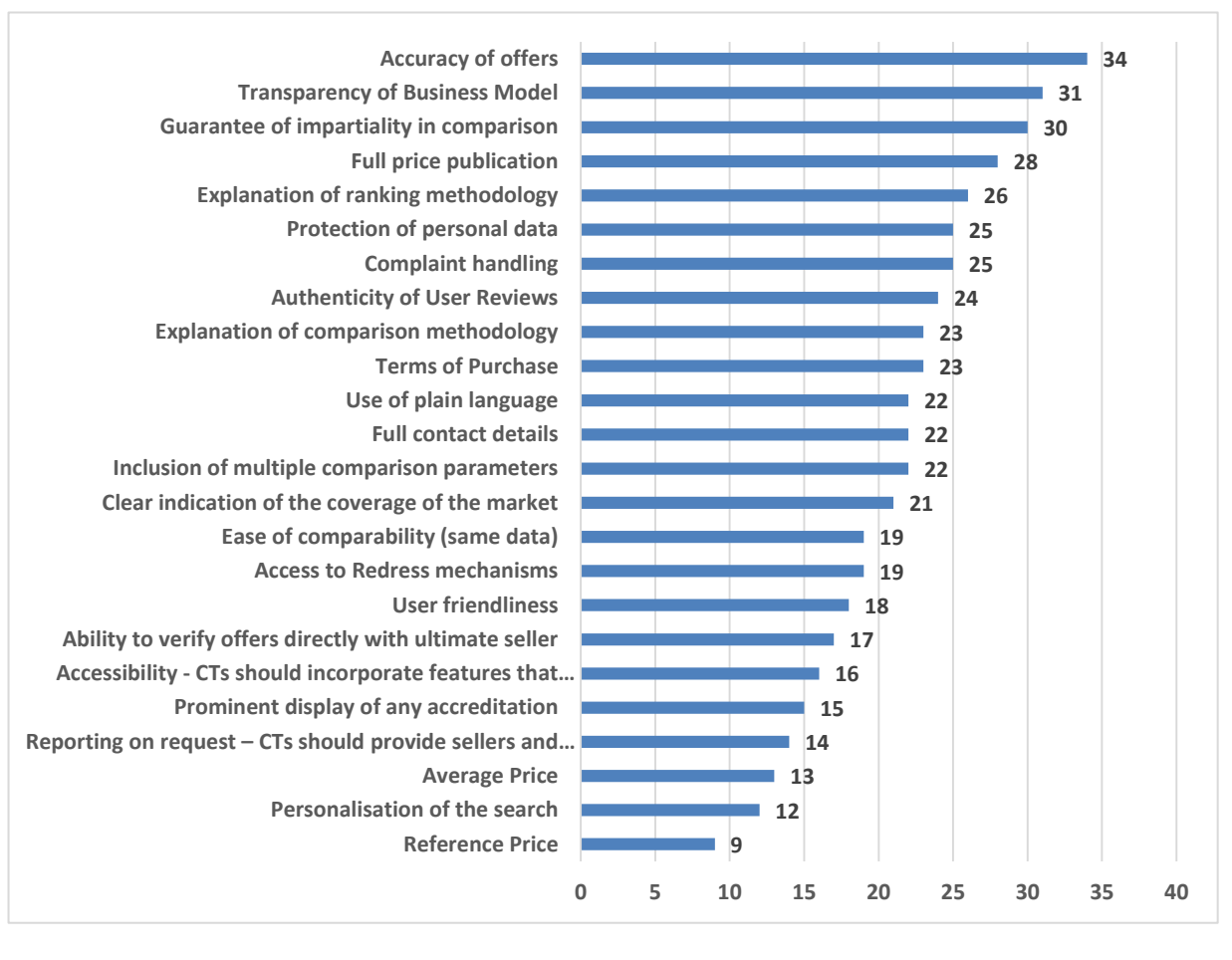
As for compliance with a verification scheme, 76% of forty-two respondents (eleven of twelve operators; three of five industry bodies; twelve of fifteen consumer groups; six of ten regulators) chose the regular audit check compliance scheme as the appropriate model. 42% of forty-two respondents (four of twelve operators; two of five industry bodies; seven of fifteen consumer groups; five of ten regulators) considered the Ad hoc Spot Check by scheme administrators to be the appropriate model.

Suggested mandatory criteria that should apply under the verification scheme

The below table illustrates a number of the highest and lowest ranking of criteria that stakeholder groups thought should apply within a Third Party Verification scheme.

The top five preferred criteria were 1) Accuracy of offers; 2) Transparency of business model; 3) Guarantee of impartiality in comparison; 4) Full price publication; and 5) Explanation of ranking methodology. Options which did not find favour with respondents were average price, reference price and personalisation of searches, receiving support from between 9 and 13 respondents each.

Figure 31: Mandatory criteria that should apply to participate in the Third-Party Verification scheme (N= 42)



What is interesting is the dispersion of answers on mandatory criteria by respondent groups. Both industry bodies and CT operators were lacklustre in their responses to this set of questions, most likely due to the fact that they would view such options as being additional costs to be borne by industry. Consumer groups by contrast were the most enthusiastic respondents, being leading proponents of almost every proposed criteria.

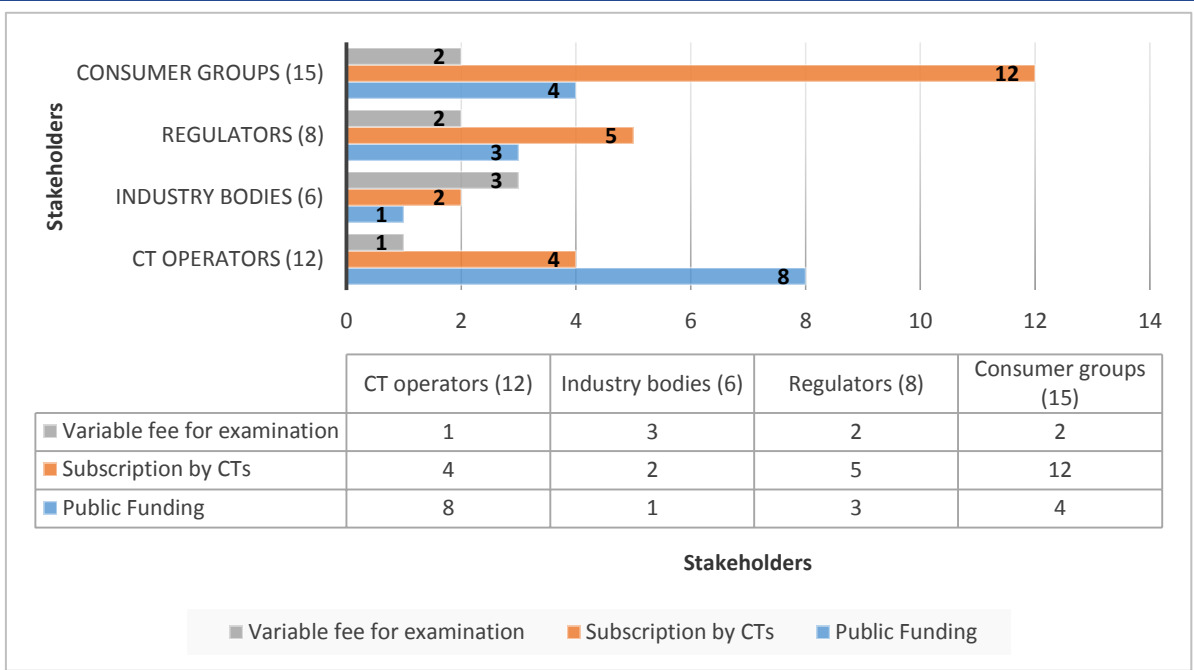
Table 21: Suggested criteria

	Answered= 42 Skipped= 115	Industry Bodies	Consumer Groups	Regulators	CT Operators
Transparency of Business Model		4	11	7	9
Accuracy of offers		4	12	10	8
Average Price		2	7	1	3
Guarantee of impartiality in comparison		4	12	8	6
Full price publication		2	11	10	5
Terms of Purchase		1	11	7	4
Explanation of comparison methodology		3	8	7	5
Ability to verify offers directly with ultimate seller		1	6	7	3
Inclusion of multiple comparison parameters		4	10	2	6
Explanation of ranking methodology		5	11	5	5
Complaint handling		4	12	8	1
Clear indication of the coverage of the market		3	7	6	5
Authenticity of User Reviews		4	9	6	5
Access to Redress mechanisms		4	11	4	0
User friendliness		2	10	3	3
Prominent display of any accreditation		1	9	3	2
Protection of personal data		0	12	6	7
Personalisation of the search		0	7	2	3
Full contact details		1	8	9	4
Ease of comparability (same data)		1	9	4	5
Use of plain language		4	10	6	2
Reference Price		1	3	3	2
Reporting on request		2	7	4	1
Accessibility		2	9	4	1
Answered		6	14	10	12
Skipped		18	13	18	78

Verification scheme funding method

A similar division can be seen in the below table. When it came to querying how the Third-Party Verification schemes should be funded, consumer groups (twelve of fifteen) and the regulators (five of eight) shared similar views, with both stakeholder groups proposing to have the Verification scheme funded with subscriptions from Comparison Tools. In sharp contrast, CT operators (eight of twelve) would like to see the Verification scheme funded by public authorities. Meanwhile, industry body respondents (three of six) thought a variable fee for examination of the CT should be the method to fund the Verification scheme.

Figure 32: How to fund Third-Party Verification schemes (N= 41)



Appropriate penalties to be applied to non-compliance

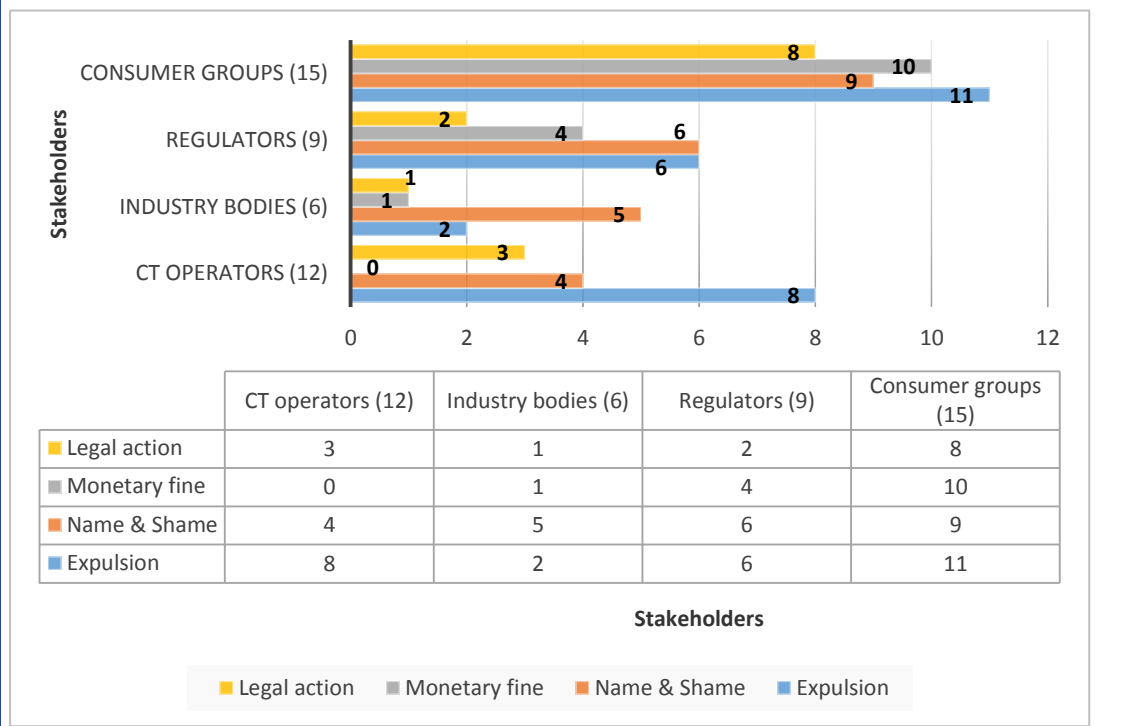
With regards to compliance, stakeholders were asked to consider the appropriate penalty options that they would like to apply to the Third-Party Verification scheme in the case of non-compliance.

One proposed penalty action was the legal action. Eight out of fifteen consumer groups, two of nine regulators, one of six industry bodies, and three of twelve CT operators thought this was an appropriate option (see figure on the next page).

The second proposed penalty action was the monetary fine penalty. Ten of fifteen consumer groups, four of nine regulators, and one of six industry bodies respondents chose this action. None of the CT operators contributed their opinion.

The third and fourth proposed penalties were name & shame and expulsion. Nine of fifteen consumer groups, six of nine regulators, five of six industry bodies respondents, and four of twelve CT operators preferred name & shame, while eleven of fifteen consumer groups, six of nine regulators responded, eight of twelve CT operators, along with two of six industry bodies respondent favoured expulsion (e.g. revocation of certification or third party scheme logo use, exclusion from list of compliant organisations).

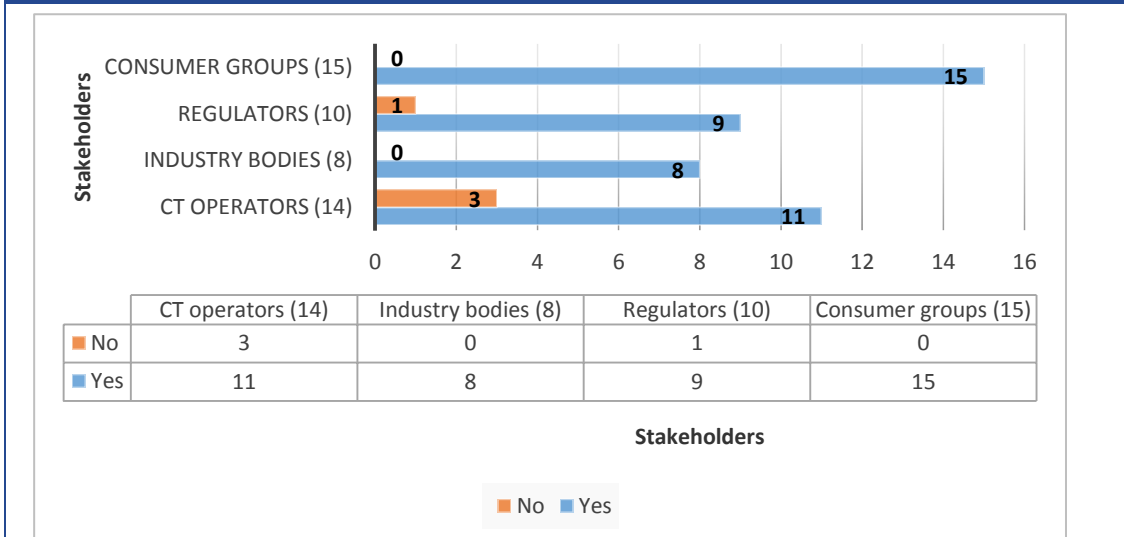
Figure 33: Penalty methods (N= 42)



Should schemes offer consumers information about their rights (including redress)?

Concerning consumer access to information about their rights, participants were asked if the verification scheme should offer consumers information about their rights (with respect to their usage of a comparison tool), 91.4% of 47 responding stakeholders had corresponding views. The figure below shows that fifteen out of fifteen consumer groups respondents, eight of eight industry bodies respondents, nine of ten regulators, and eleven of fourteen operators felt this standard is an important component.

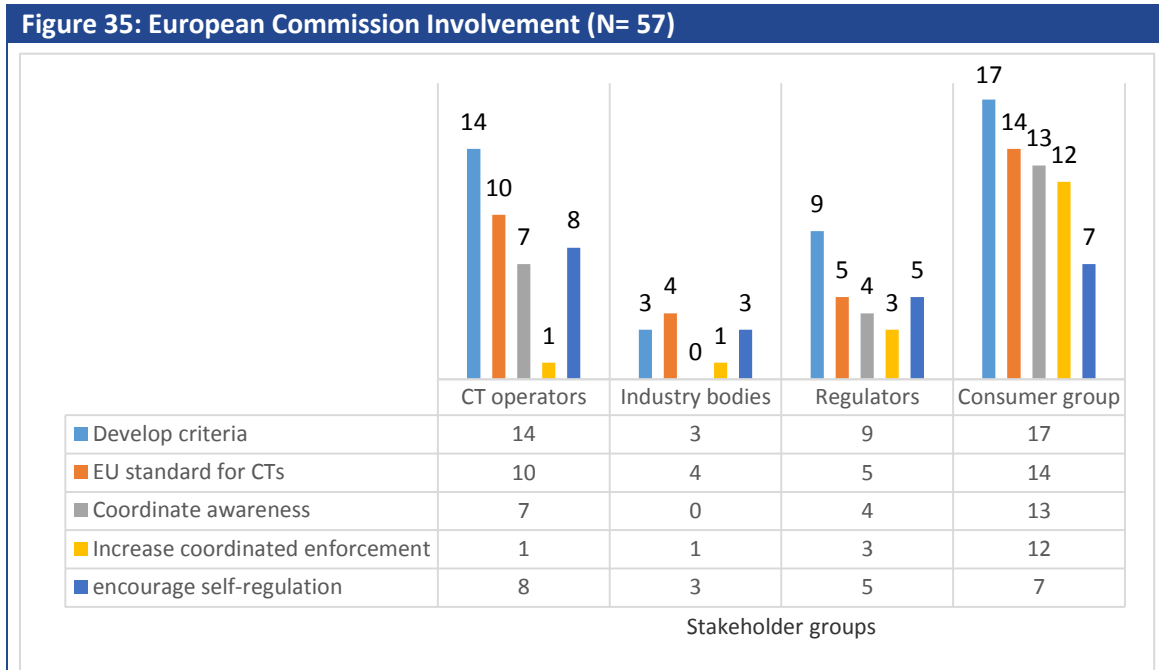
Figure 34: Verification schemes should offer information about customer rights? (N= 47)



EU Intervention

The surveys asked stakeholder groups if they see the need for action at the EU level to ensure that Comparison Tools provide transparent and reliable information. Markedly, twenty-one of twenty-two consumer group respondents (95.5%) clearly saw the need for action at the EU level. Eleven of twenty-two regulators (50%), eight of ten industry bodies (80%), and twenty of thirty-two CT operators (36%) shared the same opinion. Collectively, 69% of 86 stakeholders saw the need for action at the EU level.

Amongst the 4 stakeholder groups, consumer groups (100%), regulators (92.86%), industry bodies (85.7%), and comparison tools operators (88.9%) – the majority of respondents from the four groups believed that Third-Party Verification schemes offered value to consumers. However, only eight operators responded to this question, the other seventy-two participants skipped. Pursuing this further, data in the figure below shows that fifty-seven respondents felt the European Commission should partake in the process to ensure transparency and reliability. 75% of respondents felt the European Commission should develop a set of criteria¹⁴¹ that Comparison Tools should respect. In addition, 60% felt the Commission should promote the development of a European standard for Comparison Tools¹⁴². Jointly, twenty-seven respondents – 13 from consumer groups, 4 regulators, and 7 CT operators, who wanted to see the Commission coordinate awareness raising campaigns. However, the industry bodies were not in favour of this option.



¹⁴¹ Note: no specific criteria were included in the question. The question was intended to find out if stakeholders believed the Commission should have a leading role. Subsequent questions were more specific about the nature of the role.

¹⁴² Note: in practice the Commission cannot develop a standard but has to mandate a standardisation body to do so. This distinction was not specified in the question.

Respondents to the consultation who answered this question made comments related to the horizontal and vertical approaches that could be taken. One regulator stated that “The development of criteria depends on the sector. If there is a cross border market a set of criteria is useful. If the market is purely national, it is not”. A second regulator commented that “If a third party verification scheme of comparison sites were in place, it would be desirable if it looked at all the criteria listed”.

A consumer group stated that, “Without prejudice to wider action, sector-specific legislation may prove helpful to tackle unfair practices in those sectors which are particularly problematic, e.g. accommodation and car rental”.

One CT operator noted the benefits for the overall industry. “There are many non-serious [companies] out there giving the business a bad name. Promoting the serious will gain the consumers and serious suppliers in the long run”.

4.3.7 Summary

Guidelines and Codes of Conduct offer no guarantee to consumers

While guidelines (e.g. developed by business associations or regulators) and codes of conduct are valuable to assist industry sectors to mature collectively and to establish best practices, they offer no guarantees to consumers given their non-compulsory nature. At best they reduce the potential incidence of detriment to consumers by creating a market in which firms are more likely to follow ethical and commercial best practices and seek to establish fair conditions for consumer transactions. However, while it is clearly attractive for CTs to be associated with such codes, at the same time, genuine adherence and the related and recurring compliance mechanisms are likely to prove costly. Companies may naturally trade-off one against the other and compliance will be unequal, although should a company falsely pretend to abide by a code they will be in breach of the Unfair Commercial Practices Directive. However, establishing such a breach would also require some form of enforcement.

Independent Third-Party Verification schemes are a value-addition to consumers, but will work best only when consumers are aware and understand what they entail OR if they are applied universally.

Independent Third-Party Verification is a value-addition to the consumer environment as it forces the Comparison Tool to invest in ongoing adherence to best practices and transparency – a matter which a number of CTs raised as being costly and time-consuming for them. However, if consumers are not aware of the value-addition then there is far less incentive for them to rely on a Comparison Tool which has invested in the scheme but faces competition from non-compliant firms in the same field. A company may still choose to do so in order to demonstrate its ethical stance, and there may also be leverage effects if comparison engines are re-used in the market, which in both cases benefit consumers, but the pressure to withdraw from the Third-Party Verification will remain. Combining Third Party Verification with awareness campaigns to consumers would achieve a better effect, as it would teach consumers to recognise and value the different accreditation approaches, as well as the rationale for their introduction.

Universal standard setting in complex comparison areas could be considered in limited circumstances

Universal standard setting for likely consumer detriment could be considered on a limited basis. One justification could be to put agreed standards in place for markets in which the CTs use complex calculation engines, such as the calculation methods used to provide a consumer with quotations on energy or electronic communications tariffs based on the consumer's consumption habits. This would prevent comparison engines designing a calculation engine that would be skewed toward proposing services from a supplier which offers the most commission. In Italy, Belgium and the UK there are already such standards in place on a voluntary basis, but it is notable that in the UK at least there is a broader effect due to existing verified calculation engines being reused within the sector by other CTs. The trigger for such an implementation, however, should be demonstrable consumer detriment or agreement by the industry to implement such a measure in cooperation with a regulatory body or similar independent body.

Despite a low number of CT verification schemes, there is not necessarily a need to create more

Despite having a low number of Third-Party Verification schemes for the CT sector, these schemes appear to be complementary to some extent. The UK has implemented three accreditation schemes in energy, communications and rail markets, while Belgium and Ireland have introduced schemes in the energy, Italy in communications and France in the general area of price comparison. Cumulatively these schemes represent a battery of 'off-the-shelf' approaches which can be used in other member states as and when the need for Third-Party Verification is deemed to be required by consumer and regulatory authorities. It would make sense to attempt to create a European model or framework from these existing schemes by synthesising the approaches and/or offering multiple levels of engagement ranging from voluntary commitment to compliance checks. The greater the uniformity, the lower the potential costs to both the market and the public sector.

The Private Sector is already developing sustainable solutions to some of the concerns in the broader ecommerce sector which will also positively impact on the CT environment. CTs should also consider self-regulation via their own industry body

The private sector is already developing schemes which tackle certain areas of concern in e-commerce (for example via Afnor standardisation and Trustpilot in the area of consumer reviews), while economies of scale appear to increase the reliance on trusted accreditation schemes by default when the accredited comparison engine is re-used. Another approach which could potentially be stimulated by the Commission is to request that the Comparison Tool sector organise itself via a new industry association. There are already over 1000 Comparison Tools in the European market, and many more globally, all developing specific tools and services for consumer use and in effect, constituting a coherent market sector of their own. If the industry established its own representative body this would assist in policy development at the EU level, and the organic dissemination of best practices and industry standards that will benefit consumers.

5 Consumer perception and use of comparison tools

5.1 Awareness, frequency of use and motivations

Box 4: Summary of main findings – Awareness, frequency of use and motivations

- 40% of the consumers surveyed for this study said they had a good knowledge of comparison tools, while 48% had heard of such tools but were not really familiar with them. A minority had never heard of comparison tools. The proportion of consumers “knowing comparison tools quite well” ranged from 10% in Iceland to 55% in the UK.
- Internet search engines were by far the most important source of information to learn about comparison tools (mentioned by 72%).
- In total, 74% of consumers had used comparison tools – at least once – in the past 12 months; the highest proportions were observed in Slovakia (77%), Poland, Italy (both 78%), the Czech Republic (79%) and the UK (83%).
- 22% of consumers had used comparison tools at least once every two weeks in the past 12 months, 17% had used them once a month, 9% every two months and 25% once every three months or less frequently.
- Comparison tools were mainly used to compare prices of electric or electronic appliances (mentioned by 63% of comparison tool users). A significant number of users also used comparison tools to compare price for plane or train tickets (43%) and hotel rooms (37%).
- Comparison tool users used these tools because they offered them a quick way to compare prices (mentioned by 69%) and allowed them to find the cheapest price (68%).
- 47% of consumers who had not used comparison tools said they only bought products or services from websites they already knew, 34% compared prices across several websites they knew, and 36% preferred using general search engines rather than comparison tools.

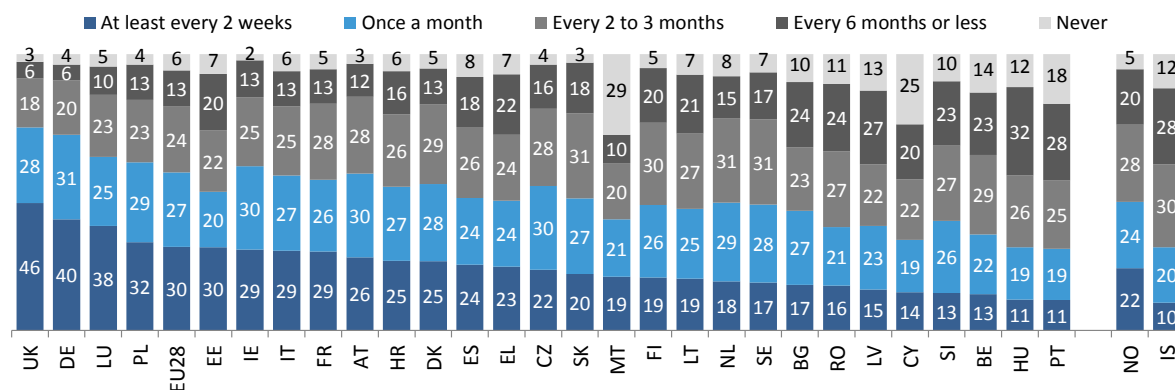
5.1.1 Online purchasing

5.1.1.1 Frequency of online purchasing

Before testing respondents’ awareness of comparison tools, they were asked to indicate how frequently they bought products or services online in the past 12 months.

The results show that the vast majority of respondents across the EU28 had bought products or services online over the past 12 months; just 6% of respondents said they had not bought anything online in that time frame. Almost one third (30%) of respondents had made online purchases at least once every two weeks, whereas 27% had used the internet once a month for shopping purposes.

Figure 36: Frequency of online shopping



Q1. Over the last 12 months, how many times on average have you bought products or services ONLINE?
 %, Base: all respondents

A larger than average proportion of respondents in the UK (46%), Germany (40%) and Luxembourg (38%) had bought products or services online at least every two weeks in the past 12 months. The proportion of frequent online shoppers tended to be lower in EU13 countries than in EU15 countries; in Poland and Estonia, however, roughly a third of respondents had used the internet at least every two weeks to buy products and services (32% and 30%, respectively).

The frequency of online purchasing was considerably lower in countries such as Portugal, Hungary, Belgium and Slovenia; in these countries, not much more than a tenth of respondents had bought products or services online at least every two weeks in the past 12 months (between 11% and 13%). In Portugal and Hungary, 19% of respondents had used the internet once a month for shopping purposes; this figure was higher in Belgium and Slovenia (22% and 26%, respectively)¹⁴³.

We also observed some differences in frequency of online shopping across the various socio-demographic groups; for example:

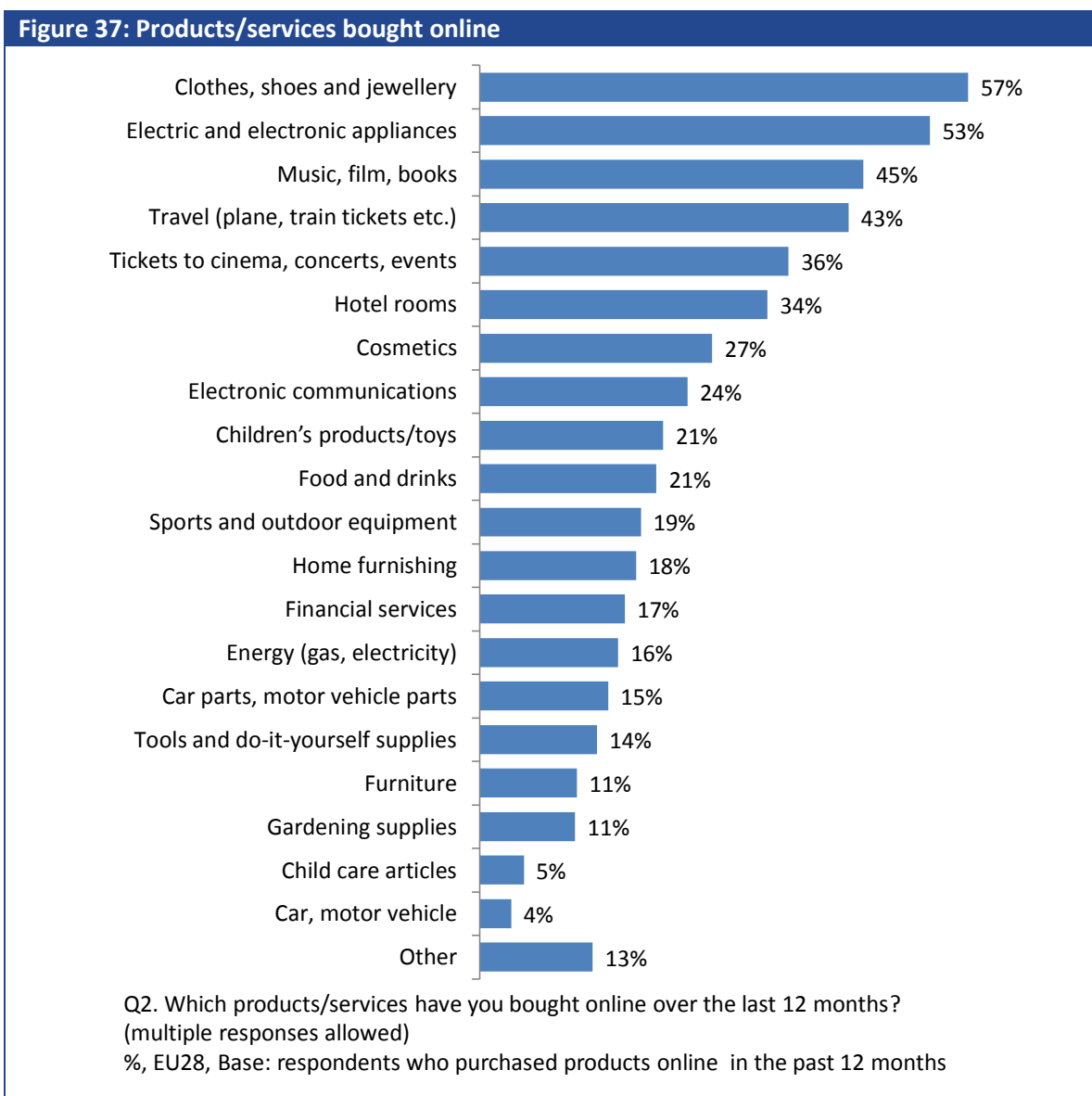
- Respondents in age groups 25-34 or 35-44 years had used the internet more frequently to purchase products or services (i.e. every two weeks or more often) than those aged 55-64 or those aged 65 and over (35%-36% compared to 21%-22%).
- Respondents with a high level of education and/or those living comfortably with their current level of household income were also more likely than average to be frequent online shoppers (i.e. every two weeks or more often – 39% and 34%, respectively, compared to 30% on average).

¹⁴³ Cyprus and Malta had the highest rates of respondents who said they had not bought anything online in the past 12 months (25% and 29%, respectively, compared to 6% on average). It appears that for this specific question, the results of Cyprus and Malta are difficult to compare with those of the other countries. In Malta and Cyprus, a telephone methodology was used, and this seems to have caused a difference in the findings.

5.1.1.2 Types of products/services bought online

The types of products/services most commonly bought online by EU28 respondents were clothing, shoes or jewellery (57%), and electric or electronic appliances (incl. computer, phone camera, electrical household appliance) (53%). The internet was also used by online shoppers to purchase entertainment and leisure goods such as music, films or books (45%), travel products (plane or train tickets, etc.) (43%), and cinema, concert or event tickets (36%). The proportion of shoppers who had shopped online for hotel rooms was 34%; all other product categories were mentioned by less than 30% of online shoppers.

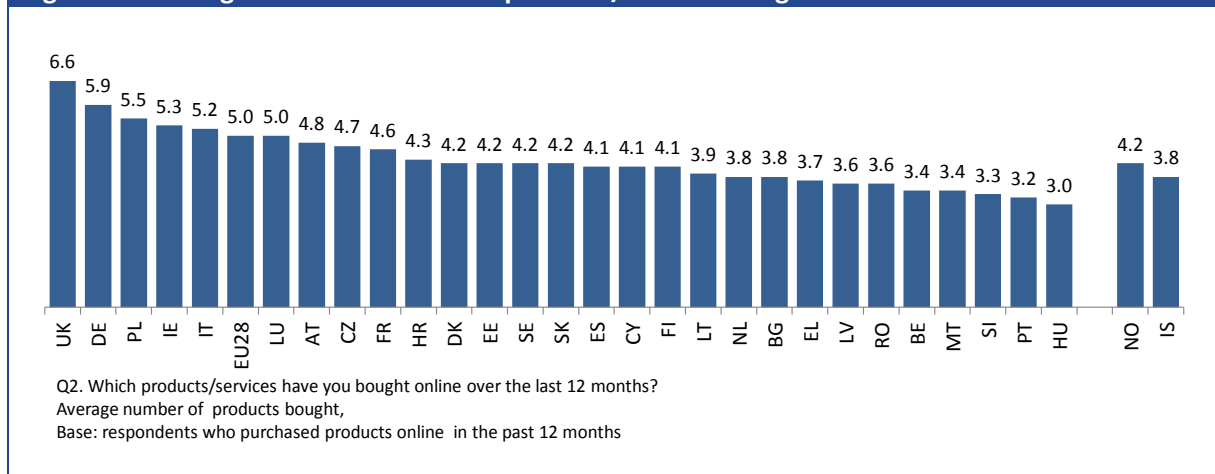
The type of products/services bought online varies across countries; a table with individual country results can be found in annex 3.



The next figure presents the average number of types of products/services bought in each country. Respondents in EU15 countries appear to have purchased a higher number of different products/services online (5.2 categories) compared to respondents in the EU13 countries (4.5 categories). The higher average of the EU15 group is primarily driven by the high scores of the UK (6.6 categories bought), Germany (5.9), Ireland (5.3) and Italy (5.2). Among the EU13 countries, Poland had the highest score (5.5 categories bought). The countries were also the ones with the highest proportion of frequent online shoppers.

By contrast, the EU13 group includes those countries where respondents purchased the smallest number of products/services, such as Hungary (3.0 categories bought), Slovenia (3.3) and Malta (3.4); other countries at the lower end of the country ranking were Portugal (3.2), Belgium (3.4), Romania and Latvia (both 3.6). Each of the countries also scored low in terms of the proportion of frequent online shoppers.

Figure 38: Average number of different products/services bought online



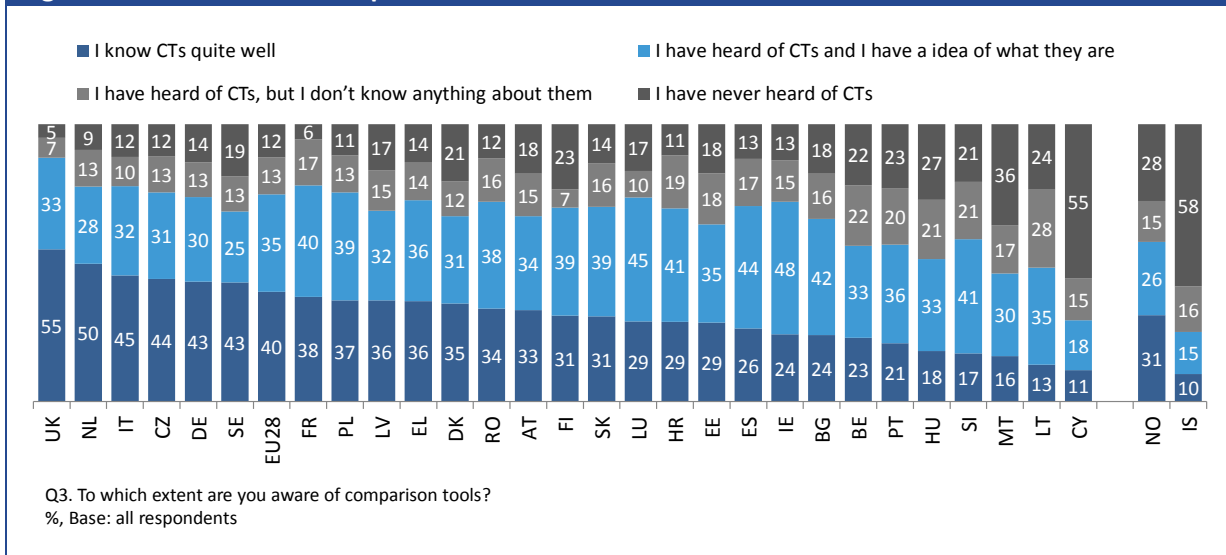
Variations in the number of products/services bought were also observed across socio-demographic groups. These variations are linked to the respondents' profile in terms of frequency of using the internet for online shopping.

- Respondents aged 25-34 or 35-44 purchased a higher number of products/services online than on average (respectively, 5.7 and 5.5 products, compared to 5.0 on average). For those aged 65 and over, the lowest value among all age groups was observed (4.0 different products/services bought).
- In terms of income, those 'finding it very difficult' purchased fewer different products/services (3.8) than 'those finding it difficult' (4.6), 'coping' (5.1) or 'living comfortably' (5.9).
- Level of education also plays a role in the number of different products/services bought. The more educated the respondents were, the more likely they were to have purchased different types of products online. Respondents with a low level of education had bought 4.0 types of products/services, while those with a medium level of education had purchased 4.7 product categories and the most highly educated respondents had bought 5.5 types of products/services.

5.1.2 Awareness of comparison tools

To measure consumers’ use and motivations for using comparison tools, respondents were first asked to report their knowledge of such tools. More than a third of respondents said they had a good knowledge of comparison tools, i.e. they knew comparison tools “quite well” (40%). Half of respondents had already heard of such tools but were not really familiar with them: 35% had heard about comparison tools and had an idea of what they are, while 13% had heard about them but did not know anything about them. A minority of consumers had never heard of comparison tools (12%).

Figure 39: Awareness of comparison tools



A large variation was observed across countries, with the proportion “knowing comparison tools quite well” ranging from 10% in Iceland to 55% in the UK. Respondents in the UK (55%) and the Netherlands (50%) were the most familiar with comparison tools. Other EU15 countries with high levels of awareness were Italy (45%), Germany (43%) and Sweden (43%). There is only one EU13 country with a similarly high rate of awareness: the Czech Republic (44%).

Respondents in Iceland (10% knew quite a lot about CTs) were the least confident about their level of knowledge of comparison tools. Hungary (18%), Slovenia (17%), Malta (16%), Lithuania (13%) and Cyprus (11%) joined Iceland at the lower end of the country ranking.

Knowledge of comparison tools also differed across socio-demographic groups.

- Men were more confident than women in their knowledge of comparison tools. While 45% of men said they knew comparison tools quite well, this figure was just 33% for women. Women were more likely to think their knowledge of comparison tools was limited (for example, 15% had never heard of comparison tools compared to 9% of men).
- 25-34 year-olds (47%) and 35-44 years-olds (43%) were more likely than respondents in other age groups (between 30% and 37%) to answer that they knew comparison tools quite well.

- Those with a low level of income (i.e. those finding it difficult or very difficult to live with their present income) were less likely to be familiar with comparison tools (respectively, 34% and 30% knew CTs quite well, compared to 52% for those 'living comfortably').
- A similar difference was observed between respondents with a low or medium level of education and those with a high level of education (respectively, 27% and 37% knew CTs quite well, compared to 45% for those with a high level of education).
- The more frequent respondents shopped online, the more familiar they were with comparison tools: respondents who regularly purchased products or service online (every 2 weeks or more often) were more likely than those who less frequently shopped online (every 6 months or less) to report that they knew comparison tools quite well (57% vs. 19%).

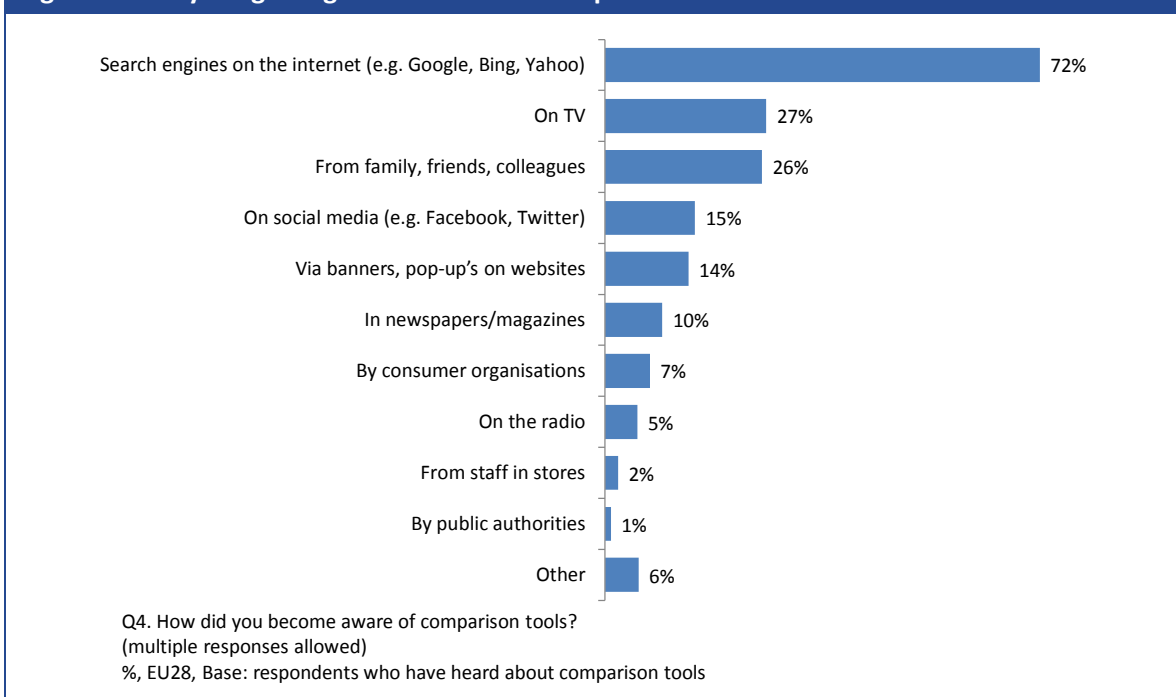
5.1.3 Ways of getting informed about comparison tools

After measuring their awareness of comparison tools, respondents were asked how they had become aware of such tools.

General search engines on the internet (such as Google, Bing, Yahoo) were by far the first medium to learn about comparison tools, mentioned by 72% of respondents across the EU28. A quarter of respondents mentioned television as source of information (27%) and a similar number referred to family, friends and colleagues (26%).

Interestingly, social media and banners/pop-ups on particular websites did not appear to be an effective source of information (mentioned by, respectively, 15% and 14% of respondents). Other ways to get information about comparison tools were each cited by less than 10% of respondents.

Figure 40: Ways of getting informed about comparison tools



The next figure clearly show that, across all countries, internet search engines were the most important source of information to learn about comparison tools; the proportion of respondents mentioning this source of information ranged from 49% in Iceland to 80% in Romania, Greece and Finland.

The largest variation across countries was observed for the proportion of respondents who said they had learned about comparison tools by watching TV; this source was mentioned by just 4% of respondents in Greece and Slovakia, this figure, however, increased to 49% for respondents in the UK. Other countries with a high proportion of respondents who mentioned TV were Ireland (31%), France (36%), Spain (39%) and Luxembourg (40%).

Figure 41: Ways of getting informed about comparison tools (by country)

	FI	EL	RO	LU	HU	CZ	SK	NL	IT	DE	PL	DK	LV	CY	FR	HR	AT	BG	PT	UK	LT	BE	SE	SI	ES	IE	EE	MT	NO	IS
Internet search engines	80	80	80	79	77	77	77	76	76	75	75	74	74	73	73	72	71	71	70	67	67	66	65	65	65	63	63	57	63	49
Family/friends/colleagues	29	23	24	31	16	26	27	32	24	28	25	28	26	41	21	27	30	23	23	27	21	24	38	26	30	25	32	44	18	32
TV	10	4	15	40	9	12	4	13	22	24	16	10	11	16	36	8	16	6	8	49	7	16	7	8	39	31	9	9	10	9
Social media	16	23	25	17	20	14	16	11	25	13	21	9	22	36	7	27	14	26	20	11	18	9	8	16	20	12	24	18	12	20
Banners/pop-ups	12	15	27	17	13	24	18	8	11	12	25	10	26	17	14	27	10	26	15	11	36	8	8	16	15	9	32	9	12	12
Newspapers/magazines	9	5	9	17	4	4	2	7	9	13	7	7	4	10	10	6	15	4	5	13	6	7	10	5	4	10	15	2	6	10
Consumer organisations	4	1	4	6	2	3	2	17	6	6	3	8	2	4	6	4	8	3	7	15	3	12	6	5	6	8	3	1	8	4
Radio	1	2	5	5	1	2	1	4	5	5	4	2	7	5	6	1	5	1	1	11	2	4	2	2	4	9	6	1	2	3
Staff in stores	1	1	5	2	2	1	2	1	3	3	3	1	3	4	2	2	1	2	3	1	3	0	1	3	2	3	2	1	3	0
Public authorities	1	1	2	1	1	1	1	1	1	1	0	1	1	3	1	0	0	1	1	1	0	5	1	1	1	1	3	1	2	1
Other	9	3	5	3	6	5	4	7	5	11	4	7	4	1	2	6	9	6	5	4	6	5	12	6	3	3	7	3	14	19

Q4. How did you become aware of comparison tools?
(multiple response allowed)

Base: Respondents who have heard of comparison tools

A table with the individual country results can also be found in annex 5.

Some socio-demographic differences were also observed; for example:

- Men were more likely to have become aware of comparison tools via general search engines on the internet (74% vs. 70% of women). Women were somewhat more likely to have become informed about such tools by their relatives, friends and colleagues (28% vs. 25% of men).
- Compared to the overall population, 25-34 year-olds and 35-44 year-olds were more likely to have used general search engines (respectively, 76% and 77%), while 18-24 year-olds were more likely to have become aware of these tools via TV (34%) or social media (21%). Finally, older respondents were more likely than their younger counterparts to have turned to newspapers/magazines (17%) and consumer organisations (16%).
- Respondents with a low income and/or a low level of education were less likely than other groups to have used any of these different sources of information about comparison tools.

5.1.4 Frequency of using comparisons tools

Respondents who had heard of comparison tools were also asked how frequently they had used such tools in the past 12 months.

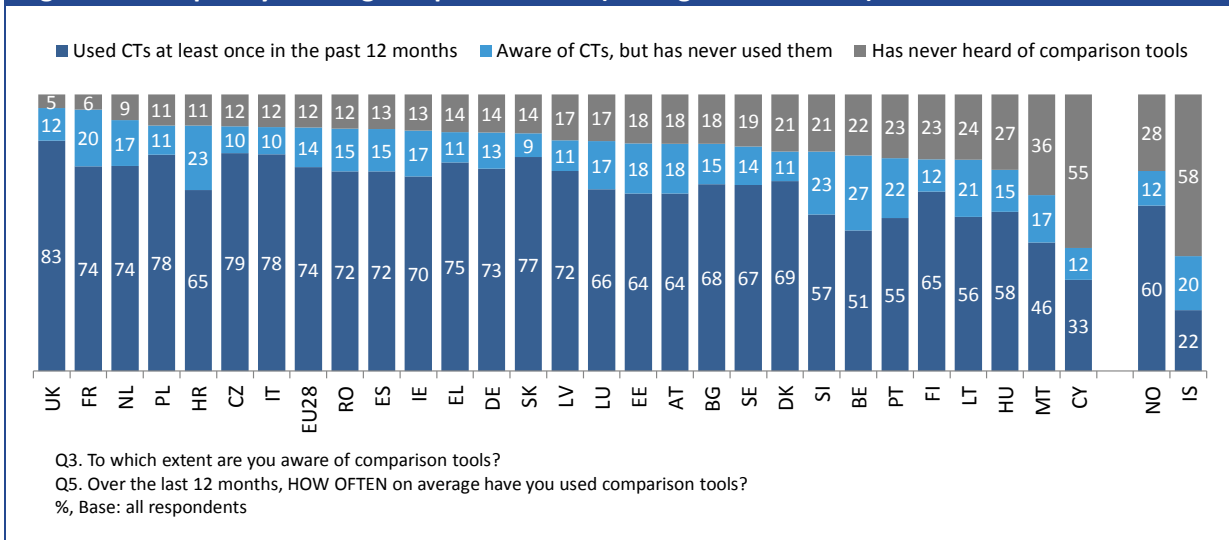
Results across the total population

In total, 73% of consumers had used comparison tools – at least once – in the past 12 months; the highest proportions were observed in Slovakia (77%), Poland and Italy (both 78%), the Czech Republic (79%) and the UK (83%).

In both low and high awareness countries, roughly between 10% and 20% of users had heard of comparison tools but had never used them. For example, in the UK, virtually all consumers (95%) had heard of comparison tools; 83% had also used comparison tools in the past 12 months, while 12% had not used them. In Finland, on the other hand, a smaller proportion of consumers were aware of comparison tools (77%), but the proportion who had never used them was the same as in the UK (both 12%).

In terms of frequency of use (among the total population of consumers), we observed that 22% of consumers had used comparison tools at least once every two weeks in the past 12 months, 17% had used them once a month, 9% every two months and 25% once every three months or less frequently.

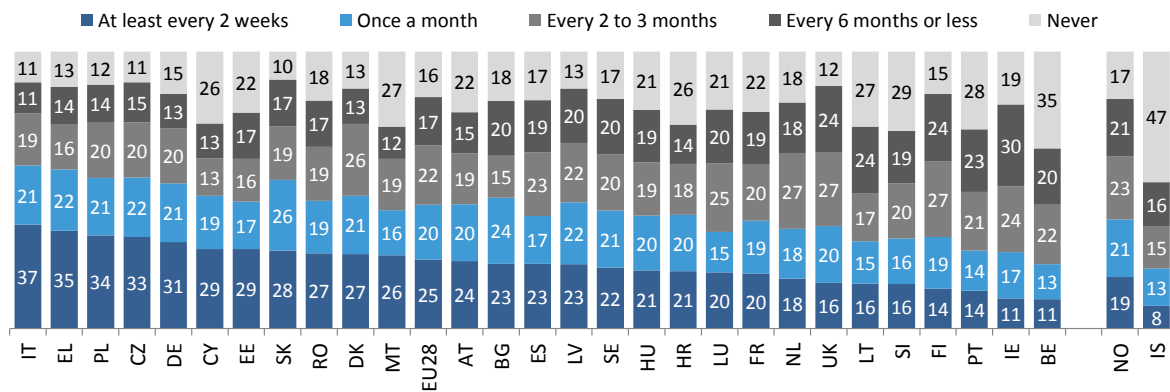
Figure 42: Frequency of using comparison tools (among all consumers)



Results for comparison tool users

A quarter of consumers **who had heard of comparisons tools** had used them at least once every two weeks in the past 12 months, whereas 20% had used them once a month and 22% once every two to three months. A sixth of respondents (17%) could be characterised as ‘infrequent users’ of comparison tools, they had used such tools not more than two times in the past 12 months. Another sixth of respondents (16%) had heard of comparison tools, but had not used them in the past 12 months.

Figure 43: Frequency of using comparison tools (among comparison tools users)



Q5. Over the last 12 months, HOW OFTEN on average have you used comparison tools?
%, Base: respondents who have heard about comparison tools

Within each country group (EU15 and EU13), the frequency of using comparison tools varied considerably across countries. Within the EU15 group, a larger than average proportion of respondents in Italy (37%), Greece (35%) and Germany (31%) reported having used comparison tools at least every two weeks in the past 12 months. On the contrary, respondents in Portugal and Belgium were less familiar with the use of comparison tools; in these countries, the proportions that had not used comparison tools in the past 12 months was higher than average (respectively, 28% and 35%).

Important variations were also observed among the EU13 countries. Respondents from Poland (34%) and the Czech Republic (33%) were more likely than their counterparts in other countries to have used comparison tools at least every two weeks over the past 12 months. On the other hand, more than one in four respondents in Slovenia (29%), Malta (27%), Lithuania (27%), Croatia (26%) and Cyprus (26%) said they had not used comparison tools in the past 12 months.

There are also differences across socio-demographic groups:

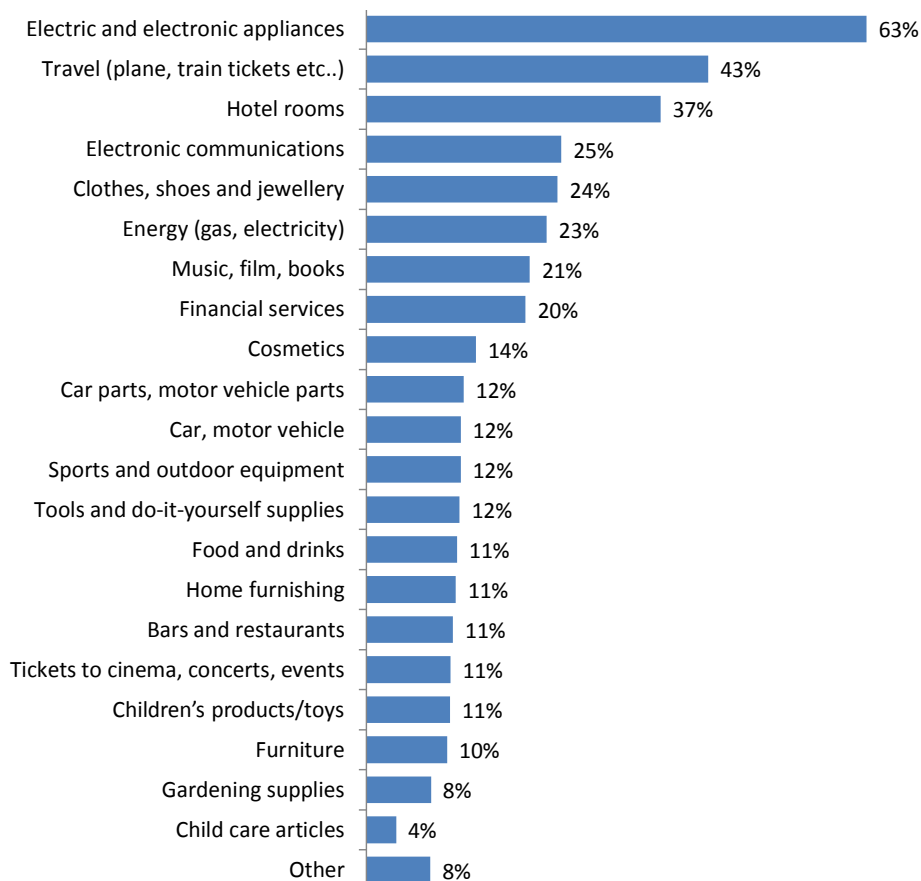
- More men than women were frequent users of comparison tools (i.e. they had used them at least once every two weeks in the past 12 months) (29% vs. 20% of women).
- Respondents in the age groups 25-34 or 35-44 years were also more likely to be frequent comparison tool users (28% in each of these age group, compared to 23% and 18%, respectively, for respondents aged 18-24 and 65 and over).
- While 30% of respondents 'living comfortably on their current income' said they had used comparison tools at least every two weeks in the past 12 months; this figure gradually decreased to 20% for respondents 'finding it very difficult to cope with their income'. It should, however, be noted that respondents with a low level income were also less likely to be frequent online shoppers.
- Respondents who shopped online at least once every two weeks were also more likely to be frequent users of comparison tools than those who bought something online not more than twice a year (45% and 8%, respectively, had used CTs at least once every two weeks in the past 12 months).

5.1.5 Types of products/services for which comparison tools were used

Across the EU28, comparison tools were mainly used to compare prices of electric or electronic appliances (e.g. computers, phones, cameras, electrical household appliances) (mentioned by 63% of comparison tool users). A significant number of users had used comparison tools for travel products (plane or train tickets, etc.) (43%) or hotel rooms (37%). Other important product categories included: electronic communications (mentioned by 25%), clothing (24%), energy (gas and electricity) (23%), cultural goods (music, film and books) (21%) and financial services (20%).

A comparison with the most frequent products bought online shows that electric and electronic appliances now ranked considerably higher. The results for most frequent products bought online showed that electric and electronic appliances were mentioned more or less as frequently as clothes, shoes and jewellery (53% and 57%, respectively); looking at the figure below, we notice that 63% of comparison tools users had used such tools to compare electric and electronic appliances, while just 24% had used them for clothes, shoes and jewellery. It is also interesting to note that only a small proportion of respondents had used the internet to buy financial services (17%); however, online shoppers seem to be quite likely to use comparison tools to compare this type or services (mentioned by 20%).

Figure 44: Types of products/services for which comparison tools were used



Q6. For which products/services do you use comparison tools?
(multiple responses allowed)

%, EU28, Base: respondents who have used comparison tools in the last 12 months

The following figure looks at differences across countries in terms of the types or products/services for which comparison tools were used. Across all countries, electric and electronic appliances appear to be an important product category; between 36% of comparison tools users in Ireland and 83% in the Czech Republic had used comparison tools to compare electric and electronic appliances. In Ireland, plain/train tickets and hotel rooms were mentioned by larger shares of respondents than electric and electronic appliances (47% and 51%, respectively, compared to 36%); a similar picture emerged in Luxembourg, Cyprus and Spain.

Figure 45: Types of products/services for which comparison tools were used (by country)

	CZ	SK	EL	RO	EE	AT	LV	SE	HR	DE	HU	DK	SI	FI	PL	PT	BG	NL	LT	IT	FR	BE	LU	CY	ES	UK	MT	IE	NO	IS
Electric appliances	83	80	78	78	77	75	74	74	74	74	73	73	72	71	70	70	69	68	68	67	59	57	56	52	45	44	44	36	66	53
Travel	21	17	46	27	23	48	24	48	29	45	17	44	27	50	26	36	29	34	21	50	51	45	59	66	55	44	35	47	52	60
Hotel rooms	17	24	42	16	22	41	16	34	21	37	22	31	25	39	25	29	24	26	18	47	36	37	60	53	48	44	28	51	36	42
Electronic comm.	24	14	25	25	23	27	28	23	39	36	19	30	18	14	20	19	32	22	24	27	14	19	13	30	24	24	9	15	25	15
Clothes/shoes/jewels	32	36	44	32	23	27	28	21	25	31	22	23	20	10	35	15	42	23	26	26	25	15	19	51	16	12	38	15	18	15
Energy	17	8	3	11	18	24	8	16	12	36	4	7	11	18	10	14	7	29	3	22	5	31	2	7	10	45	3	21	13	3
Music/film/books	19	21	20	21	15	20	9	24	15	27	17	23	7	24	24	14	12	16	11	25	21	13	20	26	14	16	25	14	19	15
Financial services	17	14	9	17	15	13	14	9	13	20	16	6	8	3	21	6	21	20	13	16	10	13	3	13	12	44	5	26	11	2
Cosmetics	25	21	21	28	10	12	11	13	15	15	12	9	7	3	32	8	21	9	18	16	12	7	6	19	11	5	15	6	10	3
Car/motor parts	19	18	15	20	21	15	14	10	16	15	14	11	19	12	24	11	16	6	13	11	13	5	10	15	8	5	9	8	8	7
Cars/motors	7	13	14	15	18	15	11	7	14	13	12	6	16	11	14	11	20	8	10	16	7	8	9	12	14	11	6	13	8	8
Sports/outdoor equip.	25	21	11	11	13	17	13	14	11	19	12	10	21	7	19	6	12	5	8	12	7	7	16	13	8	7	9	8	13	10
Tools and DIY supplies	19	14	10	10	16	14	10	10	11	20	16	12	12	8	12	5	11	14	10	11	11	8	8	13	6	6	6	7	9	12
Food and drinks	16	10	15	13	14	10	12	5	17	12	16	7	9	3	11	14	19	7	20	15	9	7	4	12	11	13	5	9	8	7
Home furnishing	32	16	8	8	3	12	16	11	8	13	11	10	5	7	30	6	18	2	16	14	7	3	10	6	9	6	3	4	8	2
Bars and restaurants	6	6	11	6	7	9	3	5	10	12	6	5	5	5	10	7	10	9	8	18	12	7	8	22	12	9	15	10	4	7
Cinema/concerts tickets	9	7	15	10	12	10	11	7	11	11	7	8	4	6	9	6	10	10	7	14	9	6	11	15	13	11	12	8	5	13
Children's products/toys	20	18	14	17	8	12	15	7	9	11	14	6	12	5	18	4	11	11	8	12	11	9	7	12	5	6	10	5	8	1
Furniture	17	15	10	10	14	11	16	9	11	14	10	8	8	6	14	5	15	8	13	8	11	7	7	6	6	7	2	4	6	5
Gardening supplies	14	10	5	10	5	12	8	5	6	13	8	8	9	3	13	1	7	10	6	8	7	6	5	2	4	5	1	4	5	1
Child care articles	8	7	5	7	2	2	5	1	3	4	4	3	4	2	6	3	6	2	5	7	2	2	1	5	4	1	1	1	2	2
Other	8	5	4	10	8	7	6	8	6	9	9	7	4	6	7	7	6	13	6	6	8	6	5	1	12	7	0	4	7	11

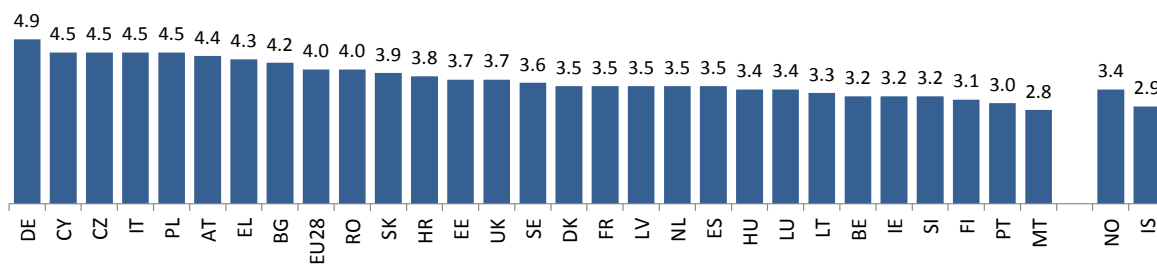
Q6. For which products/services do you use comparison tools?

(multiple responses allowed)

%, Base: respondents who have used comparison tools in the last 12 months

A table with individual country results can also be found in annex 5.

The next figure presents, for each country, the average number of categories of products/services for which comparison tools were used. We again observe some important variations across countries. Germany is the country where respondents used comparison tools for the highest number of products/services (4.9 categories), followed by Italy (4.5) and some countries that belong to the EU13, such as Cyprus (4.5), the Czech Republic (4.5) and Poland (4.5). At the other end of the country ranking, we notice that respondents in Malta (2.8 categories on average), Iceland (2.9) and Portugal (3.0) used comparison tools for less than three product/service groups.

Figure 46: Average number of different products/services for which comparison tools were used

Q6. For which products/services do you use comparison tools?
 Average number of products for which comparison tools were used
 Base: respondents who used comparison tools in the past 12 months

The use of comparison tools also differs across socio-demographic groups; for example:

- 35-44 year-old comparison tool users used such tools for a higher number of products/services than on average (respectively, 4.3 products compared to 4.0 on average); the youngest respondents registered the lowest score of all age groups (3.5 categories).
- In terms of income, we found that those 'finding it very difficult' used comparison tools for fewer different types of products/services (3.5 categories) than 'those finding it difficult' (3.9), 'coping' (4.1) or 'living comfortably' (4.3).

5.1.6 Reasons for using comparison tools

In order to measure the key drivers for using comparison tools, comparison tools users were asked to list the main reasons that led them to use such tools.

Comparison tool users had used these tools because they offered them a quick way to compare prices (mentioned by 69%) and allowed them to find the cheapest price (68%). Comparison tools were also used to save time (mentioned by 28%), to find customer comments, products reviews and ratings (27%), to find the offer that best suits their needs (20%), to find out more about the range of offers (18%) or to find information about specific products or services (15%).

Figure 47: Main reasons for using comparison tools

The following figure shows that, across all countries, comparison tools were mainly used because they offered a quick way to compare prices and allowed to find the cheapest prices. Nonetheless, some interesting variations are also observed; for example:

- Comparison tool users in the Czech Republic (75%), Germany, Portugal (both 74%) and Austria (73%) were more inclined to use comparison tools to compare prices, whereas respondents in Denmark, Greece (both 79%), the UK (78%) and Finland (75%) were more likely to use such tools to find the cheapest prices.
- Saving time was more frequently stressed by respondents in Cyprus (42%), Romania (41%) and Croatia (38%), while respondents in Luxemburg (38%) and the Czech Republic (35%) were more interested in gathering customers' feedback.
- Respondents from Bulgaria (29%), Iceland (28%) and Latvia (28%) were more likely than their counterparts in other countries to use comparison tools to find an offer that best suited their needs.
- Respondents in Estonia (31%) attached more importance to finding information about the range of offers (31%), while those in Cyprus (24%), Estonia (25%) and Iceland (24%) were more interested in finding information about specific products or services.

Figure 48: Main reasons for using comparison tools (by country)

	CZ	DE	PT	AT	IT	HU	LU	SE	DK	UK	BE	EL	NL	FR	ES	HR	EE	RO	SK	BG	PL	SI	CY	LV	LT	IE	FI	MT	NO	IS
Quickest way to compare prices	75	74	74	73	71	71	70	69	69	69	68	67	67	67	66	66	66	65	65	65	65	64	64	64	63	61	61	44	58	54
Find the cheapest prices	70	67	69	68	65	57	59	66	79	78	67	79	65	61	58	71	63	67	63	60	74	56	69	67	65	72	75	55	74	62
Save time	31	28	24	25	24	32	24	23	23	32	20	28	16	29	26	38	30	41	19	36	29	35	42	31	30	32	26	29	24	31
Find customer comments etc.	35	32	19	31	24	24	38	24	12	23	28	21	28	30	23	31	26	23	30	21	28	19	23	18	22	20	19	31	24	29
Find offer that best suits my needs	14	21	23	23	19	23	17	18	19	21	17	20	14	20	20	17	21	26	16	29	16	21	22	28	23	20	22	15	13	28
Find out about the range of offers	20	15	22	16	22	22	19	15	22	17	22	16	18	14	24	20	31	23	25	13	20	22	18	23	23	21	22	14	16	12
Find info about products/services	11	22	8	18	12	15	15	19	10	10	16	16	23	14	12	12	25	14	19	22	14	16	24	23	16	11	14	21	14	25
I don't like going to shops	5	4	2	5	1	10	10	4	4	2	5	4	4	2	1	6	9	3	4	7	6	7	12	9	12	4	10	11	7	5

Q7. What are the main three reasons why you use comparison tools?
(multiple responses allowed)
%, Base: respondents who have used comparison tools in the last 12 months

The main drivers for using comparison tools also differed to some extent across socio-demographic groups; the largest differences were observed across different age groups. For example, comparison tool users aged 35-44 attached more importance to comparing prices (73%, compared to e.g. 64% of over 64 year-olds), whereas the oldest respondents were more likely to use comparison tools, among others, as a way to find an offer that best suited their needs (mentioned by 29% of over 54 year-olds, compared to e.g. 14% of 25-34 year-olds).

We also found that comparison tool users who were not living comfortably with their current income were somewhat more likely to say that they had used such tools to find the cheapest prices (68%-69%, compared to 65% of those 'living comfortably'). Those 'living comfortably' more frequently mentioned the possibility to compare prices or to find customer comments and reviews.

5.1.7 Reasons for not using comparison tools

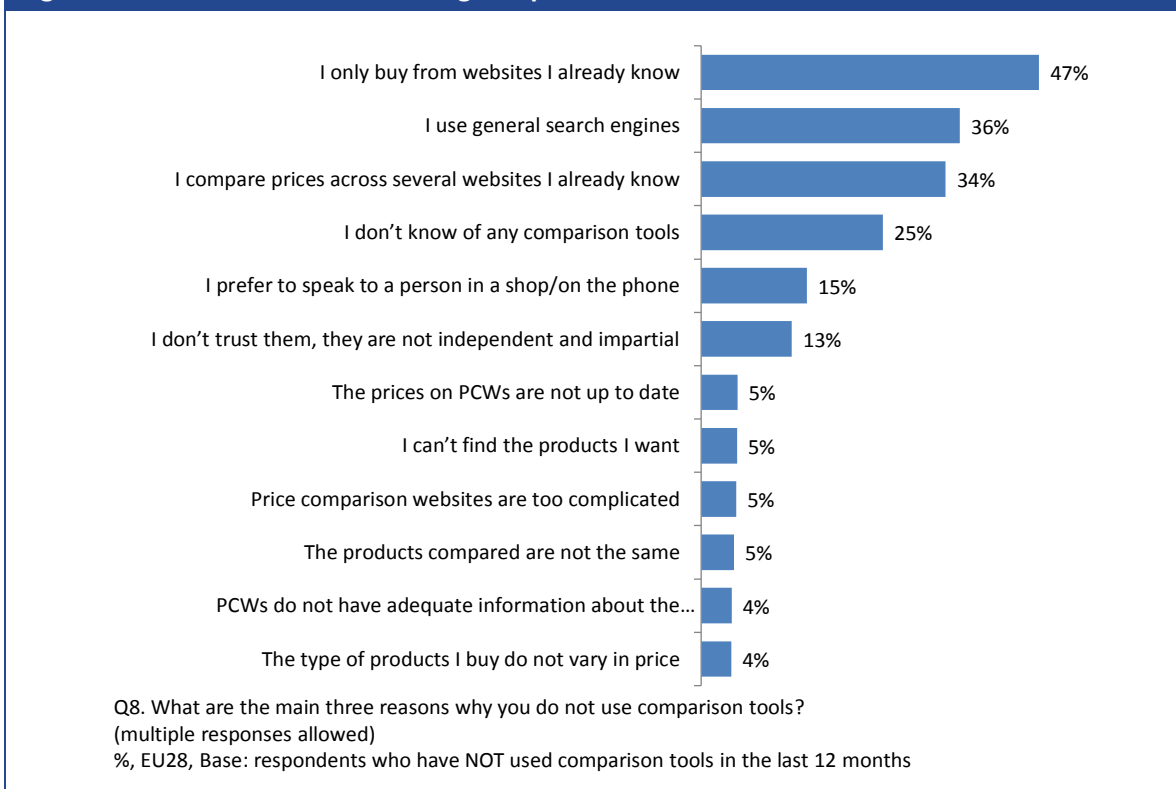
In order to understand consumers' reluctance to use comparison tools, a question about reasons for not using comparison tools was presented to non-users of such tools.

Almost half (47%) of consumers who had not used comparison tools said they only bought products or services from websites that they were already familiar with. More than one in three (36%) respondents preferred using search engines and a similar proportion (34%) preferred comparing prices across several websites that they already knew.

Other reasons mentioned were related to a lack of knowledge of comparison tools or to consumers' preference for in-person contacts (in a shop or on the phone). A quarter of respondents (25%) said they did not use comparison tools because they did not know any tools, while a smaller proportion (15%) reported that they preferred to speak directly to a person in a shop or on the phone.

Smaller shares of respondents did not use comparison tools because they expected to encounter certain difficulties; for example, they doubted whether the comparison would be impartial (13%) or they thought that the prices on comparison tools were not up to date (5%).

Figure 49: Main reasons for not using comparison tools



In most countries, only a small number of respondents had not used comparison tools in the past 12 months; as such, some caution should be exercised when interpreting the individual country results. Nonetheless, there are a few differences across socio-demographic groups that are worth pointing out; for example:

- The oldest respondents (aged 65 and over) were more likely to question the impartiality of comparison tools (18% compared to e.g. 10% of 18-24 year-olds). A larger proportion of older respondents (aged 55 and over) also preferred direct contact in a shop/on the phone (19%-20%, compared to e.g. 10% of 25-34 year-olds).
- While those with a low level of education were more likely not to use comparison tools because they did not know any such tools (29% vs. 23% of the highly educated), those with a high level of education were more likely not to use such tools because they did not trust them (15% vs. 10% of the least educated).
- Respondents with a high level of education were also more likely to compare prices across several websites they already knew (39% vs. 27% for those with a low level of education) or to use general search engines (38% vs. 29%).

5.2 Consumer pathway to comparison tools

Box 5: Summary of main findings – Consumer pathway to comparison tools

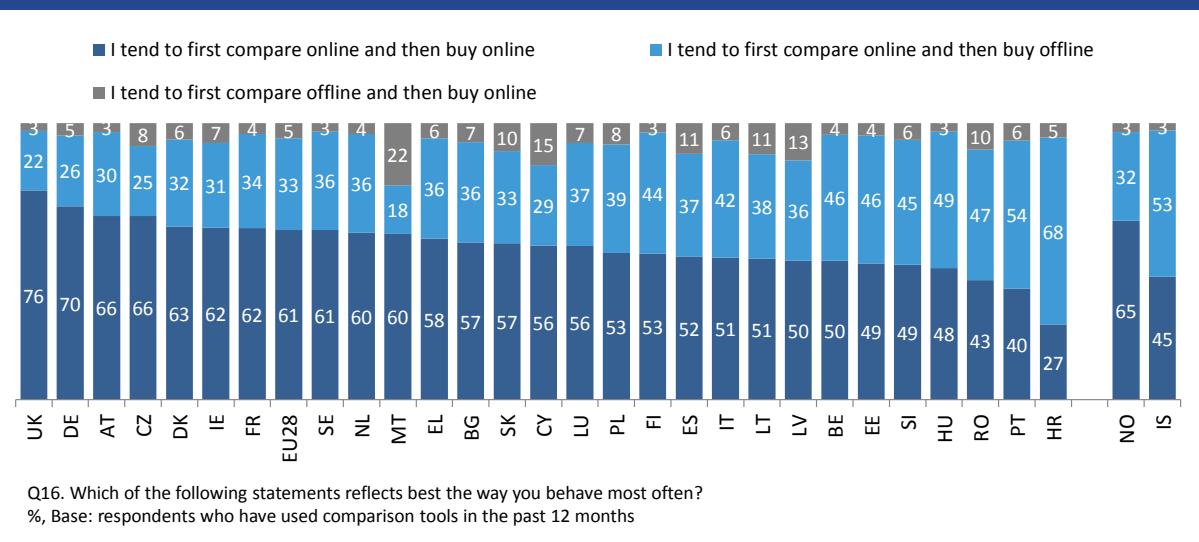
- Before making their most recent online purchase, 63% of comparison tool users surveyed had used a general search engine and 48% a price comparison website to find out more about the product/service they were planning to buy.
- Consumer selection of CTs from online search engines is significantly influenced by link position on the search results page as shown by the first behavioural experiment. The higher positioned a link the more likely it is selected. For example, a first placed natural link was chosen almost twice as frequently as the second placed natural link.
- Reviews also have an important effect on CT selection. In the experiment, links that carried a review were chosen more than twice as frequently as those with no review. The higher a review rating (in terms of a star rating system) and the greater the number of reviews, the more effective was the review in increasing the likelihood a CT was selected. Respondents that reported they were more familiar with CTs tended to choose links with reviews more than those who were less familiar.
- On average, links that were presented as an advert were selected less frequently than those presented as natural links. However, adverts were still chosen by experiment respondents a substantial number of times, implying that paid-for links are an important pathway to comparison tools.

5.2.1 Online purchase intentions

5.2.1.1 Online and offline purchasing behaviour

A vast majority (61%) of comparison tool users in the EU28 said they usually compare online and then also buy online. A third (33%) of comparison tools users tended to compare online but purchased offline. A minority (5%) usually did the opposite, meaning they preferred comparing offline and then buying online.

Figure 50: Purchasing behaviour (online vs. offline)



The proportion of comparison tool users that compared and shopped online varied between 27% in Croatia and 76% in the UK. Other countries with a vast majority of respondents who said they usually compare online and also buy online were found in countries such as Germany (70%), Austria and the Czech Republic (both 66%).

Mixing online and offline shopping behaviour was more widespread in some of the EU13 countries, where a higher proportion of respondents tended to first compare online and then buy offline. Respondents in Croatia (68%), Hungary (49%) and Romania (47%) were the most likely to conduct the comparing stage online and then buy the selected product in-store; they were joined by Portugal (54%) and Iceland (53%).

Online and offline purchasing behaviour also differed across socio-demographic groups:

- Younger and older middle-aged groups (25-34 year-olds and 35-44 year-olds) preferred shopping online after having made an online comparison of products/services (both 64% compared to e.g. 56% of 55-64 year-olds), while older respondents (55-64 year-olds and over 64 year-olds) were more likely to shop in-store after comparing products online (both 37% compared to e.g. 30% among 25-34 year-olds).
- In terms of income level, we noted that those 'finding it difficult' or 'very difficult' were more likely to buy in-store after comparing online (37%-38% compared to 32% for those 'living comfortably'), while those 'living comfortably' preferred comparing and shopping online (65% vs. 56% of those 'finding it difficult' or 'very difficult').
- A similar difference was observed when comparing respondents with a high level of education (who tended to compare and buy online – 63% vs. 58% of the least educated) with those with a low level of education (who tended to compare online but buy offline – 36% vs. 32% of the highly educated).

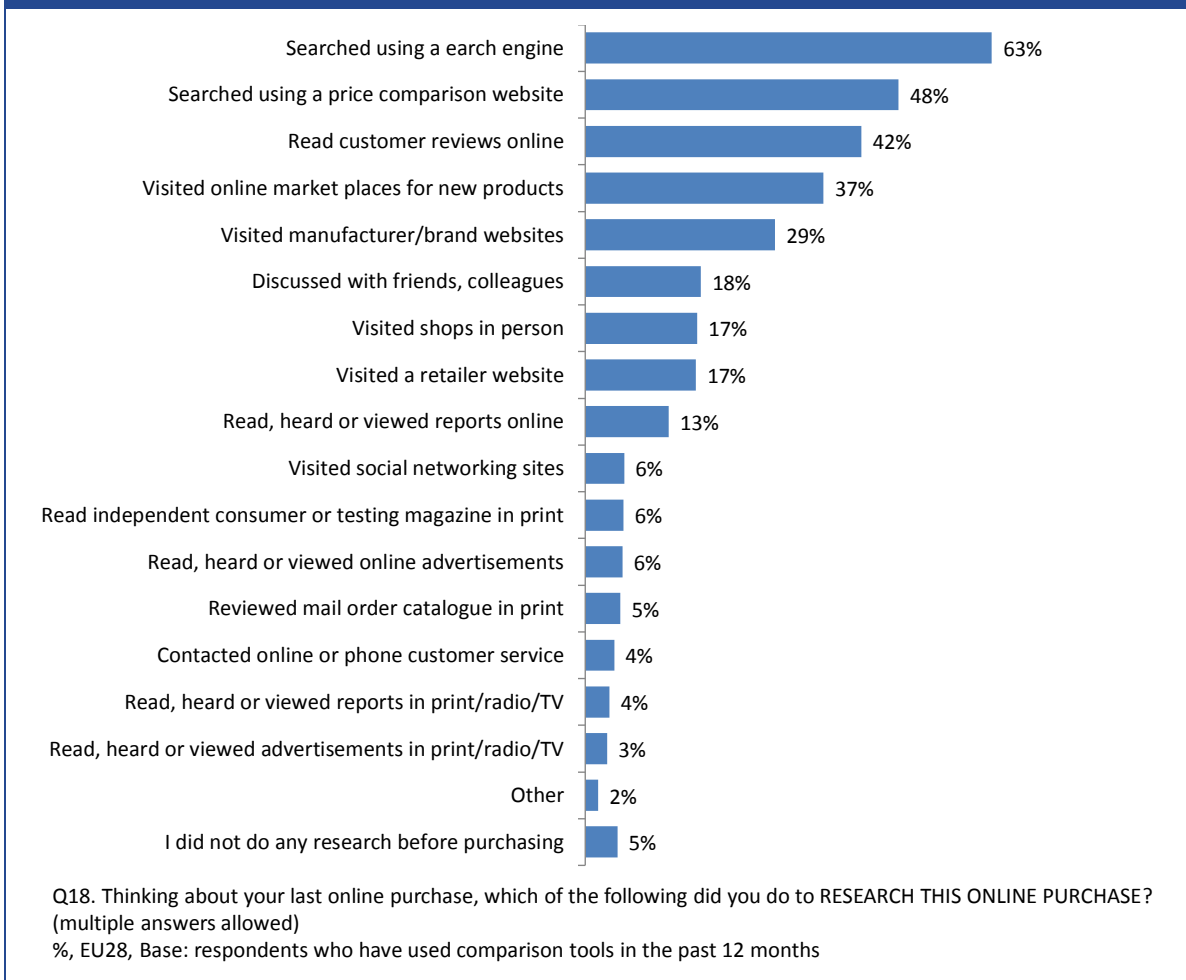
5.2.1.2 Type of research done before making an online purchase

To understand consumers' behaviour when purchasing online, comparison tool users were asked to describe the different means or channels they had used when making their most recent online purchasing decision.

Almost all respondents had searched the internet before making their most recent online purchase; a majority of comparison tool users (63%) had used general search engines (e.g. Google, Bing, Yahoo) and almost one in two (48%) had used a price comparison website. Respondents also paid attention to online customer reviews (42%), and had visited online market places for new products (e.g. Amazon marketplace, e-Bay) (37%) or manufacturer/brand websites (29%).

One in six (18%) comparison tool users had discussed their online purchase with friends or colleagues, and similar numbers preferred comparing products in-store (17%) or visiting a retailer website (17%). Somewhat more than a tenth of respondents (13%) had read, heard or viewed reports online. All other responses were selected by less than 10% of comparison tool users.

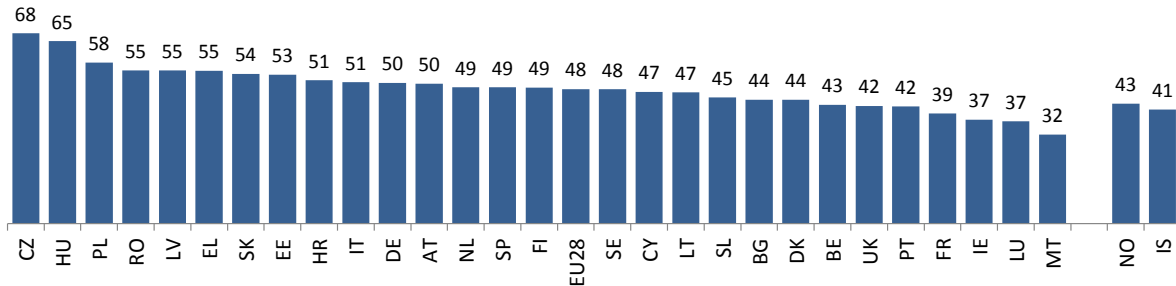
Figure 51: Type of research done before purchasing online



The means and channels used when making online purchasing decisions varied across countries; a table with individual country results can be found in annex 3. In the following figure, we have a look at the proportions of respondents who had used a price comparison website to find out more about the product/service they were planning to buy.

Before making their most recent online purchase, 32% of comparison tool users in Malta had used a price comparison website to find out more about the product/service they were planning to buy; this figure increase to 65% in Hungary and 68% in the Czech Republic.

Figure 52: Share of consumers who searched using a price comparison website



Q18. Thinking about your last online purchase, which of the following did you do to RESEARCH THIS ONLINE PURCHASE?
%, Base: respondents who have used comparison tools in the past 12 months

Some socio-demographic differences were also observed; for example:

- Men were more likely than women to have used a price comparison website before making their most recent online purchase (50% vs. 46% of women), while women were more likely to look for customers reviews online (45% vs. 40% of men).
- Consumers aged 55-64 were more likely to have used various channels to gather information before purchasing online (3.6 channels on average, compared to 3.1 channels for 18-24 year-olds). The largest difference across age groups was seen for the use of comparison tools to find out more about the product/service they were planning to buy (56% for 55-64 year-olds vs. 48% for the overall population).

5.2.2 Experiment 1 analysis

This section presents analysis for experiment 1. Experiment 1 was the ‘search’ experiment which tested consumer behaviour when selecting a comparison tool at the initial (online) search stage. The observations from experiment 1 illustrate the importance of link position on a webpage. The further towards the top a link is located the greater the likelihood the link is selected. Reviews have a positive impact on the likelihood a link is chosen, which indicates the importance of review accuracy and impartiality. Being shown as an advert as opposed to a natural link decreases the likelihood a link is selected. However, despite this decrease in likelihood of selection, a substantial number of adverts were selected in the experiment. This finding illustrates the importance of ensuring consumers can differentiate between links that are adverts and those that are natural links; and, understand what the difference is (i.e. based on objective search criteria or a commercial relationship between supplier and the comparison tool).

In experiment 1 each participant¹⁴⁴ was presented with eight comparison site links for each sector, and was asked to indicate their first and second choice from among the links shown. The experiment examined the impact of three factors (details of the methodology are presented in the methodology chapter):

- Link position: the effect of the position at which a link to a comparison tool appears on a search results page.

¹⁴⁴ 12,126 participants completed the search experiment in total across all countries.

- Link type: the effect of whether a link to a comparison tool is a natural link or an advert.
- Review status: the effects of (i) whether or not user review information is provided about a comparison tool, (ii) the rating given by users/reviewers and (iii) the number of reviews.

Key findings from Experiment 1 are the following:

- The position of a link on a results page is an important factor determining whether a consumer chooses it. Furthermore, the impact of link position is greater for links near the top of the results page. For example, in the experiment the first-placed natural link was chosen almost twice as frequently as the second-placed natural link.
- A link to a comparison tool is more likely to be chosen if it carries a review. On average, links were chosen more than twice as frequently if they carried a review. In addition, a review is more effective if it displays a higher rating and is based on more reviews.
- The likelihood that a link is chosen is lower if it is an advert (rather than a natural link). For example, despite appearing lower down the results page (which decreases the likelihood that a link is chosen), the first-placed natural link was chosen more frequently than most adverts.
- Despite the above observation, a substantial share of links chosen were adverts (43% and 45% in the electricity and travel sectors respectively), implying that paid-for links are an important pathway to comparison tools.
- Comparing between sectors, adverts and links with reviews have a higher likelihood to be chosen in the travel sector compared to the electricity sector. In addition, in the travel sector links in positions further down have higher likelihoods to be chosen than in the electricity sector.
- There were notable differences between the choices of participants in the EU15 and the EU13. In particular, EU13 participants were more likely to choose links that were adverts, and were less influenced by the presence of reviews.
- When taking into account respondents' self-reported familiarity with comparison tools, respondents in countries that were more familiar with comparison tools tended to be more influenced by links that included reviews and less influenced by links that were adverts.

In the following sections we present detailed results for each sector in turn.

5.2.3 Results for the electricity sector

The impact of the various factors studied in experiment 1 are initially assessed by examining the proportion of participants who chose each link as their first choice, broken down by link position (1 to 8), link type (advert or natural), and review status (no review, 5-stars, 4-stars, etc.). These proportions are shown in the following table, and are discussed in detail below.

The shares shown in the table are calculated by dividing the frequency that participants chose links in different positions with and without review information by the overall frequency that these links were shown to participants. These frequencies are provided in the Experiment 1 section of the behavioural experiment annex.

Table 22: Shares choosing a link as first choice, electricity sector

Link position (a)	Total (b)	Without review (c)	With review				
			Total (d)	5 stars (e)	4 stars (f)	500 reviews (g)	100 reviews (h)
1 (Ad)	19.5%	16.8%	27.5%	29.9%	25.1%	30.9%	24.3%
2 (Ad)	13.0%	10.2%	21.5%	22.5%	20.5%	22.7%	20.3%
3 (Ad)	10.3%	7.2%	19.6%	21.2%	18.0%	21.8%	17.5%
4	22.7%	18.4%	35.6%	37.9%	33.3%	37.2%	33.9%
5	12.0%	9.0%	21.2%	23.2%	19.3%	24.1%	18.1%
6	8.5%	5.8%	16.5%	17.8%	15.3%	17.5%	15.6%
7	6.9%	4.8%	13.2%	14.8%	11.6%	15.2%	11.2%
8	7.1%	5.7%	11.1%	13.9%	8.3%	13.4%	8.9%
Average	12.5%	9.7%	20.8%	22.7%	18.9%	22.9%	18.7%

Link position and link type

The proportion of respondents that chose a natural link or advert in each position (positions 1 to 3 for adverts and 4 to 8 for natural links) are compared in the extract from Table 22 shown on the right. This shows:

- The lower the position of a link, the lower the likelihood that it was chosen.
- On average, the first advert was chosen (19.5%) almost as frequently as the first natural link (22.7%), and the second natural link (12%) was chosen almost as frequently as the second advert (13%).

Extract from Table 22	
Link number (a)	All (b)
1 (Ad)	19.5%
2 (Ad)	13.0%
3 (Ad)	10.3%
4	22.7%
5	12.0%
6	8.5%
7	6.9%
8	7.1%
Average	12.5%

Overall impact of review information

The results show a strong overall impact of review information, given the position of a link:

- Across all eight positions, links with a review were chosen more often on average (20.8%) than links without a review (9.7%).
- This effect holds for any of the eight positions individually (for any given position, the share that chose a link in that position was roughly double if the link carried a review).

Extract from Table 22	
Without review (c)	With review (d)
16.8%	27.5%
10.2%	21.5%
7.2%	19.6%
18.4%	35.6%
9.0%	21.2%
5.8%	16.5%
4.8%	13.2%
5.7%	11.1%
9.7%	20.8%

Impact of review ratings

The differences in proportions show that there is a positive impact of 5-star review information relative to 4-star review information on the likelihood that a link is chosen, given the position of a link, the comparison shows that:

- On average over all eight positions, the proportion that chose a 5-star link was 22.7%, compared to 18.9% that chose a 4-star 18.9%.
- Again, this effect holds when comparing links at any given position (across the eight positions, there was an increase of between 2.0 and 5.6 percentage points in the share choosing a link if it carried a 5-star review rather than a 4-star review).

Extract from Table 22	
5 stars (e)	4 stars (f)
29.9%	25.1%
22.5%	20.5%
21.2%	18.0%
37.9%	33.3%
23.2%	19.3%
17.8%	15.3%
14.8%	11.6%
13.9%	8.3%
22.7%	18.9%

Impact of the number of reviews

There was a clear impact on respondents' propensity to choose a link if it had 500 reviews rather than only 100 reviews, for any given position:

- On average (over all eight positions), links with 500 reviews were chosen on 22.9% of occasions that they were shown, compared to 18.7% for links with 100 reviews.
- This effect also holds when comparing links at any individual position.

Extract from Table 22	
500 reviews (g)	100 reviews (h)
30.9%	24.3%
22.7%	20.3%
21.8%	17.5%
37.2%	33.9%
24.1%	18.1%
17.5%	15.6%
15.2%	11.2%
13.4%	8.9%
22.9%	18.7%

Regression analysis of participants' first choices

In the first regression analysis, the effects of different link characteristics on the likelihood that a link is chosen as a participant's first choice are estimated using a conditional logit regression.¹⁴⁵ It is appropriate to use this type of regression if the dependent variable is equal to 1 or 0 (which is the case in this analysis, since the dependent variable has value 1 if the link was chosen and 0 if it was not).¹⁴⁶ The regression analysis estimates the probability that a link is chosen depending on the link's characteristics. The explanatory variables used in the regression are:

- 'Link position': a continuous variable indicating the position on the page (from 1 to 8) at which the link was displayed to participants.
- 'Advert': a dummy variable indicating whether the link is an advert (Advert=1) or a natural link (Advert=0).

¹⁴⁵ A logit regression is used instead of an OLS regression since the dependent variable is binary.

¹⁴⁶ In this analysis, every link presented to a participant (and its characteristics) forms a separate entry in the dataset, meaning there are eight entries for every choice made by a participant, one of which was chosen as a first choice. The fact that one out of every group of eight links in the dataset must have been chosen is the reason that a conditional logit regression is appropriate, instead of a standard logit regression.

- ‘Link position*Advert’: the interaction between link position and advert (which tests whether the effect of link position differs depending on whether the link is an advert or natural link).
- ‘Review’: a dummy variable indicating whether the link carries a review (yes or no).
- ‘5 stars’: a dummy variable indicating whether the link has five stars (the alternatives being four stars or no indication of stars in case of no review) (yes or no).
- ‘500 reviews’: a dummy variable indicating whether the link has 500 reviews (the alternatives being 100 reviews or no indication of reviews in case of no review).

The regression results are presented in the table below. The coefficients in the table reveal the direction of the effect of each characteristic (a positive coefficient means the characteristic increases the likelihood that a link is chosen, whereas a negative coefficient means the characteristic decreases this likelihood), and the relative magnitude of the effect of each characteristic (a larger coefficient implies a larger effect). In addition, the standard error, z-value, p-value and confidence interval all display the statistical significance of the effect of each characteristic. In particular the following results are statistically significant:

- The likelihood that a link is chosen increases if it has a review, if it has a 5-star review rather than a 4-star review, and if it has 500 reviews rather than 100 reviews.
- The likelihood that a link is chosen decreases with link position (i.e. if the link is shown further down the results page), and if it is an advert.

Furthermore, the (positive) impact of carrying a review is smaller in magnitude than the (negative) impact of a link being an advert, since the estimated coefficient on Review (0.568) is smaller than the coefficient on Advert (-1.027).

However, there is no evidence that the effect of link position differs depending on whether the link is an advert or natural link (since the coefficient on Link position*Advert is not significant).¹⁴⁷

Table 23: Results of conditional logit regression of first choice link, electricity sector

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.336	0.009	-36.78	0.000	-0.354	-0.318
Advert	-1.027	0.061	-16.81	0.000	-1.147	-0.908
Link position* Advert	-0.010	0.020	-0.53	0.599	-0.049	0.029
Review	0.568	0.029	19.45	0.000	0.511	0.625
5 stars	0.189	0.029	6.51	0.000	0.132	0.245
500 reviews	0.210	0.029	7.23	0.000	0.153	0.267

Since the sizes of estimated coefficients from a logit regression are not particularly informative in themselves¹⁴⁸, it is useful to interpret the results in terms of the predicted change in the probability that a link would be chosen between alternative scenarios (e.g. when a link carries a review compared to when it does not) and when the value of a variable changes (e.g. link position increases or decreases).

¹⁴⁷ We also checked if the likelihood of the first advert being chosen relative to the likelihood of the first natural link being chosen is statistically different. We observe that in the case of energy the first natural link is more likely to be chosen than the first advert. While this difference in likelihood is small it is significantly significant.

¹⁴⁸ The coefficients are not particularly informative because a logit regression performs a non-linear transformation (i.e. a transformation via the Logistic distribution function) on the underlying linear equation of explanatory factors.

The likelihood, predicted via the regression, that a link would be chosen depending on its characteristics is shown in the figure below. The graph clearly shows the predicted decrease in the probability that a link is chosen if it is displayed lower on the results page (i.e. as link position increases). It also shows a clear jump at the first natural link (i.e. the fourth link overall), which implies that this link has roughly the same likelihood of being chosen as the first advert (despite being shown further down the page).

In addition, the graph shows that links with reviews are considerably more likely to be chosen than links without reviews, and those with 5 stars/500 reviews are more likely to be chosen than those with 4 stars/100 reviews.

The estimated effect of a particular type of review on the likelihood that a link in a given position would be chosen is illustrated by the (vertical) distance between the lines in the figure below. For example, for the first natural link (i.e. the link in position 4):

- 4 stars based on 100 reviews (i.e. the weakest type of review) increases the likelihood that the link is chosen by 12.9% (28.5% less 15.6%).
- stars based on 500 reviews (i.e. the strongest type of review) increases the likelihood that the link is chosen by 22.9% (38.5% less 15.6%).

The values corresponding to the figure are presented in the table immediately below it.

Figure 53: Predicted likelihood that a link is chosen, electricity sector (predicted probabilities from conditional logit regression)

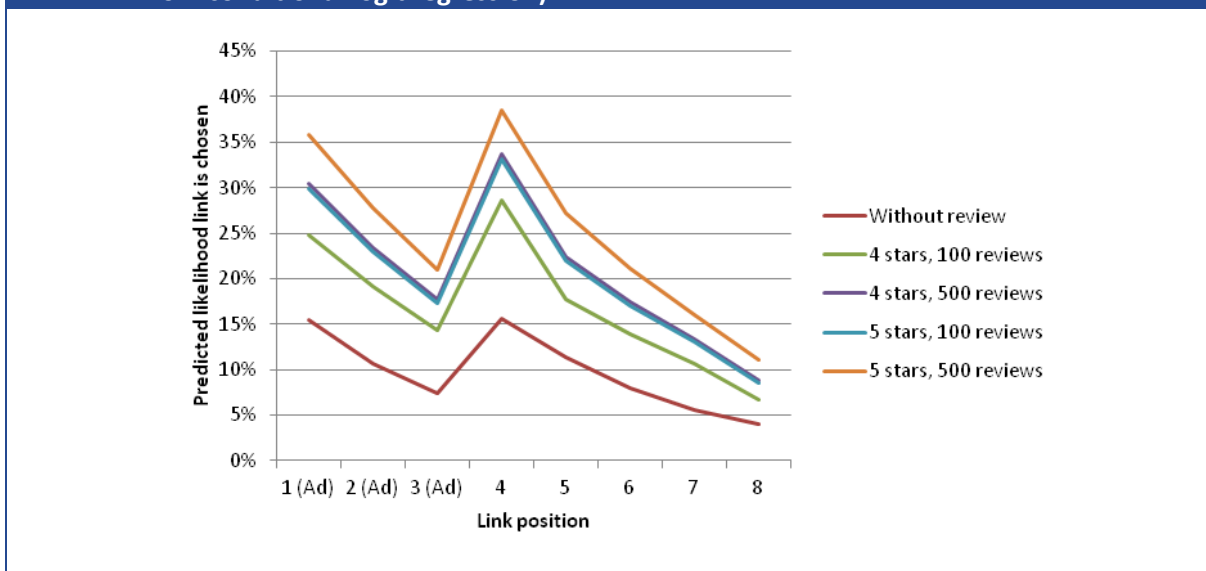


Table 24: Predicted likelihood that a link is chosen, electricity sector (predicted probabilities from conditional logit regression)

Link position	Without review	With review			
		4 stars		5 stars	
		100 reviews	500 reviews	100 reviews	500 reviews
1 (Ad)	15.5%	24.8%	30.4%	29.8%	35.8%
2 (Ad)	10.6%	19.1%	23.4%	23.0%	27.8%
3 (Ad)	7.4%	14.4%	17.7%	17.3%	21.0%
4	15.6%	28.5%	33.7%	33.1%	38.5%
5	11.4%	17.7%	22.4%	21.9%	27.2%
6	7.9%	13.9%	17.4%	17.1%	21.1%
7	5.5%	10.6%	13.3%	13.0%	16.1%
8	4.1%	6.7%	8.8%	8.6%	11.1%

Regression analysis of participants' first and second choices

The results presented above relate only to participants' first choice of link. In this section, participants' first and second choices of link are analysed together using a logit regression, where the dependent variable is equal to one if a link was chosen as either the participant's first or second choice, or equal to zero if the link was not chosen (i.e. first and second choices are treated equally). The explanatory variables included in the regression are the same as those included in the regression of first choice link presented in the section above.

The results of the regression, presented in the table below, are similar to those of the regression for first choice link (above): the likelihood that a link is chosen increases if it has a review, if it has a 5-star review rather than a 4-star review, and if it has 500 reviews rather than 100 reviews, whereas the likelihood that it is chosen decreases with link position, and if it is an advert.

An interesting difference between these results and those relating to participants' first choice of link is that the coefficient on the link position/advert interaction variable is positive and significant in these results. This implies that the likelihood that a link is chosen decreases less with link position (i.e. if the link is shown further down the page) for adverts than for natural links.

Table 25: Results of logit regression of first or second choice link, electricity sector

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.246	0.007	-35.71	0.000	-0.259	-0.232
Advert	-1.144	0.052	-21.96	0.000	-1.247	-1.042
Link position* Advert	0.042	0.017	2.51	0.012	0.009	0.076
Review	0.841	0.025	33.68	0.000	0.792	0.890
5 stars	0.092	0.027	3.44	0.001	0.039	0.144
500 reviews	0.081	0.027	3.04	0.002	0.029	0.133
Constant	0.113	0.041	2.76	0.006	0.033	0.193

The next figure shows the predicted probability that a link would be chosen as either first or second choice depending on the characteristics of the link. The figure illustrates the importance of a review in general, but also shows that in this case the number of stars/reviews has only a small impact on the likelihood that a link is chosen. The values corresponding to the figure are presented in the table below.

Figure 54: Predicted likelihood that a link is chosen as first or second choice, electricity sector (predicted probabilities from logit regression)

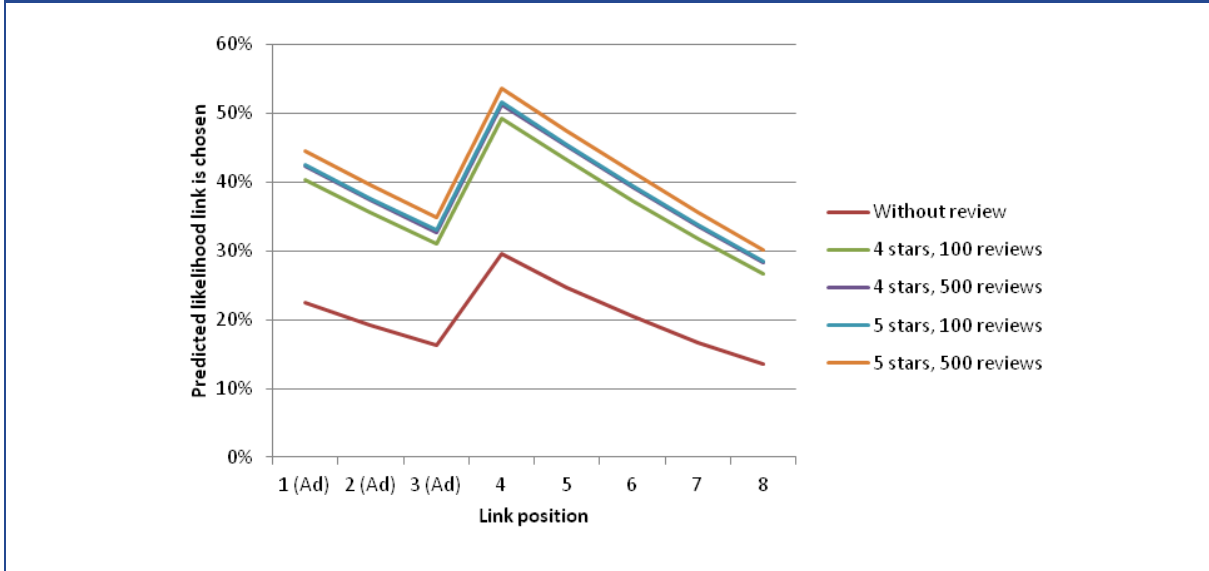


Table 26: Predicted likelihood that a link is chosen as first or second choice, electricity sector (predicted probabilities from logit regression)

Link position	Without review	With review			
		4 stars		5 stars	
		100 reviews	500 reviews	100 reviews	500 reviews
1 (Ad)	22.5%	40.3%	42.3%	42.5%	44.5%
2 (Ad)	19.2%	35.5%	37.4%	37.6%	39.6%
3 (Ad)	16.2%	31.0%	32.8%	33.0%	34.8%
4	29.5%	49.3%	51.3%	51.6%	53.6%
5	24.7%	43.2%	45.2%	45.5%	47.5%
6	20.4%	37.3%	39.2%	39.5%	41.4%
7	16.7%	31.8%	33.6%	33.8%	35.6%
8	13.6%	26.7%	28.3%	28.5%	30.2%

Country group-level analysis

The next figure shows for each country, the EU15 and the EU13, the share of participants who chose a link with a review (on the vertical axis) and the share of participants who chose an advert (on the horizontal axis).¹⁴⁹ The figure reveals that:

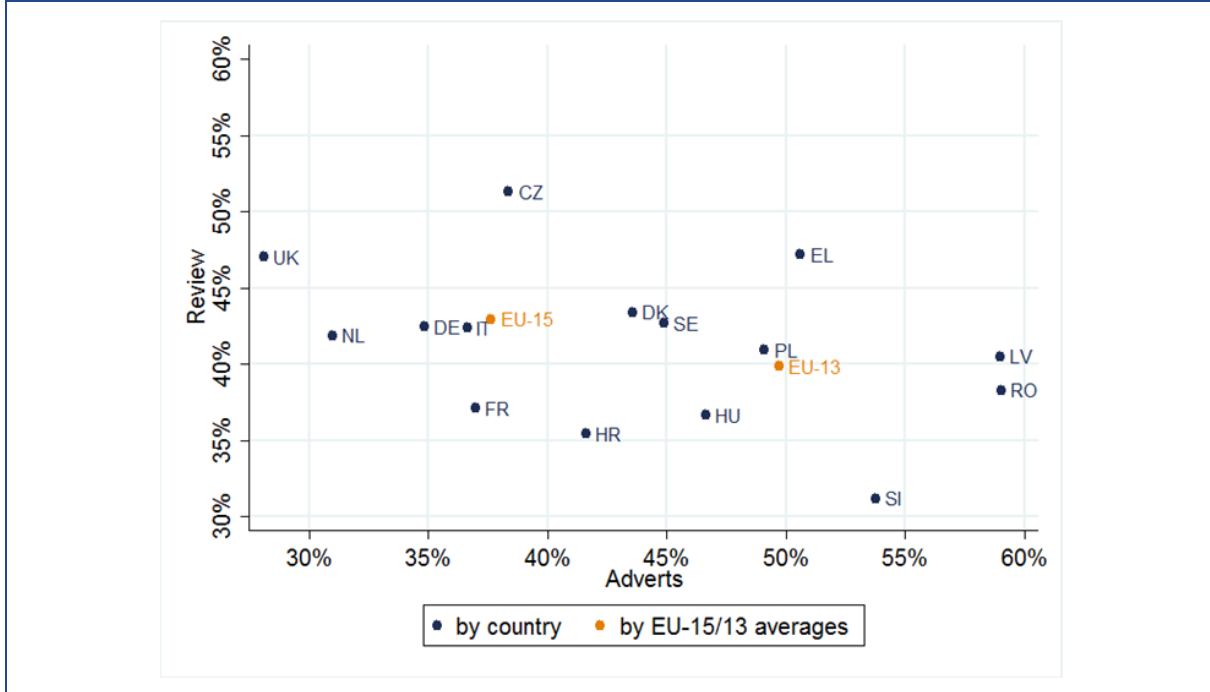
- Even though only a quarter of links in each set carried a review, over 30% chose a link with a review in every country, implying that links with a review were more popular than those without.
- The share of participants who chose an advert ranged from less than 30% in the UK to almost 60% in Latvia and Romania, which implies that in six countries (Czech Republic, France, Germany, Italy, Netherlands and the UK) an advert was chosen less often than the

¹⁴⁹ EU15 member states included in the experiment sample are Denmark, France, Germany, Greece, Italy, Sweden, the Netherlands, and the UK. EU15 member states included in the experiment sample are Croatia, Czech Republic, Hungary, Latvia, Poland, Romania and Slovenia

average link, whereas in the other nine countries an advert was chosen more often than the average link.¹⁵⁰

- Participants in the EU15 were notably less likely to choose links with adverts (horizontal axis) and more likely to choose links with a review (vertical axis) than those in the EU13.

Figure 55: Share that choose an advert and link carrying a review as their first choice, electricity sector



EU15 countries

The aggregate analysis carried out on the full sample (described above) is also conducted for EU15 and EU13 countries as two separate groups. The shares of participants in the EU15 who chose each link are presented by link position, link type and review status in the table below.¹⁵¹

Two differences in the results for the EU15 countries compared to the results for the EU13 (presented below) are apparent:

- Participants in EU15 countries were less likely to choose links that were adverts. This can be observed from Figure 56, which shows that a lower share of participants chose an advert (i.e. link 1, 2 or 3) in the EU15.
- Participants in the EU15 were more influenced by the presence of a review. This can be seen in Figure 57, which shows the additional share of participants who chose each link when it carried a review. It is clear from this figure (i.e. from the differences between the bars for each country group) that, overall, reviews had a greater impact on the share choosing a given link in the EU15 than in the EU13, especially for links 5 and 6. This finding is also supported by the country group-level regression results presented in the behavioural

¹⁵⁰ This is the case if the share of participants who chose an advert is less than 37.5%, since three out of eight links (=37.5%) in each set of links presented in the experiment were adverts.

¹⁵¹ This table is equivalent to table which presents differences in proportions for the whole sample above.

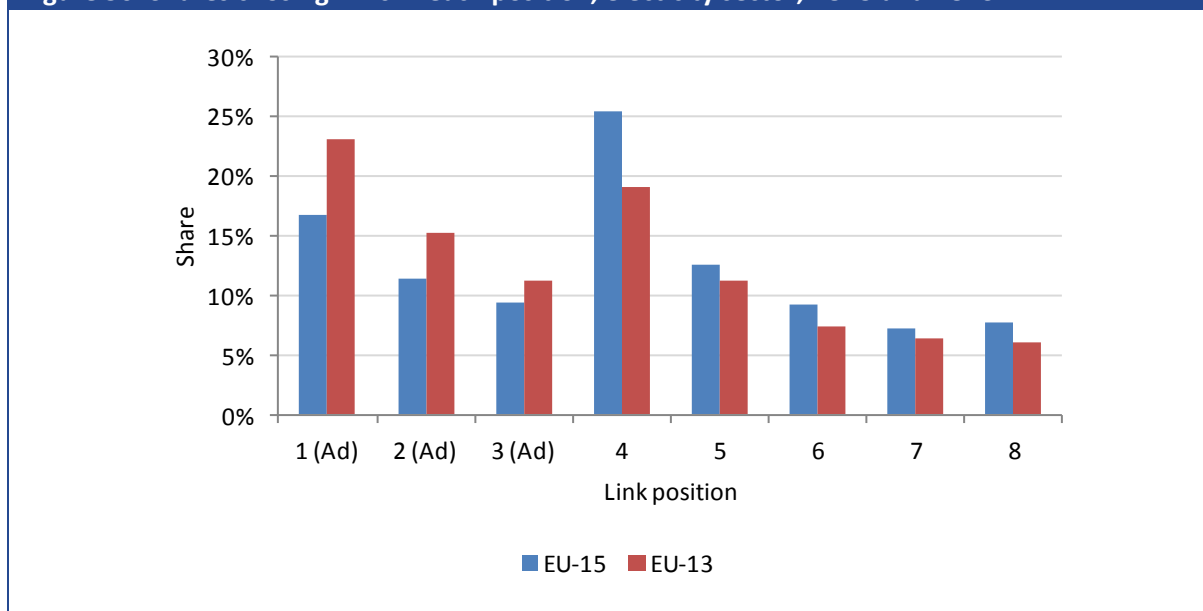
experiment annex. In particular, the regression coefficient on the Review variable is larger for the EU15 (0.646) than for the EU13 (0.455).¹⁵²

The regression results for the EU15 group are presented in the experiment 1 section of the behavioural experiment annex. These regression results reveal significant effects in the same direction as those found for the full sample (presented above).¹⁵³

Table 27: Shares choosing a link as first choice by position and type, electricity sector, EU15 countries

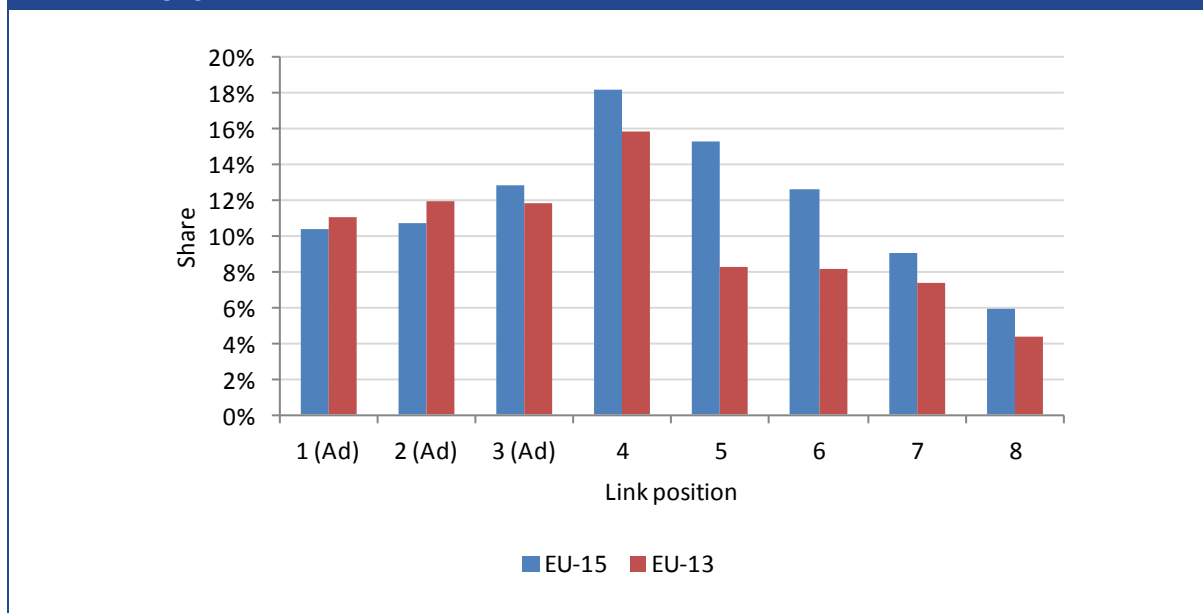
Link number (a)	Total (b)	Without review (c)	With review				
			Total (d)	5 stars (e)	4 stars (f)	500 reviews (g)	100 reviews (h)
1 (Ad)	16.8%	14.2%	24.6%	27.4%	21.7%	28.3%	21.1%
2 (Ad)	11.4%	8.7%	19.4%	20.4%	18.3%	19.7%	19.1%
3 (Ad)	9.5%	6.3%	19.2%	19.9%	18.5%	22.2%	16.1%
4	25.4%	20.8%	39.0%	39.1%	38.9%	41.1%	37.0%
5	12.6%	8.8%	24.1%	26.4%	21.8%	27.8%	20.3%
6	9.2%	6.1%	18.7%	19.7%	17.7%	18.5%	18.9%
7	7.3%	5.0%	14.1%	15.2%	13.0%	16.4%	11.8%
8	7.8%	6.3%	12.3%	15.1%	9.6%	14.6%	10.0%

Figure 56: Shares choosing links in each position, electricity sector, EU15 and EU13



¹⁵² This finding is also supported by the country group-level regression results presented in the behavioural experiment annex. In particular the coefficient on the Review variable is larger for the EU15 (0.646) than for the EU13 (0.455).

¹⁵³ The probability that a link is chosen increases if it has a review, if it has a 5-star review rather than a 4-star review, and if it has 500 reviews rather than 100 reviews, whereas the likelihood that it is chosen decreases with link position, and if it is an advert.

Figure 57: Additional share choosing each link when it carried a review, electricity sector, EU15 and EU13

EU13 countries

The shares of participants in EU13 countries who chose each link are presented by link position, link type and review status in the table below. As already noted, the choices of participants in the EU13 differed from those of participants in the EU15 in two respects: EU13 participants were more likely to choose links that were adverts, and were less influenced by presence of a review (see above).

Table 28: Shares choosing a link as first choice by position and type, electricity sector, EU13 countries

Link number (a)	Total (b)	Without review (c)	With review				
			Total (d)	5 stars (e)	4 stars (f)	500 reviews (g)	100 reviews (h)
1 (Ad)	23.1%	20.4%	31.5%	33.3%	29.6%	34.6%	28.6%
2 (Ad)	15.3%	12.3%	24.3%	25.3%	23.4%	26.7%	22.0%
3 (Ad)	11.3%	8.4%	20.2%	23.0%	17.4%	21.2%	19.2%
4	19.1%	15.1%	31.0%	36.2%	25.9%	32.3%	29.4%
5	11.2%	9.1%	17.4%	19.0%	15.7%	19.4%	15.1%
6	7.4%	5.4%	13.6%	15.2%	11.9%	15.9%	11.2%
7	6.4%	4.6%	12.0%	14.2%	9.8%	13.7%	10.3%
8	6.1%	5.0%	9.4%	12.3%	6.5%	11.7%	7.5%

The experiment 1 section of the behavioural experiment annex presents regression results for the EU13 countries. These regression results reveal significant effects for link position, advert/natural link and review status, in the same direction as those found for the full sample (presented above). However, both the negative effect of being an advert and the positive effect of having a review are found to be smaller for participants in these countries.

Country groups based on familiarity with comparison websites

An alternative country grouping is examined in addition to the EU15 and EU13 grouping. The alternative grouping is based on respondents' familiarity with comparison websites. It uses two questions from the questionnaire to generate a composite familiarity 'score' for each respondent:

- To which extent are you aware of comparison tools?
- Over the last 12 months, how often on average have you used comparison tools?

Respondents are divided approximately into thirds and awarded points based on their answers to these questions with 2 points going to those in the top third, 1 point going to those in the second third, and 0 points going to those in the bottom third, as shown in the table below.

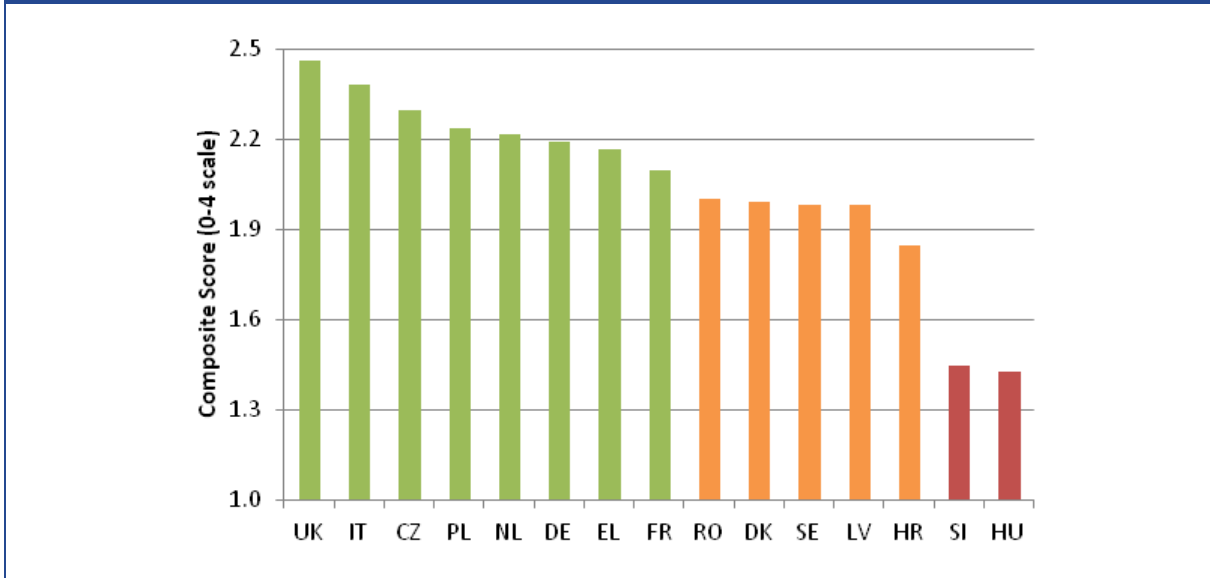
Table 29: Questions to construct the comparison website familiarity score

	Share of sample	Points
To which extent are you aware of comparison tools?		
I know comparison tools quite well	39%	2 points
I have heard of comparison tools and I have a(n) (vague) idea of what they are	34%	1 point
I have heard of comparison tools, but I don't know anything about them	14%	0 points
I have never heard of comparison tools	13%	0 points
Over the last 12 months, how often on average have you used comparison tools?		
Once a week or more often	13%	2 points
Once every two weeks	13%	2 points
Once a month	10%	2 points
Once every two months	11%	1 point
Once every three months	10%	1 point
Once every six months	20%	1 point
Once	7%	0 points
Never	16%	0 points

Therefore each respondent has a score ranging from 0 to 4 points. The average points scored by respondents in each country are shown in the next figure. An interesting observation from this figure is that EU13 countries typically (with the exception of the Czech Republic and Poland) have lower average scores than EU15 countries.

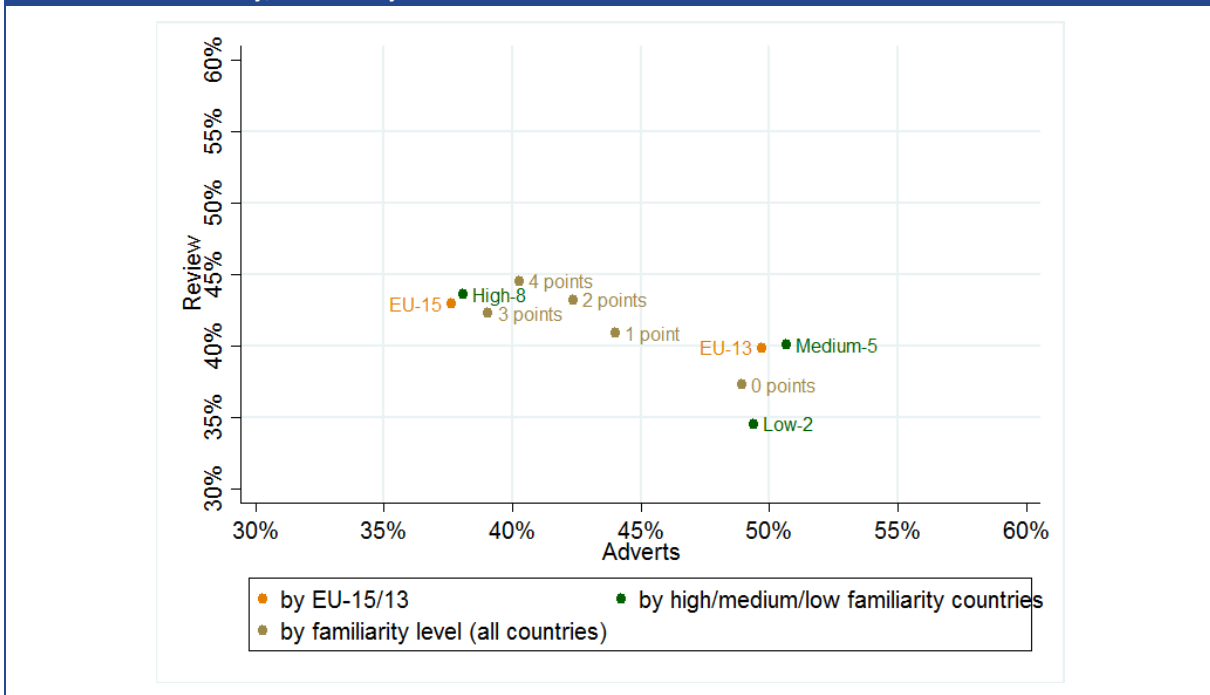
Based on these country averages, three country groups are defined: the 'High-8' (UK, Italy, Czech Republic, Poland, Netherlands, Germany, Greece and France), the 'Medium-5' (Romania, Denmark, Sweden, Latvia and Croatia) and 'Low-2' (Slovenia and Hungary). It should be noted that since the Low-2 consists of only two countries for which we have only 1,300 respondents in total, results for this group are often not statistically significant.

Figure 58: Average comparison website familiarity score by country



The shares of respondents with different scores and in the High-8, Medium-5 and Low-2 country groups who chose adverts and links carrying reviews in experiment 1 are shown in the figure below. The figure shows that those with higher scores tended to choose links with reviews more frequently and links with adverts less frequently.

Figure 59: The effect of reviews and adverts on link choice for countries by comparison site familiarity, electricity sector



We cross checked for any relationship between self-reported familiarity and the route by which respondents became aware of comparison tools (from the consumer questionnaire). We find no clear pattern between these two; however, respondents who reported they found out about comparison tools using search engines also tended to be more familiar with comparison tools,

compared to respondents who reported they found out about comparison tools via other routes (e.g. TV, radio, friends, social media).

5.2.4 Results for the travel sector

Differences in proportions

The proportion of participants who chose each link as their first choice, disaggregated by link position (1 to 8), link type (advert or natural), and review status (no review, 5-stars, 4-stars, etc.) are shown in the table below.

Table 30: Shares choosing a link as first choice, travel sector

Link number (a)	Total (b)	Without review (c)	With review				
			Total (d)	5 stars (e)	4 stars (f)	500 reviews (g)	100 reviews (h)
1 (Ad)	21.1%	17.4%	32.0%	35.4%	28.8%	33.4%	30.3%
2 (Ad)	13.9%	10.1%	25.3%	28.9%	21.7%	27.1%	23.4%
3 (Ad)	11.3%	7.6%	22.5%	25.6%	19.4%	22.7%	22.4%
4	19.6%	15.1%	33.6%	35.7%	31.5%	35.5%	31.8%
5	11.0%	7.6%	21.1%	24.0%	18.0%	23.1%	19.4%
6	8.5%	5.4%	17.9%	20.6%	15.2%	20.7%	15.2%
7	7.4%	4.6%	15.4%	17.4%	13.4%	16.8%	14.1%
8	7.2%	5.1%	13.6%	16.1%	11.1%	15.6%	11.5%
Average	12.5%	9.1%	22.7%	25.5%	20.0%	24.4%	21.0%

Link position and link type

The proportion of respondents that chose a natural link or advert in each position (positions 1 to 3 for adverts and 4 to 8 for natural links) are compared in the extract from Table 24 shown on the right. The results are similar to those for the electricity sector:

- Links shown lower on the page were chosen significantly less frequently than links shown towards the top of the page.
- On average, the first natural link was chosen almost as often as the first advert, and the second natural link was chosen almost as often as the second advert.
- However, the first advert was chosen more frequently in the travel sector (21.1%) than in the electricity sector (19.5%), whereas (conversely) the first natural link was chosen less frequently in the travel sector (19.6%) than in the electricity sector (22.7%). Although these differences are small, they are statistically significant.

Extract from Table 30	
Link number (a)	All (b)
1 (Ad)	21.1%
2 (Ad)	13.9%
3 (Ad)	11.3%
4	19.6%
5	11.0%
6	8.5%
7	7.4%
8	7.2%
Average	12.5

Overall impact of review information

The results show a strong overall impact of review information, given the position of a link:

- On average across all eight positions, links with a review were chosen more often (22.7%) than links without a review (9.1%).
- This effect holds for all eight positions individually.
- Adverts with reviews were chosen more frequently in the travel sector (32.0% to 22.5%) than in the electricity sector (27.5% to 19.6%) and these differences, although small, are statistically significant.

Extract from Table 30	
Without review (c)	With review (d)
17.4%	32.0%
10.1%	25.3%
7.6%	22.5%
15.1%	33.6%
7.6%	21.1%
5.4%	17.9%
4.6%	15.4%
5.1%	13.6%
9.1%	22.7%

Impact of review ratings

The share of respondents that choose a link in any given position was higher if it carried a 5-star review than if it carried a 4-star review:

- Across all eight positions, on average 25.5% of links with a 5-star review were chosen, compared to 19.9% of links with a 4-star review.
- Across the eight positions, there was an increase of between 4.0 and 7.2 percentage points in the share choosing a link if it carried a 5-star review rather than a 4-star review.

Extract from Table 30	
5 stars (e)	4 stars (f)
35.4%	28.8%
28.9%	21.7%
25.6%	19.4%
35.7%	31.5%
24.0%	18.0%
20.6%	15.2%
17.4%	13.4%
16.1%	11.1%
25.5%	20.0%

Impact of the number of reviews

There was a clear impact on respondents' tendency to choose a link if it had 500 reviews rather than 100 reviews, for any given position:

- On average across all eight positions, 24.4% of links with 500 reviews were chosen, compared to 21.0% of links with 100 reviews.
- This effect also holds when comparing links at any individual position.

Extract from Table 30	
500 reviews (g)	100 reviews (h)
33.4%	30.3%
27.1%	23.4%
22.7%	22.4%
35.5%	31.8%
23.1%	19.4%
20.7%	15.2%
16.8%	14.1%
15.6%	11.5%
24.4%	21.0%

The regression below shows how the effect of link position, advert, and review differs between the travel and electricity sectors. This is shown by the interaction terms of the effects with travel (the bottom three coefficients in the table below). Most notably, adverts and links with reviews have a higher likelihood to be chosen in the travel sector compared to the electricity sector. In addition, in the travel sector links in positions further down have higher likelihoods to be chosen than in the electricity sector. All results are statistically significant at the 99.9% confidence level.

Table 31: Results of conditional logit regression of first choice link, travel sector compared to electricity sector

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.338	0.008	-41.43	0.000	-0.354	-0.322
Advert	-1.054	0.035	-30.49	0.000	-1.122	-0.987
Review	0.776	0.019	41.57	0.000	0.739	0.812
Link position* Travel	0.044	0.012	3.84	0.000	0.022	0.067
Advert* Travel	0.302	0.049	6.13	0.000	0.205	0.398
Review* Travel	0.152	0.026	5.79	0.000	0.100	0.203

Regression analysis of participants' first choices

As was done for the electricity sector, the first regression analysis for the travel sector estimates the effects of different link characteristics on the likelihood that a link is chosen as a participant's first choice using a conditional logit regression.¹⁵⁴ The explanatory variables used in the regression to estimate the likelihood that a link is chosen are:

- 'Link position': a continuous variable indicating the position on the page (from 1 to 8) at which the link was displayed to participants.
- 'Advert': a dummy variable indicating whether the link is an advert (Advert=1) or a natural link (Advert=0).
- 'Link position*Advert': the interaction between link position and advert (which tests whether the effect of link position differs depending on whether the link is an advert or natural link).
- 'Review': a dummy variable indicating whether the link carries a review (yes or no).
- '5 stars': a dummy variable indicating whether the link has five stars (the alternatives being four stars or no indication of stars in case of no review) (yes or no).
- '500 reviews': a dummy variable indicating whether the link has 500 reviews (the alternatives being 100 reviews or no indication of reviews in case of no review).

The regression results are presented in the table below. The coefficients of the characteristics in the table reveal the direction; positive means the characteristic increases the likelihood of a choice, and negative means the characteristic decreases the likelihood of a choice. Second, the coefficients reveal the relative magnitude of the effect of the change in a characteristic. In addition, the standard error, z-value, probability and confidence interval all display the statistical significance of the characteristic. All the results are statistically significant at the 99.9% confidence level. The results are:

¹⁵⁴ A logit regression is used instead of an OLS regression since the dependent variable is binary.

- A review increases the likelihood a link is chosen. The likelihood that a link is chosen is further increased, but at a lower magnitude level, when the review is 5 stars instead of 4 stars and it has 500 reviews opposed to 100 reviews.
- The further down the page a link is, the relative likelihood a link is chosen decreases.
- The first advert (i.e. 'Advert'=1 and 'Link position'=1) has a higher relative likelihood of being chosen than the first natural link (i.e. 'Advert'=0 and 'Link position'=4).
- The interaction between link position and advert shows that the likelihood a link is chosen decreases at a greater rate when displayed in a position further down the page for the first three advert links than the last five natural links.

Table 32: Results of conditional logit regression of first choice link, travel sector

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.280	0.009	-30.30	0.000	-0.299	-0.262
Advert	-0.590	0.062	-9.54	0.000	-0.711	-0.469
Link position* Advert	-0.063	0.019	-3.27	0.001	-0.102	-0.025
Review	0.711	0.029	24.94	0.000	0.655	0.767
5 stars	0.261	0.028	9.40	0.000	0.207	0.316
500 reviews	0.157	0.028	5.65	0.000	0.102	0.211

As previously highlighted in the electricity analysis, the size of estimated coefficients from a logit regression are not particularly informative in themselves¹⁵⁵, it is therefore useful to interpret the results in terms of the predicted change in the probability that a link would be chosen between alternative scenarios (e.g. when a link carries a review and when it does not) and when the value of a variable changes (e.g. link position increases or decreases).

The likelihood, predicted by the regression, that a link would be chosen depending on its characteristics is shown in the figure and table below. The figure shows the general downward trend as the link is positioned further down the page.

A link with 500 reviews and 5 stars is 41.2% more likely to be indicated as first choice when it is the top advert, compared to a 25.1% if it is the third advert. In addition the figure shows a 'hump' for the first natural link followed by a decrease for links positioned further down the page. The estimated likelihood that a link with 500 reviews and 5 stars in the first natural link position (link position 4) is chosen is 37.8%, which decreases to an estimated likelihood of 13.5% if the same link is in the eighth link position.

The vertical distance between each line in the figure indicates the effect the reviews have on the likelihood a link is chosen. To take an example, for the first natural link (link position 4) the effect of reviews on the probability the link is chosen are:

- 4 stars based on 100 reviews (i.e. the weakest type of review) increases the likelihood that the link is chosen by 14.8% (27.3% less 12.5%).
- stars based on 500 reviews (i.e. the strongest type of review) increases the likelihood that the link is chosen by 25.3% (37.8% less 12.5%).

¹⁵⁵ The coefficients are not particularly informative because a logit regression performs a non-linear transformation (i.e. a transformation via the Logistic distribution function) on the underlying linear equation of explanatory factors.

Figure 60: Predicted likelihood that a link is chosen, travel sector (predicted probabilities from conditional logit regression)

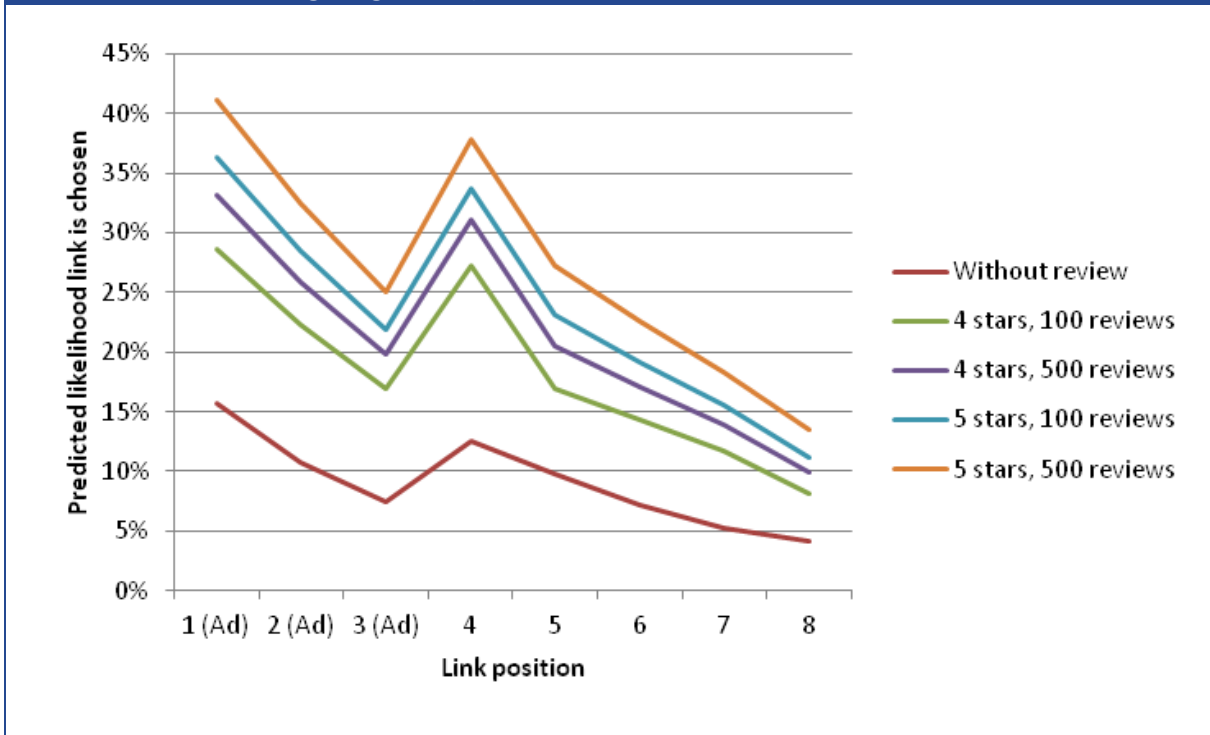


Table 33: Predicted likelihood that a link is chosen, travel sector (predicted probabilities from conditional logit regression)

Link position	Without review	With review			
		4 stars		5 stars	
		100 reviews	500 reviews	100 reviews	500 reviews
1 (Ad)	15.7%	28.6%	33.2%	36.3%	41.2%
2 (Ad)	10.8%	22.2%	25.9%	28.5%	32.5%
3 (Ad)	7.4%	17.0%	19.8%	21.8%	25.1%
4	12.5%	27.3%	31.1%	33.7%	37.8%
5	9.8%	17.0%	20.5%	23.1%	27.2%
6	7.2%	14.3%	17.1%	19.2%	22.5%
7	5.3%	11.8%	14.0%	15.6%	18.3%
8	4.1%	8.1%	9.9%	11.2%	13.5%

Regression analysis of participants' first and second choices

As with the energy sector we analyse participants' first and second choice. The regression is the same as that used in the energy sector. The explanatory variables included in the regression are the same as those included in the regression of first choice link presented in the section above.

The regression results presented in the table below are similar to those of the regression in the section above. In general a review increases the likelihood a link is picked, and a review with 5 stars further increases the likelihood in comparison to a review with 4 stars.

One difference is that the sign of the interaction term between link position and advert is reversed. This means the decrease in the estimated likelihood a link is picked when positioned further down the page is now less strong for adverts than natural links. The effect is significant at the 95% confidence level. We also observe that that the difference in the likelihood that a link with 500 reviews is chosen compared to a link with 100 reviews is no longer statistically significant¹⁵⁶.

Table 34: Results of logit regression of first or second choice link, travel sector

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.226	0.007	-32.10	0.000	-0.240	-0.212
Advert	-0.848	0.053	-16.10	0.000	-0.951	-0.744
Link position* Advert	0.034	0.017	2.07	0.038	0.002	0.067
Review	1.027	0.025	41.29	0.000	0.979	1.076
5 stars	0.160	0.026	6.09	0.000	0.108	0.211
500 reviews	0.048	0.026	1.83	0.067	-0.003	0.100
Constant	-0.145	0.042	-3.45	0.001	-0.227	-0.063

The next figure shows that the likelihood a link is chosen either as first or second choice, depending on the link characteristics. As noted above, the differences in the likelihood a link with 5 stars, 500 reviews and a link with 5 stars, 100 reviews (and a link with 4 stars, 500 reviews and a link with 4 stars, 100 reviews) is chosen is small. This is reflected by the proximity of the orange and blue lines and purple and green lines which are no longer statistically different from each other. The full set of predicted likelihoods is shown in the next table.

¹⁵⁶ Note: There is no identifiable explanation for this. The directional effect remained the same and the overall observations in regards to the influence of reviews on CT choice did not change.

Figure 61: Predicted likelihood that a link is chosen as first or second choice, travel sector (predicted probabilities from logit regression)

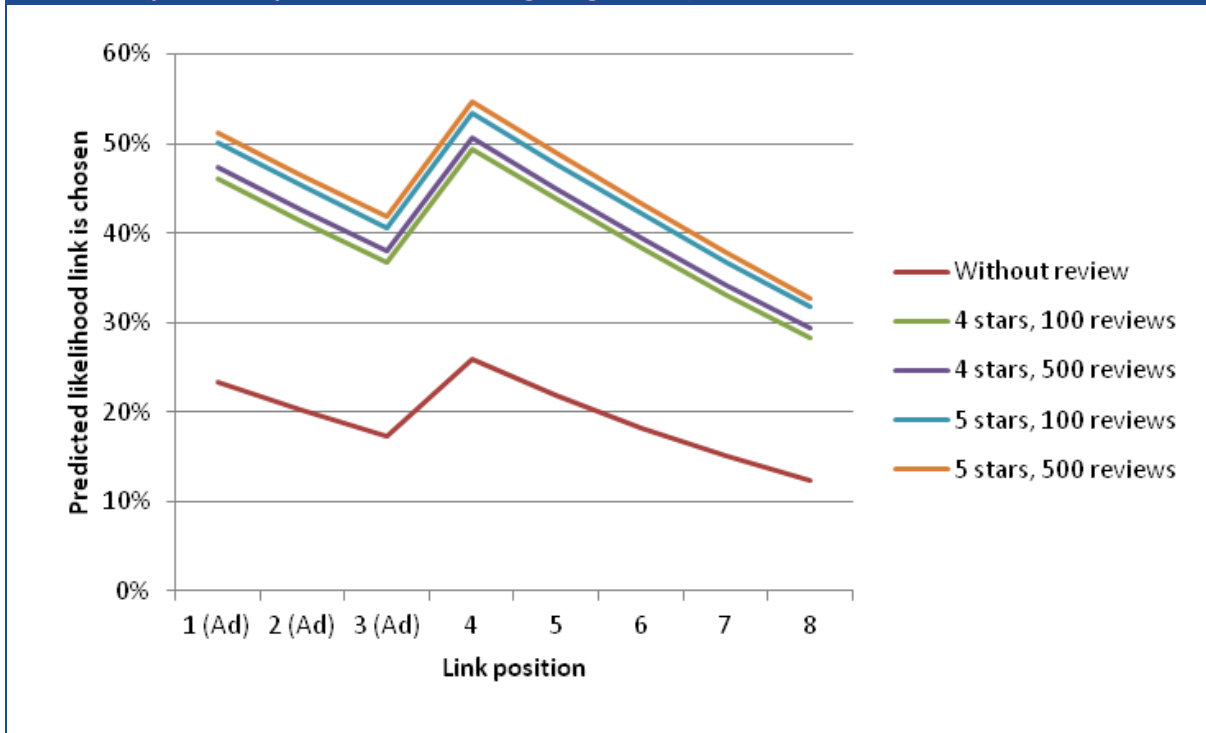


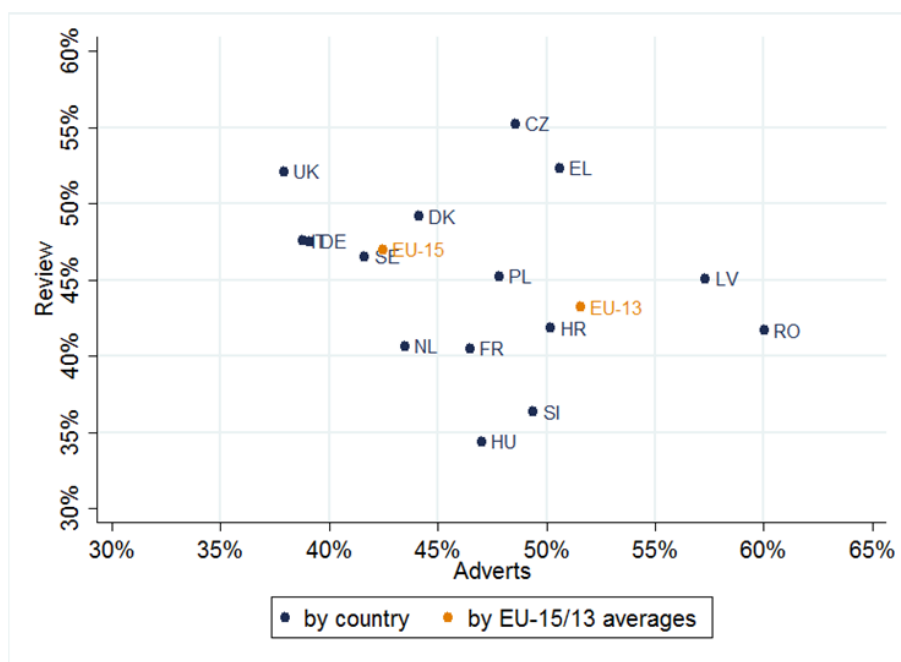
Table 35: Predicted likelihood that a link is chosen as first or second choice, travel sector (predicted probabilities from logit regression)

Link position	Without review	With review			
		4 stars		5 stars	
		100 reviews	500 reviews	100 reviews	500 reviews
1 (Ad)	23.4%	46.1%	47.3%	50.1%	51.3%
2 (Ad)	20.2%	41.4%	42.5%	45.3%	46.5%
3 (Ad)	17.3%	36.8%	37.9%	40.6%	41.8%
4	25.9%	49.4%	50.6%	53.4%	54.6%
5	21.8%	43.8%	45.0%	47.8%	49.0%
6	18.2%	38.3%	39.5%	42.2%	43.4%
7	15.1%	33.1%	34.2%	36.8%	37.9%
8	12.4%	28.3%	29.3%	31.7%	32.7%

Country group-level analysis

The next figure shows the share of participants who chose a link with a review (on the vertical axis) and the share of participants who chose an advert (on the horizontal axis) for the EU15 and the EU13, and each country individually. The figure reveals similar differences between the country groups as observed for the electricity sector: EU15 participants were less likely to choose links with adverts and more likely to choose links with a review than EU13 participants.

Figure 62: Average share to choose an advert link and reviewed link as first choice, travel sector



EU15 countries

The shares of participants in the EU15 who chose each link are presented by link position, link type and review status in the table below. The results for the EU15 contrast with those for the EU13 (presented below) in the same way as observed for the electricity sector. In particular, EU15 participants were less likely to choose links that were adverts and were more influenced by the presence of a review.

Regression results for the EU15 countries are presented in the Experiment 1 section of the behavioural experiment annex. These regression results show that links in a lower position are less likely to be chosen, as are adverts. Links with reviews are more likely to be chosen, especially those with 5-star reviews based on 500 reviews.

Table 36: Shares choosing a link as first choice, hotel sector, EU15 countries

Link position (a)	Total (b)	Without review (c)	With review				
			Total (d)	5 stars (e)	4 stars (f)	500 reviews (g)	100 reviews (h)
1 (Ad)	19.4%	15.8%	30.0%	33.3%	27.2%	31.6%	28.2%
2 (Ad)	12.4%	8.6%	24.0%	27.4%	20.5%	25.7%	22.2%
3 (Ad)	10.6%	6.6%	22.4%	25.9%	19.0%	22.3%	22.5%
4	21.1%	16.4%	35.7%	37.8%	33.6%	37.6%	33.8%
5	12.1%	8.0%	24.0%	26.1%	21.5%	26.3%	22.0%
6	9.0%	5.4%	20.0%	23.4%	16.8%	23.2%	16.9%
7	7.9%	4.7%	17.4%	20.1%	14.7%	18.1%	16.8%
8	7.4%	5.2%	14.2%	16.0%	12.2%	16.2%	12.1%

EU13 countries

The shares of participants in EU13 countries who chose each link are presented by link position, link type and review status in the table below. The experiment 1 section of the behavioural experiment annex presents regression results for the EU13 countries.

Table 37: Shares choosing a link as first choice by position and type, hotel sector, EU13 countries

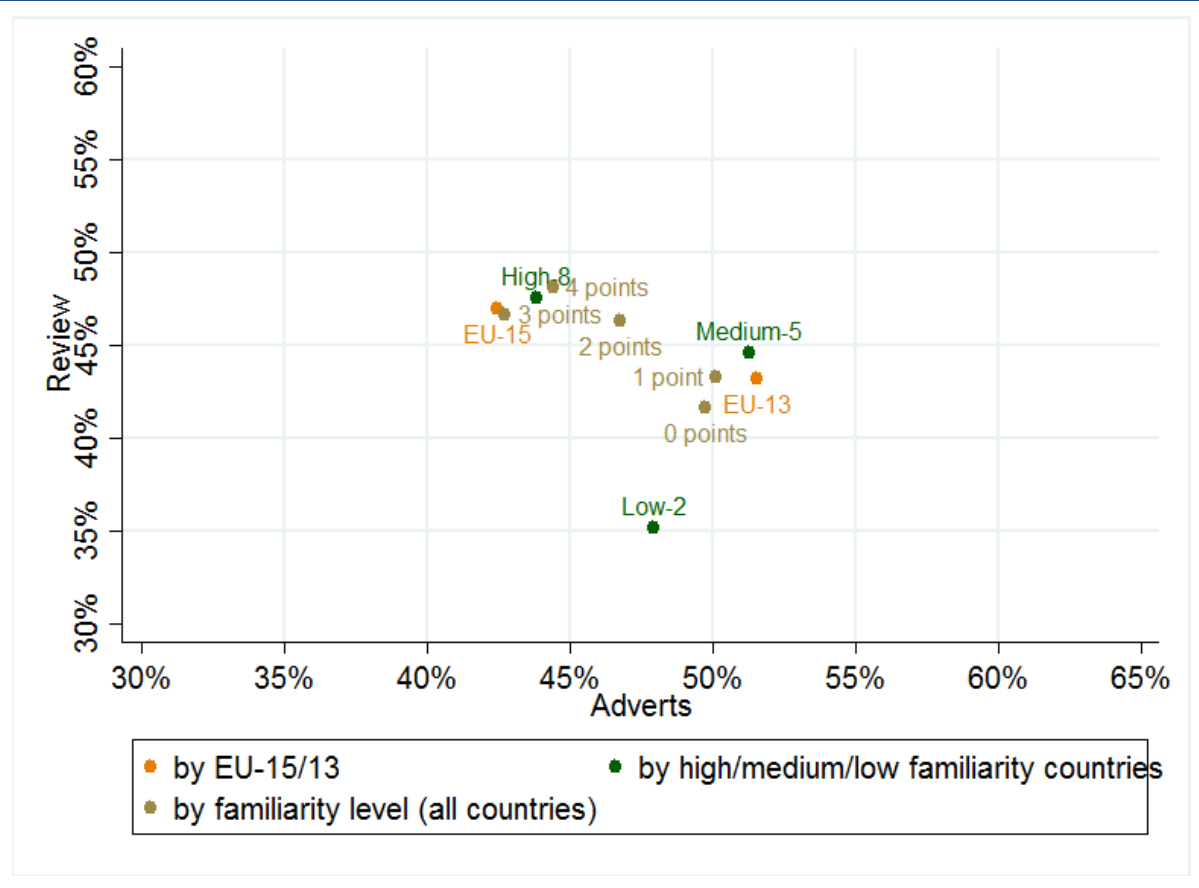
Link position (a)	Total (b)	Without review (c)	Total (d)	With review			
				5 stars (e)	4 stars (f)	500 reviews (g)	100 reviews (h)
1 (Ad)	23.3%	19.5%	34.6%	37.9%	31.2%	35.8%	33.2%
2 (Ad)	15.9%	12.2%	27.0%	30.9%	23.1%	28.8%	25.0%
3 (Ad)	12.4%	8.9%	22.7%	25.2%	20.0%	23.1%	22.2%
4	17.6%	13.3%	30.8%	32.9%	28.6%	32.4%	29.4%
5	9.6%	7.1%	17.1%	20.7%	13.6%	18.8%	15.6%
6	7.8%	5.4%	15.1%	17.0%	13.1%	17.4%	12.9%
7	6.6%	4.5%	12.7%	13.7%	11.9%	15.1%	10.3%
8	6.8%	4.8%	12.9%	16.2%	9.8%	14.9%	10.7%

Country groups based on familiarity with comparison websites

As was done for the electricity sector, we use the familiarity score to explore if self-reported familiarity with comparison tools explains differences in link selection. As was the case with the electricity sector, countries with higher familiarity scores tend to be less influenced by adverts and more influenced by reviews than those with lower familiarity scores.

As mentioned previously, we cross checked for any relationship between self-reported familiarity and the route by which respondents became aware of comparison tools (from the consumer questionnaire). We find no clear pattern between these two; however, respondents who reported they found out about comparison tools using search engines also tended to be more familiar with comparison tools, compared to respondents who reported they found out about comparison tools via other routes (e.g. TV, Radio, Friends, social media).

Figure 63: The effect of reviews and adverts on link choice for countries by comparison site familiarity, hotel sector



5.3 Characteristics of importance for consumers

Box 6: Summary of main findings – Characteristics of importance to consumers

- By far the most valued characteristic of comparison tools among consumers surveyed was the price comparison aspect (mentioned by 79% of comparison tool users). 29% of comparison tools users also paid attention to easiness to navigate, while somewhat lower numbers attached importance to factors such as the use of user ratings/peer messaging (21%) and information about the product/service (21%).
- The mapping exercise found that, on many comparison tools, important consumer information was either not displayed or not easily accessible (e.g. a description of the business model). Many of these characteristics, however, were also not considered very important by comparison tool users; for example, just 4% attached importance to the way the comparison tool is funded and 1% looked for information on redress.
- When choosing between alternative comparison tool sites, sites that offered the consumer multiple ranking options were preferred in the experiment. Respondents tended not to choose sites that only offered a default ranking, but instead selected sites with between one to three additional ranking options.

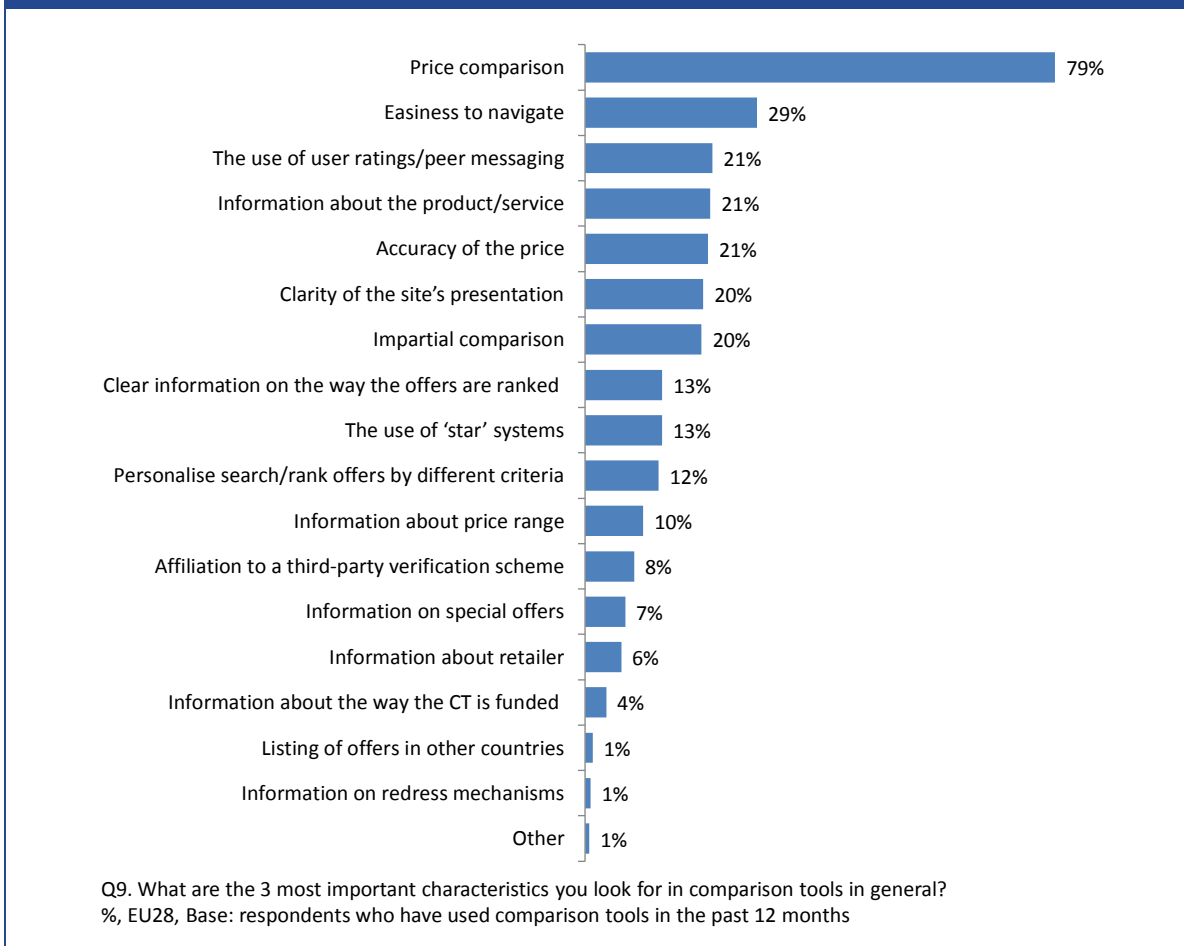
5.3.1 Most important characteristics of comparison tools

After measuring the main reasons for using comparison tools, comparison tools users were asked to identify which characteristics they valued most when using these tools.

By far the most valued characteristic of comparison tools was the price comparison aspect (mentioned by 79% of comparison tool users). Almost one third of comparison tools users also paid attention to the easiness to navigate (29%), while somewhat lower numbers attached importance to the use of user ratings/peer messaging (21%), information about the product/service (21%), accuracy of the price (21%), clarity of the site's presentation (20%) and the impartiality of the comparison (20%). Other characteristics were each time selected by less than 15% of comparison tool users.

A table with the detailed results by country can be found in annex 3. Across all countries, price comparison was by far the most valued characteristic of comparison tools; the proportion of comparison tool users selecting this characteristic varied between 61% in Malta and 90% in Slovakia.

Mostly minor differences were observed across socio-demographic groups. Nevertheless, it is worth pointing that compared to other age groups, older respondents paid more attention to aspects such as impartiality of comparisons (mentioned by 30% of over 65 year-olds compared to 14% of 18-24 year-olds) and information on the way the offers were ranked (17% vs. 10%, respectively).

Figure 64: Most important characteristics of comparison tools

5.3.2 Observations from experiment 2

One set of treatments in Experiment 2 specifically examined the impact of product sorting (ranking) options on participants' choice of comparison tool. The observations from experiment 2 show that the number of available ranking options impact consumer choice of comparison tool. This supports the recommendation that ranking methodology used by comparison tools should be clear for consumers. However, the specific type of ranking option provided did not impact choice in the experiment, except location ranking options for hotels. The consumer survey found that the most important characteristic of comparison tools for consumers was price comparison. The result from the experiment showed that the type of ranking option does not impact choice does not imply that price comparison is not considered important. The experiment and survey are different approaches and in the experiment a significant difference across different types of ranking options was not identified.

In summary the key findings from the experiment are the following:

- Participants in the experiment chose comparison sites that had more ranking options than sites that offered a more limited number of ranking options. In the electricity sector, 24% of participants chose the sites with the least ranking options compared to 48% preferring sites that offered the greatest set of ranking options. The travel sector presents a similar story.

24.8% of respondents selected sites that offered the least ranking options and 43.7% preferred the sites with the most ranking options available.

- Digging deeper, respondents tend not to choose sites that offer only a default ranking option. Instead preferring sites that offer at least one ranking option (other than default), which in this experiment was price. Offering multiple ranking options increases the chance that a given comparison tool site will be chosen. This holds for increasing rank options from one to two (for electricity and hotels), two to three (for electricity but not hotels), but we do not observe an increase in preference between sites offering three versus four ranking options, and in the travel sector we observe a decrease in preferences for sites offering four over three ranking options.
- The specific type of ranking options offered by comparison tools did not impact consumers' preferences for a site. We found no difference in consumer preferences based on whether the site offered ranking by price, customer service, contract type, or energy type in the electricity sector; or, price, official rating and guest rating in the travel sector. The exception is hotels, where sites that offer the option to rank by location are preferred.
- When looking at country group differences, EU15 respondents tended to select sites that offered a greater number of ranking options than respondents from the EU13 (49% versus 47% for electricity, and 44% versus 43% for hotels), however the differences are not statistically significant. Respondents from Romania were always the most likely to prefer sites with the greater number of ranking options for both electricity and hotels. While respondents from Poland, Greece, the Czech Republic and Croatia tended to always prefer sites with fewer ranking options. However, as for the country group level observations these differences are in the main not statistically significant.

5.3.2.1 Treatments to test the effect of product sorting options on consumer choice of comparison tools

The treatments are described in detail in the behavioural experiments section of the methodology chapter above and are presented in the tables below, first for the electricity sector and then for the travel sector.

Table 38: Design sort options, electricity sector

Treatment	Available sorting options		
	Site 1	Site 2	Site 3
T0	D	D	D
T1	D	D	P
T2	D	P	P + CS
T3	D	P	P + CT
T4	D	P	P + ET
T5	D	P	P + CS + CT
T6	D	P	P + CS + ET
T7	D	P	P + CT + ET
T8	D	P	P + CS + CT + ET
T9	D	P + CT	CS + CT
T10	D	P + CS	CS + CT
T11	D	P + CS	P + CT

Note: Key: D: Default only. P: Price. CS: Customer Service. CT: Contract Type. ET: Energy Type.

Table 39: Design sort options, travel sector

Treatment	Available sorting options		
	Site 1	Site 2	Site 3
T0	D	D	D
T1	D	D	P
T2	D	P	P + OR
T3	D	P	P + GR
T4	D	P	P + LO
T5	D	P	P + OR + GR
T6	D	P	P + OR + LO
T7	D	P	P + GR + LO
T8	D	P	P + OR + GR + LO
T9	D	P + LO	GR + LO
T10	D	P + GR	GR + LO
T11	D	P + GR	P + LO

Key: Price (P), official rating (OR), guest's ratings (GR) and location (LO).

The experimental results from these treatments are presented in the following subsections.

5.3.2.2 Results for the electricity sector

The average share of participants that chose the site with the least sort options is 24.4%. This is Site 1 'default sort only' (D) in treatments T2 to T11. In contrast, the average share that chose the site with the most sorting options was 48.1%, nearly double, or Site 3 in treatments T1 to T8. For all the treatments individually this difference in proportions is statistically significant at the 99.9% confidence level.

Table 40: Share choosing each site under different sort option treatments, electricity sector

Treatment	Sort options under treatment			Share choosing each site			Responses
	Site 1	Site 2	Site 3	Site 1	Site 2	Site 3	
T1	D	D	P	29.2%	29.2%	41.7%***	542
T2	D	P	P+CS	23.0%	32.0%***	45.0%***	556
T3	D	P	P+CT	24.1%	30.1%*	45.8%***	548
T4	D	P	P+ET	25.0%	24.6%	50.4%***	556
T5	D	P	P+CS+CT	22.4%	26.9%*	50.7%***	531
T6	D	P	P+CS+ET	23.3%	26.7%	50.0%***	572
T7	D	P	P+CT+ET	22.0%	26.7%*	51.4%***	574
T8	D	P	P+CS+CT+ET	22.4%	27.8%*	49.8%***	608
T9	D	P+CT	CS+CT	32.2%	34.3%	33.4%	574
T10	D	P+CS	CS+CT	23.6%	39.9%***	36.5%	559
T11	D	P+CS	P+CT	25.9%	35.8%***	38.4%	576

Note: Third Party Verification treatments – N = None, L = Light, H = Heavy, C = Consumer, I = Industry, P = Public. Asterisks indicate statistical significant differences within-treatment comparisons in a greater share to choose the website (i.e. Site 3 compared to Site 2 and Site 2 compared to Site 1). *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test

In the following we investigate the comparison of Site 3 with Site 2, and comparisons between individual treatments (T1 to T11). The hypotheses that are tested is whether one proportion of respondents selecting a site is greater than another proportion, e.g. whether the proportion of participants that chose sites with a price sort option is greater than the proportion that chose a site with a default sort option only. The following table provides an overview of the hypotheses tested and results.

One sort option versus default sort only

In the first treatment (T1) one of the sites has one sort option (sort by price) and the two other sites do not allow for any sort possibility, but the default (D) sort of the comparison site. The average share of participants that chose the price sort option (47%) is far greater than what would be observed by chance or if participants were simply choosing randomly (33%). The average share that chose the default price rating was 29.2%. This indicates that ability to sort by price made a website more likely to be chosen.

Extract from Table 40		
Treatment	Site 2	Site 3
T1 (D vs. P)	29.2%	41.7%***

Note: D = Default sort only, P = Price sort. Asterisks indicate Site 3 is significantly more likely to be chosen than Site 2. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Two sort options versus one sort option

In the next three treatments (T2 to T4), there is either a single sort option (sort by price) or there are multiple sort options available. The additional sort options are sort by customer service (T2), sort by contract type (T3) and sort by energy type (T4). The share that chose sites with two sort options was greater than the share that chose sites offering a single sort option. This holds for the three treatments. Overall, the share of respondents that chose sites offering multiple sort options was 47.0% compared to 28.9% that chose sites with single sort option.

Extract from Table 40		
Treatment	Site 2	Site 3
T2 (P vs. P+CS)	32.0%	45.0%***
T3 (P vs. P+CT)	30.1%	45.8%***
T4 (P vs. P+ET)	24.6%	50.4%***
Average	28.9%	47.0%***

Note: P = Price, CS = Customer Service, CT = Contract Type, ET = Energy Type sort. Asterisks indicate Site 3 is significantly more likely to be chosen than Site 2. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Price versus customer service versus contract type

Treatments T9, T10 and T11 allow us to test whether a sort by price is preferred to customer service (T9). Whether a sort by contract type is preferred to price (T10) and whether a sort by customer service or contract type is preferred (T11). The results show there is no significant difference in average share for any of the treatments.

Extract from Table 34		
Treatment	Site 2	Site 3
T9 (P+CT vs. CS+CT)	34.3%	33.4%
T10 (P+CS vs. CS+CT)	39.9%	36.5%
T11 (P+CS vs. P+CT)	35.8%	38.4%

Note: P = Price, CS = Customer Service, CT = Contract Type, ET = Energy Type sort possible. Asterisks indicate Site 3 is significantly more likely to be chosen. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Three sort options versus two sort options

Site 3 is the only site that varies in sort options in the treatments T2 to T8. In treatments T2 to T4 there are two sort options, while in treatments T5 to T7 there are three sort options. The average share that chose Site 3 in T5 to T7 compared to T2 to T4 determines whether three sort options makes an electricity comparison site more likely to be chosen than when it has two sort options. The results show:

- The average share that chose Site 3 with three sort options (50.7%) is greater than when it has two sort options (47.0%).

Four sort options versus three sort options

In treatment T8 there are four sort options for Site 3. The average share that chose Site 3 with the four sort options is 49.8%, which is less than the average share of 50.7% when there are three sort options (see above). This difference is not statistically significant (one-tailed difference-in-proportions z-test, $z=-0.36$, $p=0.640$).

Comparison customer service, contract type, and energy type sort options

The ability to sort according to customer service, contract type and energy type can be compared by looking at the shares choosing Site 3 across treatments T2 to T4. All the sort options include a price sort. First, the average share that chose a customer service sort option is compared with the share that chose a contract type option. Second, the average share that chose a customer service sort option is compared with the share that chose an energy type option. Third, the average share that chose a contract type sort option is compared with the share that chose an energy type option.

- There is no significant difference between the shares that choose a sort option when in addition to price customer service, contract type, or energy sort is available.¹⁵⁷

Extract from Table 40		
Treatment ¹	Site 3	Average
T2 (P+CS)	45.0%	47.0%
T3 (P+CT)	45.8%	
T4 (P+ET)	50.4%	
T5 (P+CS+CT)	50.7%	50.7%*
T6 (P+CS+ET)	50.0%	
T7 (P+CT+ET)	51.4%	

Note: P = Price, CS = Customer Service, CT = Contract Type, ET = Energy Type sort possible. Asterisks indicate Site 3 is significantly more likely to be chosen in T5, T6 and T7 on average than in T2, T3 and T4 on average. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Extract from Table 40		
Treatment	Site 3	Average
T5 (P+CS+CT)	50.7%	50.7%
T6 (P+CS+ET)	50.0%	
T7 (P+CT+ET)	51.4%	
T8 (P+CS+CT+ET)	49.8%	49.8%

Note: Asterisks indicate Site 3 is significantly more likely to be chosen in T8 compared to in T5, T6 and T7 on average. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Extract from Table 40	
Treatment	Site 3
T2 (P+CS)	45.0%
T3 (P+CT)	45.8%
T4 (P+ET)	50.4%

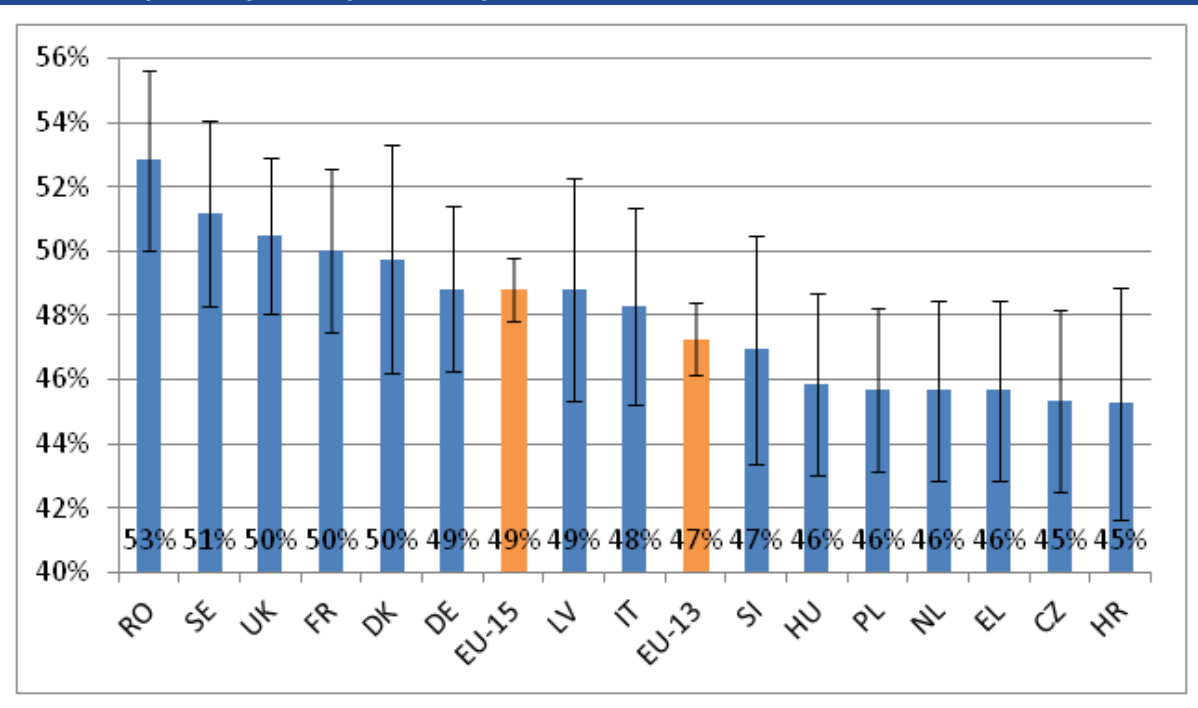
Note: P = Price, CS = Customer Service, CT = Contract Type, ET = Energy Type sort. Asterisks indicate Site 3 is significantly more likely to be chosen. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a two-tailed two-proportion z-test.

¹⁵⁷ While there is a 4.6 percentage point difference in the share of respondents choosing a site that offered the option to sort offers by energy type compared to contract type (50.4% compared to 45.8%), this difference is not statistically different.

5.3.2.3 Country group-level analysis for the electricity sector

In this section we investigate country differences between the EU15 and EU13. We find that on average participants from the EU15 more often preferred the site that offered the most ranking options compared to participants from the EU13. 49% in the EU15 compared to 47% in the EU13. However, this difference is not statistically different.

Figure 65: Average share that chose the comparison tool site that offered the most ranking options by country, electricity sector



Note: Error bars indicate standard errors. Only treatments T1 to T8 are considered as these have a single 'best site,' Site 3, with most sort options

5.3.2.4 Results for the travel sector

The results for the travel sector are similar to the electricity sector. The average share of participants that chose the site with the least sort options is 24.8%. This is calculated by taking the average across site 1 for treatments 2 to 11 in the table below. The proportion that selected the site offering the greatest number of sort options is 43.7% (site 3 in treatments 2 to 8).

Table 41: Share choosing each site under different sort option treatments, hotel sector

Treatment	Sort options under treatment			Share choosing each site			Responses
	Site 1	Site 2	Site 3	Site 1	Site 2	Site 3	
T1	D	D	P	31.8%	31.8%	36.5%*	559
T2	D	P	P+OR	22.9%	31.4%***	45.6%***	563
T3	D	P	P+GR	23.3%	30.7%**	46.0%***	567
T4	D	P	P+LO	19.9%	37.7%***	42.4%*	714
T5	D	P	P+OR+GR	23.0%	32.0%***	45.0%***	556
T6	D	P	P+OR+LO	24.1%	30.1%*	45.8%***	548
T7	D	P	P+GR+LO	25.0%	24.6%	50.4%***	556
T8	D	P	P+OR+GR+LO	25.9%	35.8%***	38.4%	576
T9	D	P+LO	GR+LO	33.2%	34.7%	32.2%	606
T10	D	P+GR	GR+LO	29.2%	29.2%	41.7%***	542
T11	D	P+GR	P+LO	22.4%	27.8%*	49.8%***	608

Note: D = default sort only, P = price, OR = official rating, GR = guests' rating, LO = location sort possible.

Asterisks indicate statistical significant differences within-treatment comparisons in a greater share to choose the website (i.e. Site 3 compared to Site 2 and Site 2 compared to Site 1). *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

As with electricity the following investigates the effect on choice of increasing the number of ranking options offered by sites, and the type of ranking option.

One sort option versus default sort only

In the first treatment (T1) one of the sites has one sort option (sort by price) and the two other sites do not allow for any sort possibility, but the default sort of the comparison site. 36.5% of respondents chose the site with the price ranking option compared to 31.8% that chose the site with the default ranking. This is a small difference but statistically significant. However, it should also be noted that 36.5% is only slightly larger than 33% which would be observed if respondents were simply choosing sites randomly.

Extract from Table 41		
Treatment	Site 2 (or 1)	Site 3
T1 (D vs. P)	31.8%	36.5%*

Note: D = Default sort only, P = Price sort. Asterisks indicate Site 3 is significantly more likely to be chosen. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Two sort options versus one sort option

Treatments 2 to 4 compare the effect on choice of having a single sort option (sort by price) versus multiple sort options. The additional sort options are official rating stars (T2), guest ratings (T3) and location from city centre (T4). The share that chose the site that offered two sort options was always greater than the share that chose the single sort option. On average the share that chose two sort options was 44.5% compared to 33.6% that chose the single sort option.

Extract from Table 41		
Treatment	Site 2	Site 3
T2 (P vs. P+OR)	31.4%	45.6%***
T3 (P vs. P+GR)	30.7%	46.0%***
T4 (P vs. P+LO)	37.7%	42.4%*
Average	33.6%	44.5%***

Note: P = Price, OR = Official rating, GR = Guest rating, LO = Location sort possible. Asterisks indicate Site 3 is significantly more likely to be chosen. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Price versus guest rating versus location

In treatments 9, 10 and 11 we can test whether ranking by guest rating is preferred to ranking by price (T9). Whether ranking by location is preferred to price (T10); and, if guest rating is preferred to price (T11). The results show that:

- The average share of participants that prefer the option with a price ranking is similar to that for the guest rating sort (34.7% compared to 32.2%);
- A site with a location sort is chosen far more often than a site with a price ranking (29.2% compared to 41.7%); and guest rating sort (27.8% compared to 49.8%)

Extract from Table 41		
Treatment	Site 2	Site 3
T9 (P+LO vs. GR+LO)	34.7%	32.2%
T10 (P+GR vs. GR+LO)	29.2%	41.7%***
T11 (P+GR vs. P+LO)	27.8%	49.8%***

Note: P = Price, LO = Location sort, GR = Guest rating. Asterisks indicate Site 3 is significantly more likely to be chosen. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Three sort options versus two sort options

Site 3 is the only site that varies in sort options in the treatments T2 to T8. In treatments T2 to T4 site 3 has two sort options, while in treatments T5 to T7 it has three sort options. The average share that chose Site 3 in T5 to T7 compared to T2 to T4 tests whether three sort options makes a hotel comparison site more likely to be chosen than when it has two sort options. The average shares are not significantly different at 47.0% for three sort options and 44.5% for two sort options respectively.

Extract from Table 41		
Treatment	Site 3	Average
T2 (P+OR)	45.6%	(1) 44.5%
T3 (P+GR)	46.0%	
T4 (P+LO)	42.4%	
T5 (P+OR+GR)	45.0%	(2) 47.0%
T6 (P+OR+LO)	45.8%	
T7 (P+GR+LO)	50.4%	

Note: P = Price, OR = Official rating, GR = Guest rating, LO = Location sort possible. Asterisks indicate Site 3 is significantly more likely to be chosen in (2) T2+T3+T4 compared to (1) T5+T6+T7. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Four sort options versus three sort options

In treatment T8 there are four sort options for Site 3. In treatments T5 to T7 there are three sort options for Site 3 (see above).

- With four sort options Site 3 was chosen by a significantly smaller share (38.4%) than when there were three sort options (47.0%).

Extract from Table 41		
Treatment	Site 3	Average
T5 (P+OR+GR)	45.0%	(1) 47.0%
T6 (P+OR+LO)	45.8%	
T7 (P+GR+LO)	50.4%	
T8 (P+OR+GR+LO)	38.4%	(2) 38.4%***

Note: Asterisks indicate Site 3 is significantly more likely to be chosen in (1) T5+T6+T7 compared to (2) T8. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Comparison official rating, guest rating and location sort options

The ability to sort according to official rating, guest rating and location in addition to price can be compared by looking at the shares choosing Site 3 across treatments T2 to T4. The average share of respondents that chose the site option that offered ranking by official rating was 45.6% compared to 46% that chose the option that offered guest rating, and 42.4% for the option with location. This observation that fewer respondents elected the site with P+LO versus P+GR, while not significant, is in the opposite direction to that found in T11 above. However, it is important to note that in the comparison between T3 and T4 respondents were never actually making an overt choice between GR and LO. This is because in each choice they were presented with, the options were between a site with default ranking only, price ranking only and P+GR/OR/LO. Therefore the better test of whether LO impacts preference is T11 above.

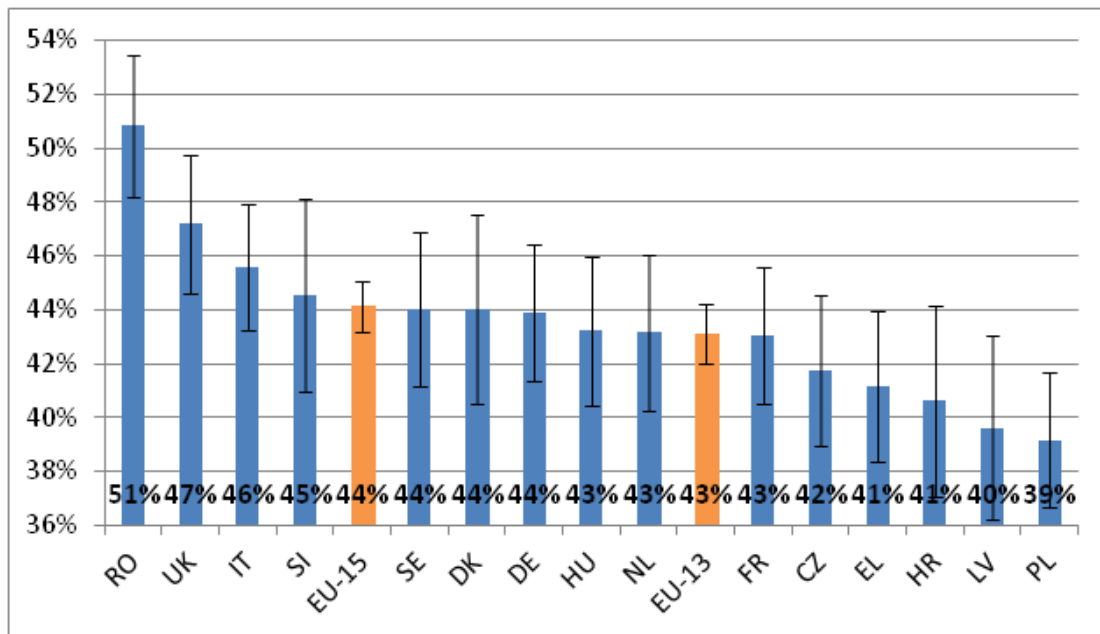
Extract from Table 41	
Treatment	Site 3
T2 (P+OR)	45.6%
T3 (P+GR)	46.0%
T4 (P+LO)	42.4%

Note: P = Price, OR = Official rating, GR = Guest rating, LO = Location sort possible. Asterisks indicate Site 3 is significantly more likely to be chosen. *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a two-tailed two-proportion z-test.

5.3.2.5 Country group-level analysis for the travel sector

In the EU15, 44% of participants selected the site that offered the greatest number of ranking options; this was 43% in the EU13. This difference is again not statistically significant as we found in the energy sector.

Figure 66: Average share that chose Site 3 by country, hotel sector



Note: Error bars indicate standard errors. Only treatments T1 to T8 are considered as these have a single 'best site,' Site 3, with most sort options.

5.4 Consumer's perception of comparison tools

Box 7: Summary of main findings – Consumers' perceptions of comparison tools

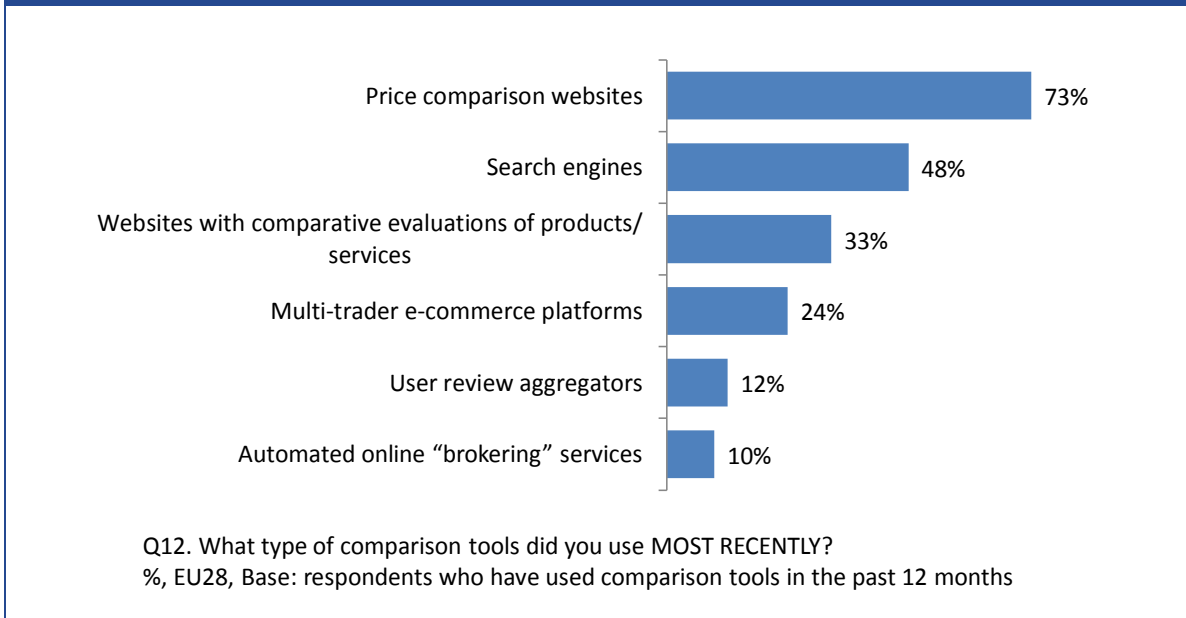
- Price comparison websites were the most popular type of comparison tools; 73% of comparison tool users had used them recently. Search engines, however, were also important (48% had used them recently as comparison tool).
- Although virtually all users agreed that price comparison tools allowed customers to compare prices, just 34% said they could also be used to find unbiased product information. A very different result was found for search engines, while just 38% of users agreed they could be used to compare prices, almost twice as many (66%) said they could be used to find unbiased product information. A majority of users (62%) answered that multi-trader e-commerce platforms were mainly dedicated to buying products.
- Vast majorities of consumers agreed that price comparison websites are the quickest way to compare prices (in total, 90% agreed), are easy to use (87%), are useful to find out information about specific products/prices (84%) and are useful to find customer comments or product reviews (79%). Nonetheless, not all perceptions were positive; 79% of consumers agreed that different price comparison websites showed different prices for the same product/service.
- Among users of comparison tools, those thinking that such tools helped consumers save money or time or those agreeing that these tools helped consumers to make informed purchasing decision largely outnumbered those stating the opposite. A different picture emerged when asked about comparison tools' transparency with regards to relationships with retailers featured (23% "bad" scores vs. 18% "good" scores).
- EU13 respondents were more likely to emphasize positive characteristics of comparison tools; for example, while 38% of comparison tool users in the EU13 thought that these tools were reliable, this proportion dropped to 22% in the EU15. Comparison tool users in Cyprus, the Czech Republic, Malta and Slovakia had overall the most positive perception about comparison tools.

5.4.1 Type of comparisons tools used

Price comparison websites are the most popular type of comparison tools; 73% of comparison tool users had used them recently. Search engines (such as Google, Yahoo, etc.) were also important, with 48% of respondents having used them recently as comparison tool.

A third of respondents (33%) had recently used websites providing comparative evaluations of products and services and 24% had used multi-trader e-commerce platforms (such as Amazon, eBay, Allegro, etc.). Fewer respondents had used user review aggregators (12%) or automated online "brokering" services (9%).

Figure 67: Type of comparison tools used most recently



Across most countries, price comparison websites were the most popular type of comparison tools. In Cyprus and Iceland, on the other hand, search engines were more popular than price comparison websites (mentioned by, respectively, 51% and 46% of comparison tools users). In Malta, the largest share of comparison tools users had most recently used a multi-trader e-commerce platform (mentioned by 55%).

Respondents in many EU13 countries were more likely than respondents in EU15 countries to have recently used websites providing comparative evaluations (a difference of 12 percentage points between EU13 and EU15 countries). For the EU13 group, the higher figure on websites providing comparative evaluations was primarily driven by the results observed in the Czech Republic (55%), Romania (51%) and Estonia (47%).

Figure 68: Type of comparison tools used most recently (by country)

	FI	CZ	PL	HU	LV	SE	PT	SK	IT	DK	ES	RO	HR	LU	UK	BE	EL	NL	FR	LT	BG	DE	IE	AT	EE	CY	SI	MT	NO	IS
PCWs	87	83	80	80	80	76	75	75	75	74	74	74	73	73	72	72	71	71	71	70	70	69	68	68	67	64	58	36	70	43
Search engines	53	56	52	53	58	37	36	46	52	47	44	66	72	60	44	41	59	44	48	61	44	49	36	47	50	70	54	51	41	46
Sites with comp. eval.	22	55	39	40	41	22	40	44	45	26	32	51	32	37	20	31	40	32	27	39	43	34	25	39	47	47	36	28	31	33
Multi-trader e-comm.	18	13	34	14	21	7	22	13	28	14	27	23	42	46	23	15	39	3	24	25	22	27	19	35	26	56	18	55	14	35
User review aggregators	6	9	32	16	28	2	4	9	18	6	14	14	9	16	10	8	8	10	11	6	5	7	8	8	25	25	28	16	9	15
"Brokering" services	6	8	9	5	11	4	7	7	13	8	16	15	11	1	11	5	12	5	6	14	14	8	11	4	19	14	13	5	5	22

Q12. What type of comparison tools did you use MOST RECENTLY?
(multiple responses allowed)
%, Base: respondents who have used comparison tools in the past 12 months

The type of comparison tools used also differed across socio-demographic groups:

- Women were more likely to use search engines (51% vs. 46% of men), whereas men were somewhat more likely to use price comparison websites (74% of men, compared to 71% of women).

- The middle aged groups (i.e. 25-34 and 35-44 year-olds) were more comfortable using price comparison websites, whereas the older ones (45 years old and more) preferred using search engines or websites providing comparative evaluations.
- Someone's level of education also influenced their use of comparison tools. For example, respondents with a high level of education used more types of comparison tools (2.1 categories) than respondents with a low level of education (1.8).

5.4.2 Perceptions of three different types of comparisons tools

The questionnaire then focused on consumers' perceptions of three different types of comparison tools: (1) price comparison websites, (2) search engines, and (3) multi-trader e-commerce websites¹⁵⁸. This question was asked to all respondents who had heard about comparison tools.

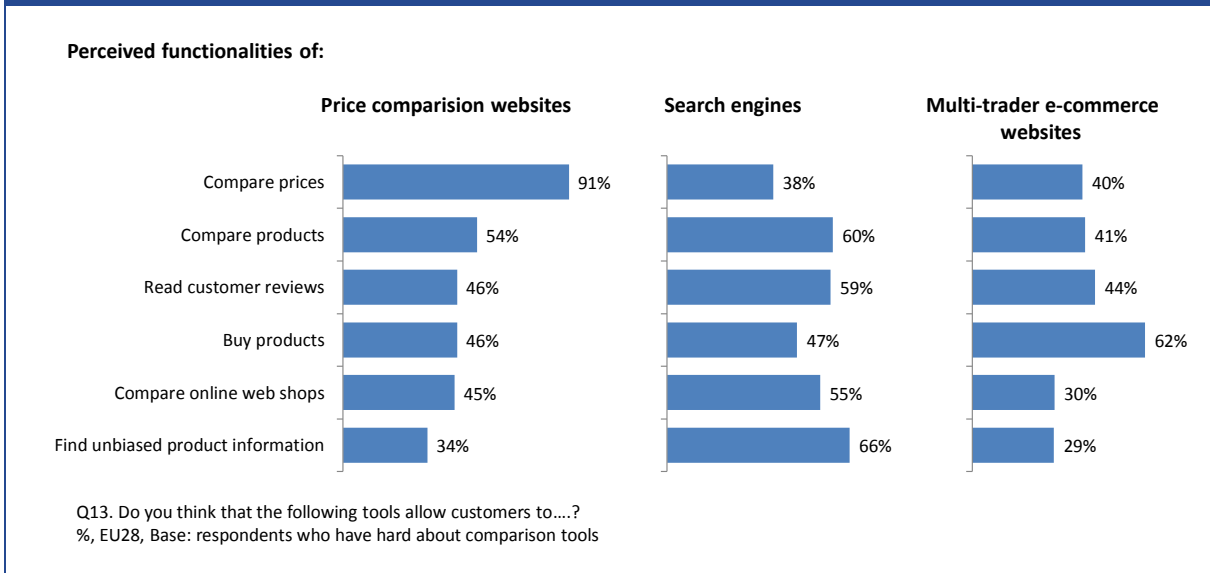
When asked about **price comparison websites**, 91% of respondents answered that these tools allowed customers to compare prices. A slim majority of respondents (54%) thought these websites allowed customers to compare products, while somewhat lower proportions emphasized their usefulness to read customer reviews (46%), buy products (46%) or compare online web shops (45%). Finding unbiased product information was mentioned by 34% of respondents.

Majorities of respondents mentioned that **search engines** were used by customers to compare products (60%), read customer reviews (59%) or compare online web shops (55%). Buying products (mentioned by 47%) and comparing prices (38%) were less frequently mentioned for search engines. Interestingly, when asked about search engines, 66% of respondents answered that these tools allowed customers to find unbiased product information; for price comparison websites, just 34% of respondents shared this view.

Respondents also had a very specific perception of **multi-trader e-commerce platforms** (e.g. Amazon, eBay or Allegro). Respondents answered that these platforms were mainly dedicated to buying products (mentioned by 62%). Smaller numbers answered that these platforms allowed customers to read customer reviews (44%), compare products (41%), compare prices (40%), compare online web shops (30%) or find unbiased product information (29%).

¹⁵⁸ Respondents received the following definition of multi-trader e-commerce websites: online marketplaces selling products from a range of different retailers, for example Amazon, eBay and Allegro.

Figure 69: Functionalities of different types of comparison tools



Across all countries, an overwhelming majority of comparison tool users agreed that price comparison websites allowed customers to compare prices (this figure varies between 83% in Bulgaria and 96% in the UK). It is probably more interesting to have a look at the proportion of respondents in each country who thought that price comparison websites allowed customers to find unbiased product information. In Malta and Cyprus, a majority of users shared this view (60% and 52%, respectively); however, this figure dropped to 23% in Luxembourg. The following figure also shows the individual country results for the other types of comparison tools.

Figure 70: Functionalities of different types of comparison tools (by country)

Price comparison websites		UK	FI	SE	CZ	EE	NL	IE	DE	PL	BE	CY	AT	IT	FR	ES	DK	PT	HU	HR	SK	LV	LU	SI	EL	LT	RO	MT	BG	NO	IS
Compare prices		96	95	93	93	93	93	93	92	92	91	91	90	90	90	90	90	89	89	89	89	88	88	86	84	84	84	84	83	90	85
Compare products		63	52	67	52	48	67	56	51	43	57	78	49	48	52	56	50	56	49	57	59	48	45	53	46	31	50	75	51	57	59
Read customer reviews		47	51	66	53	39	59	44	42	37	45	64	39	46	50	45	47	43	42	39	66	30	36	37	45	21	40	63	41	45	43
Buy products		59	50	45	49	28	53	48	50	40	38	66	47	39	36	45	47	40	48	34	51	39	30	31	42	27	39	68	38	49	39
Compare web shops		38	52	57	52	39	56	44	42	47	46	59	42	41	49	45	46	51	47	45	60	47	39	53	51	31	50	55	48	53	48
Find unbiased info		35	38	47	35	31	38	37	33	31	35	52	36	31	30	39	33	39	34	29	47	28	23	32	29	20	35	60	36	32	37

Search engines		BE	MT	CZ	HR	FR	LT	NL	SL	RO	PL	DK	HU	PT	LV	EE	FI	DE	IT	IE	LU	EL	AT	SP	SK	SE	UK	CY	BG	IS	NO	
Find unbiased info		78	76	75	74	72	71	71	71	70	69	68	68	68	68	67	65	65	65	65	64	64	63	63	62	62	61	60	58	57	64	72
Compare products		60	68	73	52	59	61	53	59	54	67	57	59	53	53	59	63	65	62	66	56	52	63	54	60	51	58	78	50	56	56	
Read customer reviews		65	64	73	65	61	67	58	68	58	68	53	58	65	58	66	62	50	60	70	46	53	58	59	50	55	63	68	52	62	64	
Compare web shops		54	59	70	55	53	60	54	51	47	61	46	49	47	48	58	56	59	57	58	47	47	59	48	44	48	59	57	49	52	52	
Buy products		51	63	62	41	47	39	55	45	46	43	40	46	43	33	29	46	47	44	63	29	43	44	44	35	36	53	70	34	42	44	
Compare prices		40	64	50	38	39	36	37	39	41	33	38	35	35	38	33	43	40	33	40	34	34	34	37	43	36	41	86	42	49	36	

Multi-trader e-commerce platforms		MT	LU	EE	CY	HR	PT	FR	UK	SE	LV	FI	EL	PL	BE	CZ	DE	SK	LT	DK	IT	ES	RO	HU	AT	SI	BG	NL	IE	IS	NO
Buy products		79	77	74	73	70	69	66	66	65	64	64	64	64	63	63	63	61	61	59	59	59	58	57	55	55	54	53	52	68	55
Read customer reviews		66	68	41	67	41	43	49	51	35	39	42	39	39	46	43	47	41	32	33	38	41	41	39	46	38	35	38	39	52	35
Compare products		71	55	47	76	41	51	40	45	33	40	52	44	41	42	41	38	41	43	35	40	39	49	40	39	40	43	33	39	50	35
Compare prices		72	57	47	86	42	45	38	45	33	40	47	39	39	48	49	35	44	41	34	35	39	49	42	41	44	49	39	43	59	43
Compare web shops		55	33	34	59	33	37	28	33	22	30	29	34	33	34	30	21	36	31	28	35	33	41	35	23	34	30	28	29	25	28
Find unbiased info		60	33	24	56	36	29	32	29	16	33	22	29	30	31	32	28	39	22	24	29	30	41	37	28	38	29	24	25	27	28

Q13. Do you think that the following tools allow customers to....? (multiple responses allowed)
 %, Base: respondents who have heard about comparison tools

We found mostly minor difference across socio-demographic groups in terms of their views about the functionalities of price comparison websites. We did find, for example, that comparison tool users with a high level of education were more likely than those with a low level of education to state that price comparison websites could be used to read customer reviews (47% vs. 40%) or that younger respondents more frequently than their older counterparts thought that price comparison websites could be used to compare online shops (47% of 25-34 year-olds vs. 38% of over 64 year-olds).

5.4.3 Consumers' experiences when using comparison tools

To evaluate consumers' experiences when using comparison tools, comparison tools users were asked to select whether they agreed or not with a number of statements.

In total, 90% of comparison tool users agreed that price comparison websites were the **quickest way to compare prices**; one in two respondents (50%) even 'strongly' agreed with this statement. Almost 9 in 10 (87%) comparison tool users also agreed that **price comparison websites are easy to use**; a somewhat lower proportion 'strongly' agreed with this statement (37% vs. 50% for 'quickest way to compare prices'). A majority of comparison tool users also *disagreed* that price comparison websites **do not help to find the cheapest prices** (20% 'strongly disagreed' and 44% 'somewhat disagreed'); in total, 32% of respondents accepted this statement.

More than one in two respondents reported that **they usually bought the cheapest product they found on price comparison websites** (16% 'strongly agreed' and 46% 'somewhat agreed'). Nevertheless, this behaviour was far from being systematic, more than a third of respondents did not agree with this statement (7% 'strongly disagreed' and 28% 'somewhat disagreed').

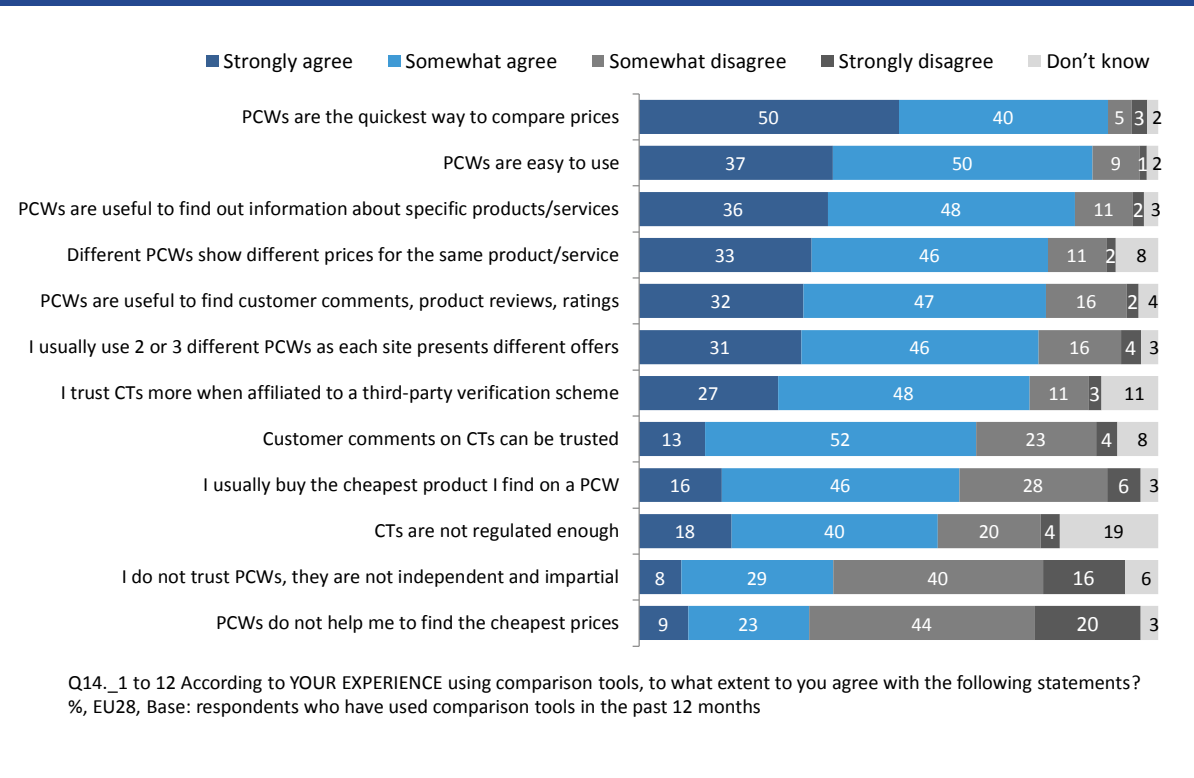
The view that **price comparison websites were useful to find out information** about specific products or services was shared by a majority of comparison tools users (84%, in total, agreed); more than a third (36%) selected the 'strongly agree' response. Roughly three out of four (78%) users of comparison tools also agreed that **price comparison tools were useful to find customer comments, products reviews, ratings etc.**; 3 out of 10 users (31%) 'strongly' agreed with this statement. Furthermore, 13% of comparison users strongly agreed, and 52% somewhat agreed, that **customer reviews on comparison tools can be trusted**.

Not all results were as positive; a majority of users criticized price comparison websites because **different websites showed different prices for the same product or service**; 33% strongly agreed, and 46% somewhat agreed, with this statement. Similarly, 31% of users strongly agreed, and an additional 46% somewhat agreed, that it was **necessary to use two or three different price comparison websites because different sites present different offers**.

A third of respondents somewhat or strongly agreed that they did **not trust price comparison websites because they were not independent and impartial** and thus questioned the independency of such tools. Nonetheless, more than half of respondents disagreed with this statement (16% 'strongly disagreed' and 40% 'somewhat disagreed'). Affiliation to a third-party verification scheme enhances trust in comparison tools: three-quarters of users agreed with the statement that **they trusted comparison tools more when they were affiliated to a third-party verification scheme**; a quarter of them (27%) even 'strongly agreed'.

Finally, one in two consumers accepted the statement that **price comparison websites were not regulated enough** (18%'strongly agreed' and 40% 'somewhat agreed'). A quarter of respondents, in total, disagreed with the statement. It is also worth pointing out that a significant proportion of consumers found it difficult to answer this question (19% gave a "don't know" response).

Figure 71: Agreement and disagreement with various statements about comparison tools



The following table presents individual country results for the proportions of comparison tool users who ‘strongly agreed’ with the statements about comparison tools. It can be seen, for example, that the proportion of comparison tool users who strongly agreed that price comparison websites were the quickest way to compare prices varied between 33% in Iceland and 68% in the Czech Republic. Similarly, between 20% of users in France and 57% in Romania strongly agreed that price comparison websites were useful to find information about specific products or services.

Respondents in Malta (51%), followed by those in Spain (47%) and Slovakia (44%), were the most likely to strongly agree that different websites showed different prices for the same product or service. In Finland, Greece, Sweden and Estonia, less than a quarter of respondents strongly agreed with this statement (between 21% and 23%).

The proportion of comparison tools users who strongly agreed that they did not trust price comparison websites because they are not independent remained below 10% in most countries; the exceptions were Spain, Italy, France (all 10%), Italy and Luxembourg (both 11%). The proportion strongly agreeing that they trusted comparison tools more when they were affiliated to a third-party verification scheme ranged from 19% in Latvia and Sweden to 53% in Malta.

Table 42: Share strongly agreeing with various statements about comparison tools (by country)

	PCWs are the quickest way to compare prices	PCWs are easy to use	PCWs are useful to find out information about specific products or services	Different PCWs show different prices for the same product or services	PCWs are useful to find customer comments, products reviews, ratings	I usually use two or three different PCWs as each site presents different offers	I trust CTs more when they are affiliated to a third-party verification scheme	CTs are not regulated enough	I usually buy the cheapest product I find on a PCW	Customer comments on CTs can be trusted	PCWs do not help me to find the cheapest prices	I do not trust PCWs, they are not independent/impartial
MT	53	56	56	51	53	50	53	17	23	26	7	7
RO	60	53	57	37	52	40	40	19	18	32	13	8
ES	57	42	44	47	35	37	35	21	19	18	13	10
SK	62	58	55	44	48	30	23	9	18	16	8	5
CZ	68	54	48	25	43	19	29	8	16	7	17	7
PT	57	41	38	37	33	29	32	23	19	10	10	9
BG	52	44	45	33	38	34	27	13	15	17	10	8
PL	56	49	40	32	36	30	23	14	17	18	12	7
HU	60	46	46	33	34	24	27	11	16	18	8	7
IT	49	36	35	36	34	34	29	17	17	21	12	10
DE	51	41	41	35	36	32	27	17	17	10	10	9
EL	63	47	42	22	31	35	27	9	24	8	6	5
HR	52	44	42	31	31	24	27	17	17	16	9	5
SI	45	38	45	35	30	27	30	17	11	13	13	6
LT	57	37	37	26	20	26	30	20	18	17	15	7
DK	60	39	25	38	20	26	27	13	25	9	8	7
AT	60	41	39	31	31	20	24	10	18	10	8	4
IE	48	32	37	28	30	26	22	14	19	12	11	11
UK	49	33	34	31	26	37	22	16	14	10	7	8
CY	39	41	36	27	21	43	29	11	11	10	4	5
NL	44	32	34	27	30	26	31	11	14	9	7	6
SE	60	38	35	22	34	21	19	11	11	8	7	5
LU	46	25	28	38	32	20	30	17	11	4	6	11
BE	42	25	30	29	27	19	28	19	14	9	6	7
FR	34	22	20	30	24	28	26	31	12	8	8	10
LV	41	29	23	29	18	21	19	13	15	10	8	7
EE	47	23	36	23	26	14	26	7	13	7	6	4
FI	43	18	31	21	18	15	21	13	13	6	5	7
NO	54	33	36	31	24	17	21	10	21	11	9	7
IS	33	23	28	38	25	10	25	8	15	5	6	5

Q14. According to YOUR EXPERIENCE using comparison tools, to what extent do you agree with the following statements?
% "strongly agreeing", Base: respondents who have used comparison tools in the past 12 months

In the following paragraphs, we present some example of differences across socio-demographic groups in the level of (dis-)agreement for the various statements about comparison tools.

- Women (53% vs. 48% of men) and 35-44 years olds (53%) were more likely than their counterparts to strongly agree that price comparison websites are the quickest way to compare prices. The youngest respondents (18-24 year-olds), on the other hand, were more likely to disagree with this statement (13%, compared to 4% for the oldest respondents).
- Similarly, women (34% vs. 29% of men) and respondents with a low education of education (38% vs. 29% for highly educated respondents) were more likely to strongly agree that price comparison websites were useful to find customer comments, product reviews and ratings.
- Older age groups (55-64, 65+ year-olds, both 34%) were more likely than the youngest respondents (18-24 year-olds, 25%) to question the reliability of customer comments. Those with a high level of education were also more likely to disagree with this statement (30%, compared 25% for those with a low of education).
- Those with a high level of income ('living comfortably', 65%) and/or with a high level of education (65%) were more likely to reject the idea that price comparison websites do not help to find the cheapest prices (compared to 59% of those with a low level of income and 62% for the lowly educated). Consumers aged 18-24 were more likely to accept the statement (35%, in total, agreed, compared to 29% of over 65 year-olds).
- Men (77% vs. 73% of women), older respondents (55-64, 79% vs. 72% for respondents aged 18-24) and those with a high educational level (77% vs. 72% of those with a low educational level) were more likely to trust comparison tools when they were affiliated to a third-party verification scheme.

Finally, we have a look at differences across socio-demographic groups in their level of agreement with the statement that they usually buy the cheapest product found on comparison websites:

- Younger age groups were more likely to usually buy the cheapest product found on comparison websites (18-24, 64% agreed; 25-34, 65% agreed) compared to older age groups (55-64, 55% agreed; 65+, 56% agreed).
- Those 'finding it very difficult to live with their present income' were also more likely to agree with this statement (68%, compared to 56% of those 'living comfortably').
- Respondents with a low level of education were more likely than the highly educated to buy the cheapest product found on a comparison tool compared to highly educated respondents (68% and 59%, respectively).

5.4.4 Users' perception of comparison tools

Users of comparison tools were asked to respond to a set of questions that tried to measure comparison tools' characteristics, such as easily accessible, useful etc. For each characteristic, respondents were asked to position themselves on a scale ranging from 1 to 10, where 1 means they agree more with the opinion on the left (e.g. useful) and 10 means they agree more with the opinion on the right (e.g. not useful). In the analysis of the results, we grouped respondents' answers in three categories: those responses falling into the 1 to 3 bracket (responses toward one end of the spectrum), those in the 4 to 7 bracket (the neutral area) and those in the 8 to 10 bracket (representing responses toward the opposite end of the spectrum).

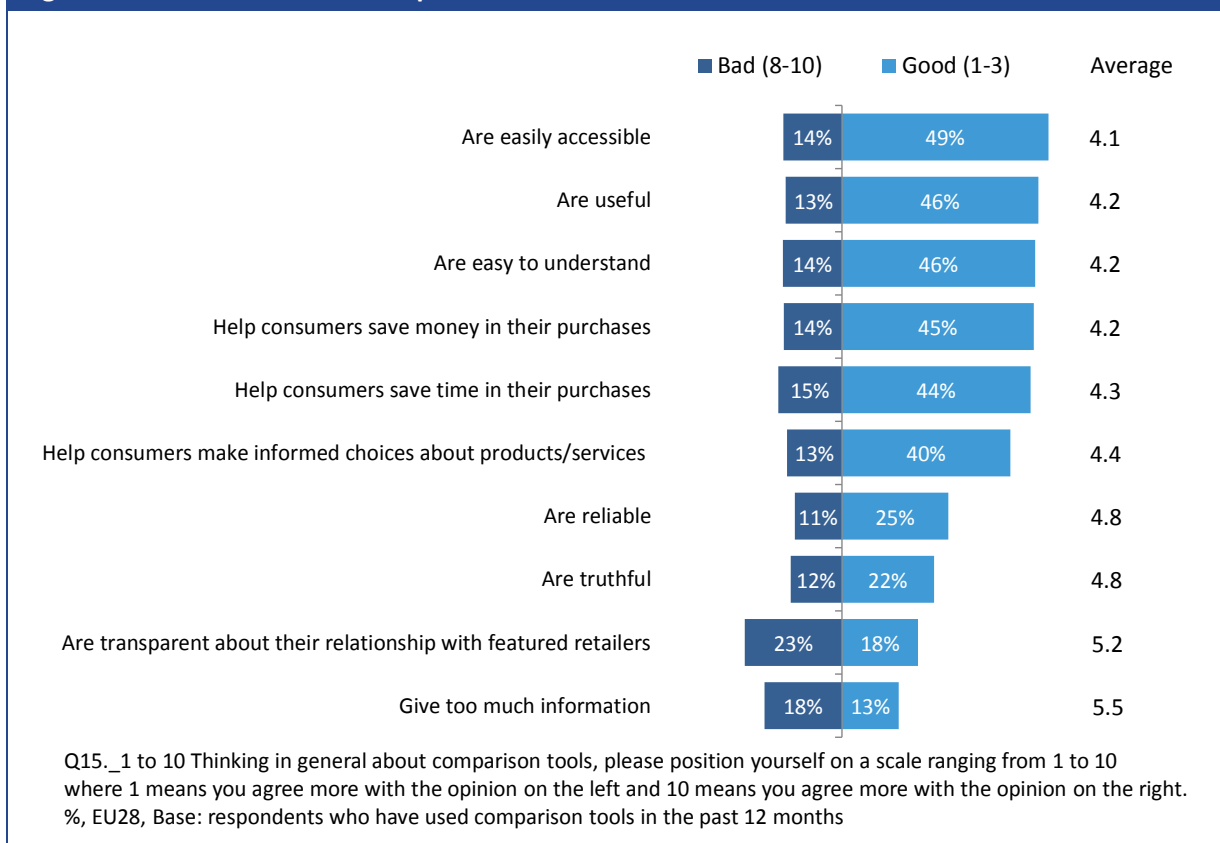
In the next figure, we only present the most extreme brackets allowing us to compare the proportions of respondents who had a positive image of comparison tools (scores 1 to 3) vs. the proportions with a more negative image of such tools (scores 8 to 10).

Across the EU28, comparison tool users who thought that such tools were **easily accessible** largely outnumbered those who stated the opposite: 49% thought they were easily accessible (scores 1 to 3), compared to 14% who said they were not (scores 8 to 10). Similarly, 46% of users thought that comparison tools were **useful** (compared to 13% who thought they were not useful) and 46% of users thought comparison tools were easy to understand (compared to 14% who stated the opposite).

Almost half of comparison tool users thought that comparison websites were **money-saving tools** (compared to 14% who stated the opposite). A similar number of users also emphasised the **time-saving benefits** of comparison tools (44% selected scores 1 to 3, compared to 15% who selected scores 8 to 10). Furthermore, 40% of users thought that comparison tools **helped consumers to make informed purchasing decisions**, compared to 13% who did not share this view. Not much more than a tenth of respondents thought that comparison tools **give too much information** (13% compared to 18% who stated the opposite).

A different picture emerged when users were asked about comparison tools' reliability, truthfulness and transparency with regards to their relationship with retailers featured. A quarter of users thought that comparison tools were **reliable** (scores 1 to 3), compared to 11% who said they were not (scores 8 to 10); similarly, 22% said these tools were **truthful**, compared to 12% who said they were not. Finally, in terms of transparency with regards to relationships with retailers featured, it was noted that those selecting scores 8 to 10 (comparison tools are not transparent – 23%) outnumbered those who selected scores 1 to 3 (such tools are transparent – 18%).

Figure 72: Characteristics of comparison tools



EU13 respondents were more likely to emphasize positive characteristics of comparison tools; for example, while 38% of comparison tool users in the EU13 thought that these tools were reliable, this proportion dropped to 22% in the EU15. Comparison tool users in Cyprus, the Czech Republic, Malta and Slovakia had overall the most positive perception about comparison tools; they were joined by Austria, which was the EU15 country with the most positive perception.

For example, Cyprus (81%), the Czech Republic, Malta (both 74%) and Slovakia (73%) had the highest proportions of users who thought that comparison tools were easily accessible; the corresponding figure in Austria was 67%. In Ireland, Norway, Iceland, France, the Netherlands and Portugal, on the other hand, less than 40% of respondents shared this view.

Between 70% and 82% of respondents in Slovakia, the Czech Republic, Malta and Cyprus also thought that comparison tools helped consumers to save money, and between 64% and 80% said they helped consumers save time in their purchases; the corresponding figures for Austria, however, were lower (58% and 53%, respectively).

Across all countries (the exception being Cyprus), less than half of respondents thought that comparison tools were reliable (between 12% in France and 42% in the Czech Republic), were truthful (between 10% in France and Luxembourg and 41% in Malta) or were transparent about their relationship with the retailers featured on the website (between 11% in the Netherlands and Luxembourg and 44% in Slovakia). In Cyprus, on the other hand, 50% of comparison tools users said that these tools were reliable and 54% said they were truthful.

Table 43: Characteristics of comparison tools, % “good” (scores 1-3) (by country)

	Are easily accessible	Are useful	Are easy to understand	Help consumers save money in their purchases	Help consumers save time in their purchases	Help consumers to make informed choices	Are reliable	Are truthful	Are transparent about their relationship with retailers they	Give too much information
CY	81	87	72	78	82	80	50	54	39	50
CZ	74	67	69	69	71	64	42	38	33	18
MT	74	76	61	70	73	65	41	41	34	42
SK	73	70	69	71	71	71	41	39	44	23
AT	67	67	68	68	58	53	40	29	29	20
PL	63	58	59	55	57	53	39	38	27	28
HU	59	53	53	53	55	52	35	35	26	17
EL	56	56	55	56	59	54	35	36	23	23
LU	55	51	51	46	47	34	16	10	11	12
HR	55	52	52	53	60	51	30	31	31	19
RO	54	53	53	50	54	52	38	38	29	19
SE	52	48	47	45	47	38	24	21	14	11
DE	52	53	53	52	48	39	28	20	19	16
DK	50	46	47	48	42	36	22	20	22	9
BG	50	47	49	48	55	47	36	38	29	25
FI	49	45	45	48	47	37	21	23	14	8
UK	49	46	42	47	44	41	22	18	12	7
SI	48	46	45	46	52	41	27	23	23	12
LV	47	44	44	46	49	39	23	25	17	14
LT	46	47	45	49	49	39	30	29	17	13
IT	43	41	42	38	38	38	25	23	21	11
ES	43	41	38	37	37	38	23	20	16	12
EE	42	50	45	53	48	46	33	33	18	10
BE	40	35	36	37	35	33	18	16	12	10
PT	39	42	34	40	41	38	22	21	14	11
NL	38	39	38	36	34	30	14	13	11	9
FR	37	33	32	30	33	24	12	10	12	10
IE	33	33	32	32	33	30	21	20	13	10
IS	37	51	39	51	55	45	22	21	13	7
NO	37	40	39	39	37	35	23	22	18	17

Q15. Thinking in general about comparison tools, please position yourself on a scale ranging from 1 to 10 where 1 means you agree more with the opinion on the left and 10 means you agree more with the opinion on the right.
% “good” (scores 1 to 3), Base: respondents who have used comparison tools in the past 12 months

In the following paragraphs, we present differences observed across socio-demographic groups in the proportions who emphasized positive/negative characteristics of comparison tools; most differences in the proportions of respondents selecting score 1 to 3 were observed across age groups.

- Users aged 35-44 were more likely than their counterparts in other groups to emphasize that comparison tools were truthful (24% compared to e.g. 17% of over 64 year-olds), reliable (27% compared to e.g. 20% of over 64 year-olds) or useful (48% compared to e.g. 13% of 18-24 year-olds).
- While just 35% of 18-24 year-olds thought that comparison tools helped consumers to make informed purchasing decisions, this figure increased to 43% for the over 64 year-olds.
- Across most age groups, between 44% and 48% of users thought that comparison tools were easy to understand; among the over 64 year-olds, however, just 39% shared this view.
- Women were more likely to think that comparison tools helped consumers save money (48% vs. 42% of men) or helped consumers save time in their purchases (48% vs. 41% of women).
- Users with a high level of education were more likely to complain about the quantity of information provided (12% said that CTs provided too much information, compared to 18% of those with a low level of education).
- 49% of respondents who were living comfortably on their present said that comparison tools were easily accessible; this proportion decreased to 45% for users with a low level of income.

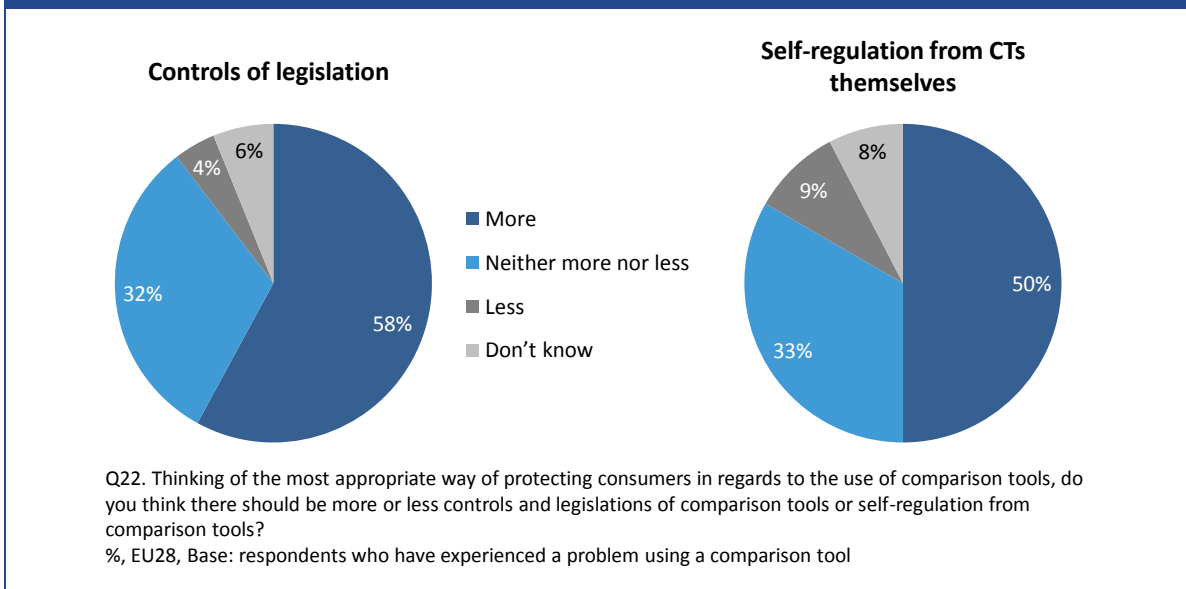
5.4.5 Most appropriate way to protect consumers when using comparison tools

This chapter examined whether consumers, who have already experienced a problem when using comparison tools, think there is a need for more controls and legislations of comparison tools. It is worth pointing out that, when drafting this question, the wording used was rather vague and only referred to “controls of legislation”, as opposed to “new legislation” or “enforcement”.

Across the EU28, a majority of this group of respondents (58%) advocated for **more controls of legislation for comparison tools**. A third of them (32%) said that the current amount of controls of legislations was about right, while a minority (4%) would opt for less controls of legislation.

One in two respondents, who had already experienced a problem when using comparison tools, thought there should also be more **self-regulation from comparison tools themselves**. A third of respondents answered that there was enough self-regulation, while 9% were in favour of less self-regulation from these websites.

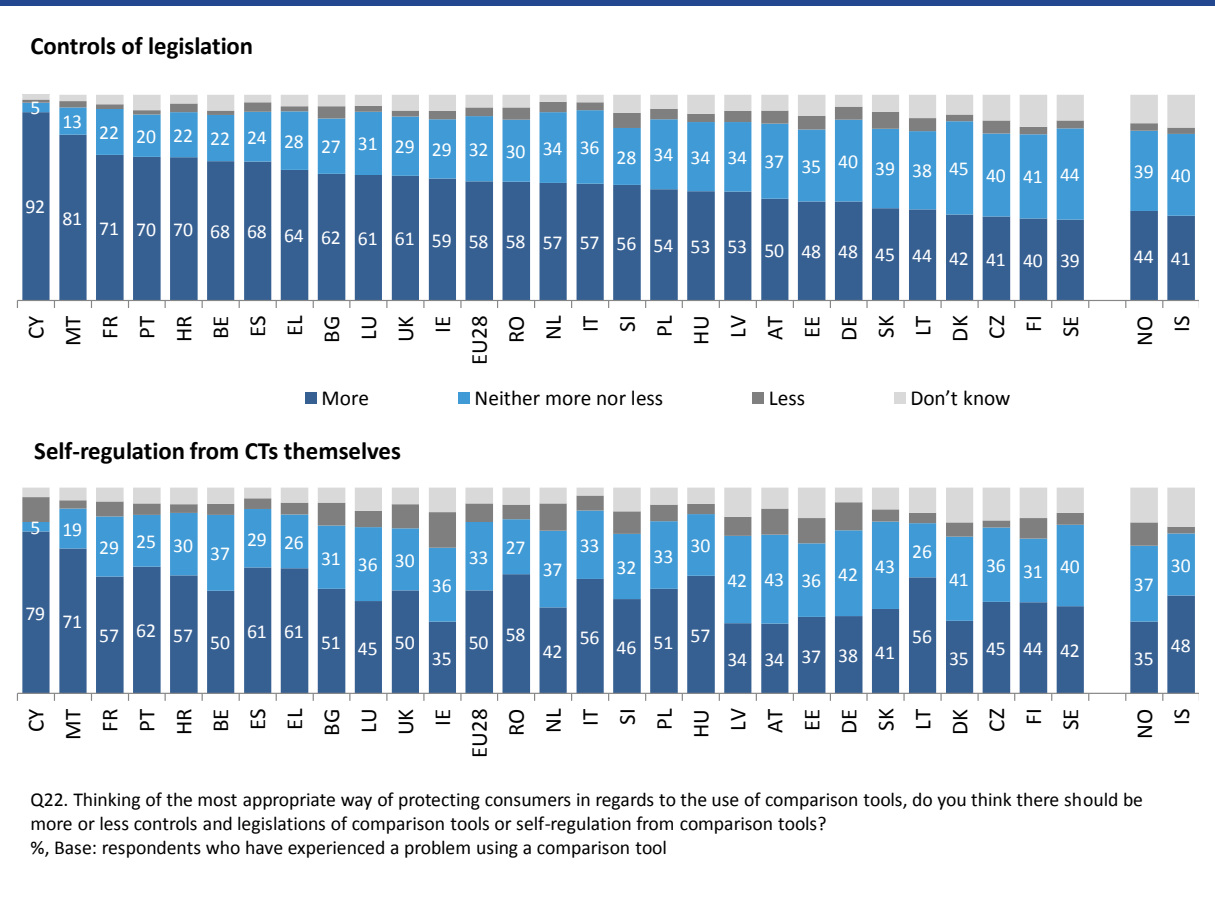
Figure 73: Way of protecting consumers



The proportion of respondents, who had experienced a problem when using comparison tools, and said that there should be **more controls and legislation for comparison tools** ranged from 39% in Sweden to 81% in Malta and 92% in Cyprus; some caution, however, should be exercised when interpreting the results for Malta and Cyprus since fewer than 150 respondents replied to this question. In Germany, the Czech Republic, Norway, Finland and Sweden, 40% or more of respondents said that the current amount of regulation and legislations was about right.

The results for **self-regulation from comparison tools themselves** showed a slightly different picture. The lowest support for more self-regulation was this time found in countries, such as Latvia, Austria, Denmark and Ireland (24%-35%); respondents in Latvia and Austria, joined by respondents in Germany and Slovakia, were the most likely to state that there was already enough self-regulation (42%-43%)

Figure 74: Way of protecting consumers (by country)



Socio-demographic groups differed in their support for more controls and legislations for comparison tools; for example:

- Women were more likely than men to ask for more controls and legislation for comparison tools (61% vs. 55% of men).
- Respondents aged 55-64 were also more likely to be in favour of regulation compared to the youngest respondents (respectively, 65% and 53%).
- In terms of income, those 'living comfortably' also asked for more controls of these tools than 'those finding it very difficult' (60% vs. 56%). A similar difference was observed when comparing respondents with a high level of education (60% in support of more legislation) and those with a low level of education (55%).

The profile of respondents in favour of self-regulation was similar to the one described above in terms of more controls and regulation; for example, women were more likely than men to ask for more self-regulation from comparison tools themselves (53% vs. 48% of men).

5.5 Understanding and impact of third-party verification schemes

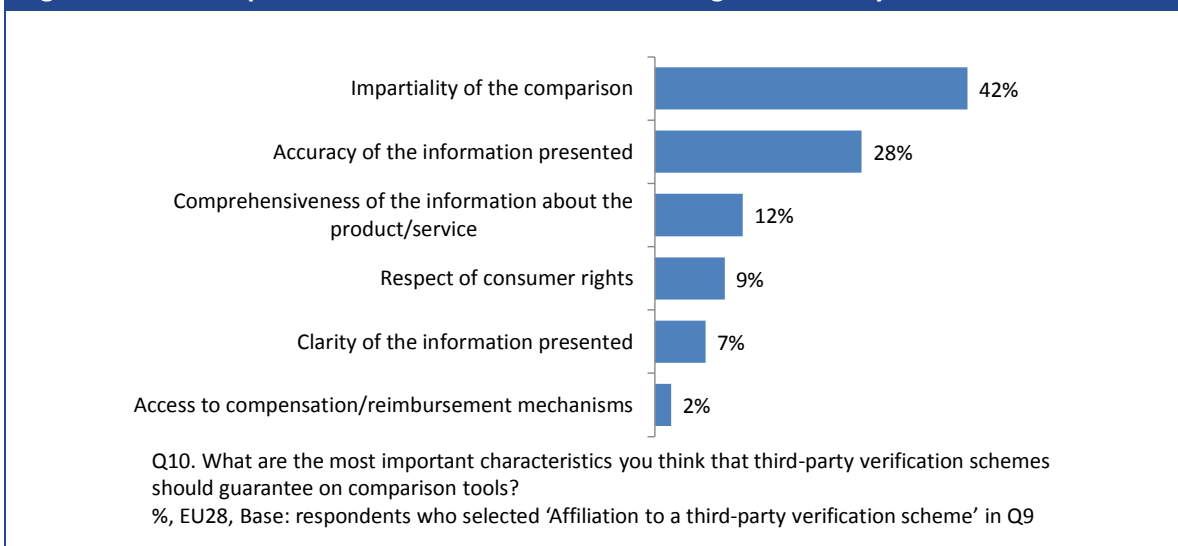
Box 8: Summary of main findings – Understanding and impact of verification schemes

- Among respondents who reported that affiliation to a third-party verification scheme was one of the most important characteristic they looked for in comparison tools,
 - 42% said that third-party verifications schemes should guarantee the impartiality of the comparison, and 28% thought they should guarantee the accuracy of the information presented.
 - 59% thought that verification schemes should be run by a consumer organisation and 26% said that a national authority/regulator would be more appropriate.
- When respondents in the experiment were offered the choice between CTs that carried no verification and ones that did, the sites that carried verification were selected 3.5 times more often than the ones that did not.
- In line with the findings of the consumer survey, respondents in the experiment tended to select sites that had verification provided by a public authority or consumer body over those that carried verification provided by an industry body.
- Verification schemes that included more extensive requirements were, on average, selected more often than those with lighter requirements.

5.5.1 Characteristics that should be guaranteed by verification schemes

Respondents who reported that affiliation to a third-party verification scheme was one of the most important characteristics they looked for in comparison tools (8% of comparison tool users – see Figure 64) were asked a number of follow-up questions about such schemes.

The largest share of this group of respondents said that third-party verifications schemes should guarantee the impartiality of the comparison (42%), followed by 28% who attached more importance to the accuracy of the information presented (28%). Smaller shares of respondents answered that third-party verification schemes should guarantee comprehensiveness of the information about the product/service (12%), respect of consumer rights (9%), clarity of information presented (7%) or access to compensation/reimbursement mechanisms (2%).

Figure 75: Most important characteristics that should be guaranteed by verification schemes

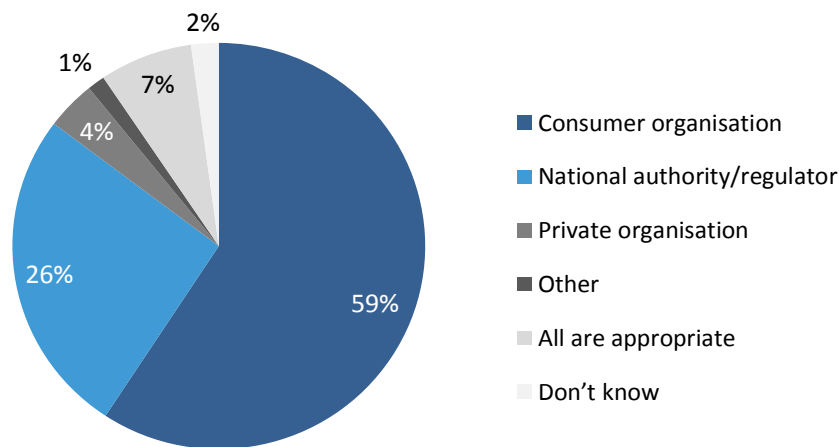
The expectations for third-party verification schemes varied by demographic groups:

- Men paid more attention to the impartiality of the comparison (45% vs. 39% of women), whereas women were more likely to value the accuracy of the information presented (31% vs. 25% of men).
- Consumers in the aged groups 25-34 (45%), 35-44 (44%) or 45-54 (45%) placed more emphasis on the impartiality of the comparison (this figure selecting this characteristic varied between 36% and 38% across the remaining age groups).
- In terms of household income, we noticed that those 'finding it very difficult' were more likely to value the accuracy of the information presented (28% vs. 38% on average). Respondents 'living comfortably', as well as those with a high level of education, attached more importance to impartiality of the comparison (47% and 44%, respectively, vs. 34% for those with a low level of education).

5.5.2 Most suitable organisation to run verification schemes

Respondents who reported that affiliation to a third-party verification scheme was one of the most important characteristic they looked for in comparison tools were also asked to select the organisation that would be the most appropriate one to run a third-party verification scheme.

A quarter of these respondents (26%) thought that third-party verification schemes should be run by a national authority/regulator. Consumer organisations, however, were selected by the largest share of respondents (59%). Few respondents (4%) thought that a private organisation would be the most suitable organisation to run a third-party verification scheme.

Figure 76: Most suitable organisation to run verification schemes

Q11. Third party verification schemes can be run by different types of organisations. Among the following organisations, which one do you think is the most appropriate for comparison tools?
 %, EU28, Base: respondents who selected 'Affiliation to a third-party verification scheme' in Q9

The results for this question also showed some interesting differences across socio-demographic groups; for example:

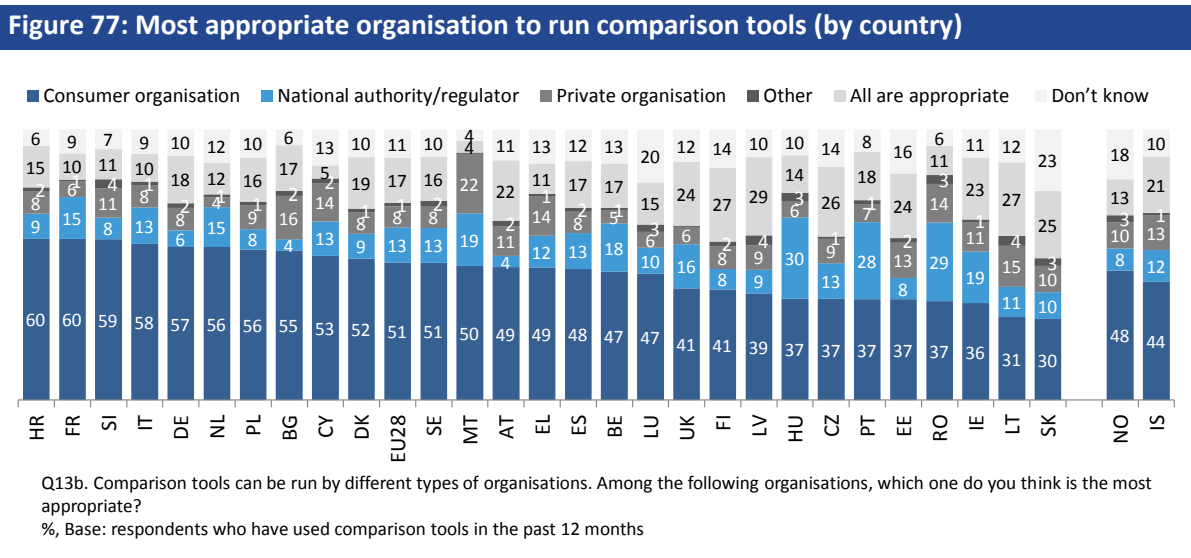
- Older age groups (45-54 to 65+ year-olds) were more likely to prefer that a consumer organisation would run a third-party verification scheme (between 66% and 69%, compared to e.g. 48% for 18-24 year-olds), while the younger respondents (18-24 and 25-34 year-olds) were more likely to trust a national authority or regulator (respectively, 35% and 32%, compared to e.g. 18% of 45-54 year-olds).
- Respondents with a high level of education and those living comfortably on their present income were more likely to say that third-party verifications schemes should be run by a national authority or regulator than those with a low level of education or low level of income (32% and 27%, respectively, compared to 14% for the least-educated and low-income respondents). Respondents with a low level of education had more confidence in consumer organisations than respondents with a high level of education (65% and 55%, respectively).

5.5.3 Most suitable organisation to run comparison tools

A similar question was also asked to identify the most appropriate organisation to run comparison tools (and not third-party verification schemes); this question was asked to all users of comparison tools.

One in two comparison tool users (51%) thought that comparison tools should be run by consumer organisations. Somewhat more than a tenth of comparison tool users (13%) selected a national authority or regulator as the most suitable organisation to run comparison tools and a lower proportion (8%) preferred to entrust this task to a private organisation (8%). A considerable

proportion of respondents (17%) answered that all organisations listed were appropriate to run comparison tools.



The preference for consumer organisations to run comparison tools varied between 30% in Slovakia and 60% in France and Croatia. Compared to other countries, Portugal, Romania and Hungary were characterised by a higher proportion of comparison tools users who selected a national authority or regulator as the most suitable organisation to run comparison tools (between 28% and 30%). The largest shares of users in favour of private organisations running comparison tools were found in Malta (22%) and Bulgaria (16%).

Differences observed across socio-demographic groups were in line with those observed for third-party verification schemes (see above); for example, respondents with a high level of education were more likely to say that comparison tools should be run by a national authority or regulator than those with a low level of education (14% and 8%, respectively).

5.5.4 Observations from experiment 2 on the impact of verification schemes

One set of treatments in experiment 2 specifically examined the impact of third-party verification schemes on participants' choice of comparison tool. The experiment observations indicate that third party verification increases the likelihood that a comparison tool is selected by consumers. Respondents in the experiment tend to prefer verification provided by public authorities and consumer groups over industry provided verification. The more stringent the verification requirement, the more likely the site is selected.

These observations illustrate the importance of accreditation and verification schemes on consumer comparison tool selection, and highlight the importance of clear and transparent accreditation schemes that instil consumer confidence. In addition, regular auditing and monitoring to ensure sites meet the ongoing requirements of verification is important to ensure consumers cannot be misled in their choice when using accreditation schemes in their decision making process. Further, the requirements and conditions of membership should be accessible to consumers as these factors can also be taken into account when selecting a comparison tool.

The key findings from the experiment are the following.

- Respondents preferred comparison tools that had some form of third party verification over no verification. In the energy sector, 78% of respondents chose a site that included third party verification over 22% that chose tools with no verification. For hotels, 79% of respondents chose comparison tools with third party verification compared to 21% that chose tools with no verification.
- When comparing between the types of organisation that provided the verification, the proportion of respondents that chose sites verified by a regulator/public authority was 40.5% slightly larger than consumer group verified sites at 38.7% in the energy sector. However, this difference is not statistically significant. In the case of hotels, 40.8% of respondents preferred the site with regulator verification compared to 36.9% of respondents that chose the consumer organisation verification. This difference is statistically significant at the 95% level.
- Respondents' tended to prefer sites verified by a consumer body (42.6%) compared to sites verified by an industry body (34.9%) for energy, and for hotels (40.5% compared to 38.7%). A similar outcome was found for public authority verification (40.8%) compared to industry verification (36.9%) for energy. For hotels, 42.6% of respondents selected sites with public authority verification compared to 34.9% that chose comparison tools with industry verification.
- When we investigate the impact of the extent of verification requirements (light versus heavy requirements), the experiment finds that for all types of verifying bodies, respondents preferred sites that had heavy requirements over sites that had light requirements 44.5% versus 33.6% for the energy sector (10.9 percentage points), and 50.7% compared to 26.8% in the travel sector (23.9 percentage points). This effect was strongest for consumer and industry verification in energy but similar across all verifying bodies for hotels.
- EU15 countries tended to slightly prefer comparison tools that included third party verification compared to the EU 13 (79% compared to 77% in the energy sector and 79% compare to 77% in the travel sector). However, these differences are not statistically significant. The experiment also shows that at a country grouping level respondents tend to prefer consumer or regulator verified sites over industry verified sites, and this is consistent across country groupings except in the case of hotels where EU13 respondents tended to prefer industry verified sites over consumer verified (however the difference is small 2 percentage points).

5.5.4.1 Treatment design

The treatments used to test the impact of third-party verification are described in detail in the behavioural experiments section of the methodology chapter above and are summarised in the table below. The experimental results from these treatments are presented in the following subsections.

Table 44: Experiment design third-party verification, energy and hotel sector

Treatment	Site 1		Site 2		Site 3	
	Requirement	Operator	Requirement	Operator	Requirement	Operator
T1	None	None	Light	Consumer	Light	Public
T2	None	None	Heavy	Consumer	Heavy	Public
T3	None	None	Light	Industry	Light	Consumer
T4	None	None	Heavy	Industry	Heavy	Consumer
T5	None	None	Light	Industry	Light	Public
T6	None	None	Heavy	Industry	Heavy	Public
T7	None	None	Light	Industry	Heavy	Industry
T8	None	None	Light	Consumer	Heavy	Consumer
T9	None	None	Light	Public	Heavy	Public

5.5.4.2 Results for the electricity sector

By investigating respondents' choice in treatments T1 to T9, we find that respondents preferred a site that had some form of third party verification over no verification. 78.2% of respondents chose a site that included third party verification over 21.8% that chose sites with no verification. That is, sites that included third party verification were chosen three times as often by respondents in the experiment.

In the sections below the results from the following table are extracted to investigate whether the type of third party verification – by a public authority, consumer group, or industry body – impacts choice of comparison tool.

Table 45: Share choosing each site under different third-party verification treatments, electricity sector

Treatment	Third party verification under treatment			Share choosing each site			Responses
	Site 1	Site 2	Site 3	Site 1	Site 2	Site 3	
T1	N	L.C.	L.P.	21.0%	39.2%***	39.8%	548
T2	N	H.C.	H.P.	20.6%	38.3%***	41.1%	742
T3	N	L.I.	L.C.	20.7%	33.4%***	45.9%***	551
T4	N	H.I.	H.C.	24.2%	36.5%***	39.3%	545
T5	N	L.I.	L.P.	21.2%	36.9%***	42.0%*	553
T6	N	H.I.	H.P.	23.5%	37.0%***	39.6%	541
T7	N	L.I.	H.I.	22.9%	31.4%***	45.6%***	563
T8	N	L.C.	H.C.	23.3%	30.7%**	46.0%***	567
T9	N	L.P.	H.P.	19.9%	37.7%***	42.4%*	714
Average that chose sites with and without verification				21.8%	78.2%		

Note: Third Party Verification treatments – N = No verification, L = Light requirements, H = Heavy requirements, C = Consumer group verification, I = Industry body verification, P = Public body verification. Asterisks indicate statistical significant differences *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Public authority versus consumer group

Participants were given the choice between a consumer group and a public authority (regulator) verified comparison site. As shown in the table to the right, the average share of respondents that chose a regulator verified site is slightly larger at 40.5% compared to 38.7% for a consumer group verified site. This difference is however not statistically significant.

Extract from Table 45		
	Site 2	Site 3
Treatment	Consumer Verified ✓	Regulator Verified ✓
T1 (light)	39.2%	39.8%
T2 (heavy)	38.3%	41.1%
T1 & T2 average	38.7%	40.5%

Note: Asterisks indicate a site is significantly more likely to be chosen for each treatment; *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Consumer group versus industry operator

When we compare the share of respondents selecting sites with verification provided by a consumer group and an industry group, we find that a larger share of respondents preferred the site with consumer body verification over industry verification. Consumer verified comparison sites were on average significantly more likely to be chosen (42.6%) than industry verified comparison sites (34.9%).

Extract from Table 45		
	Site 2	Site 3
Treatment	Industry Verified ✓	Consumer Verified ✓
T3 (light)	33.4%	45.9%***
T4 (heavy)	36.5%	39.3%
T3 & T4 average	34.9%	42.6%***

Note: Asterisks indicate a site is significantly more likely to be chosen for each treatment; *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Public authority versus industry operator

A similar difference is seen when participants have a choice between an industry body and a public authority verified regulator comparison site. On average, the public authority regulator verified comparison sites were significantly more likely to be chosen (40.8%) than industry verified comparison sites (36.9%).

Extract from Table 45		
	Site 2	Site 3
Treatment	Industry Verified ✓	Regulator Verified ✓
T5 (light)	36.9%	42.0%*
T6 (heavy)	37.0%	39.6%
T5 & T6 average	36.9%	40.8%*

Note: Asterisks indicate a site is significantly more likely to be chosen for each treatment; *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Light requirements versus heavy requirements

As described previously, there are two different types of verification schemes. When participants had the choice of three comparison websites (including a version with no verification), respondents preferred the site with heavy requirements. On average, the sites with heavy third party requirements were significantly more likely to be chosen (44.5%) than those with light requirements (33.6%).

Extract from Table 45		
	Site 2	Site 3
Treatment	(Light req.)	(Heavy req.)
T7 (Industry)	31.4%	45.6%***
T8 (Consumer)	30.7%	46.0%***
T9 (Public)	37.7%	42.4%*
T7-T9 average	33.6%	44.5%***

Note: Asterisks indicate a site is significantly more likely to be chosen for each treatment; *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

5.5.4.3 Country group-level analysis for the electricity sector

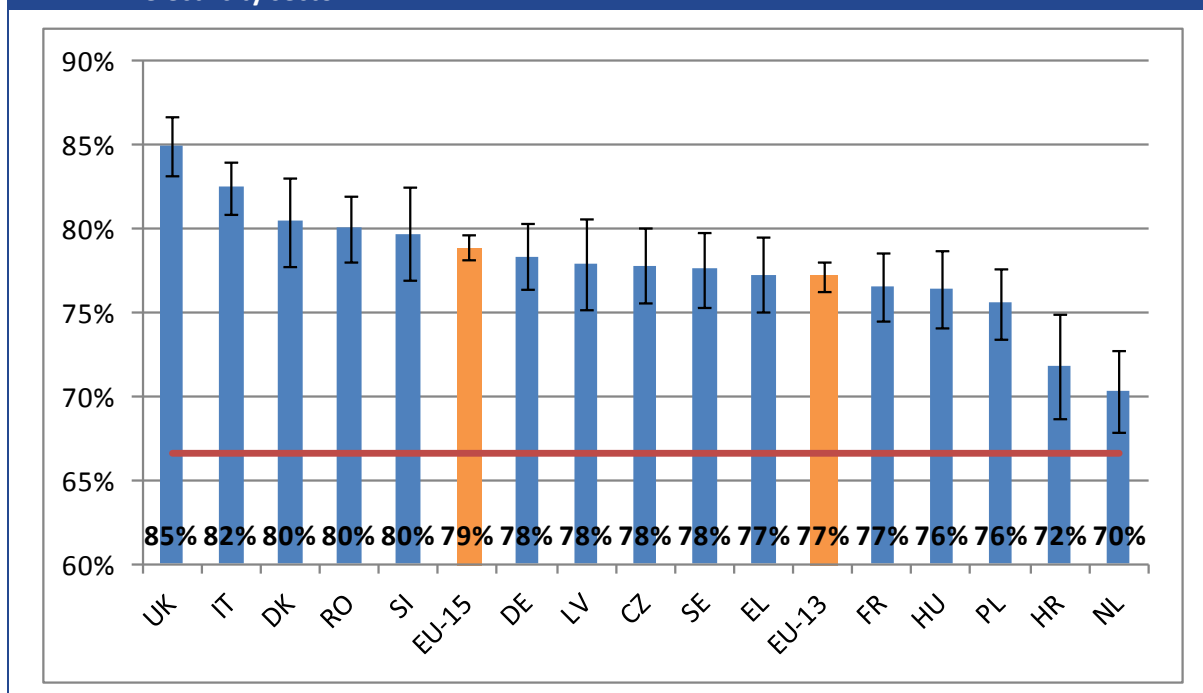
The following section looks at whether there were differences between countries and country groups in their response to third party verification schemes. The following factors are analysed:

- Are third party verification schemes in general more influential in some countries than others?
- Are there systematically different preferences for the verification provider (industry operator, consumer group or public authority) in the various countries?

The proportion of respondents that chose a third party verification scheme ranged from 85% in the UK to 70% in the Netherlands.

In general EU15 countries were slightly more likely to choose a site with third party verification than EU13 countries. This difference is however not statistically significant.

Figure 78: Average share that chose a site with third party verification across countries, electricity sector



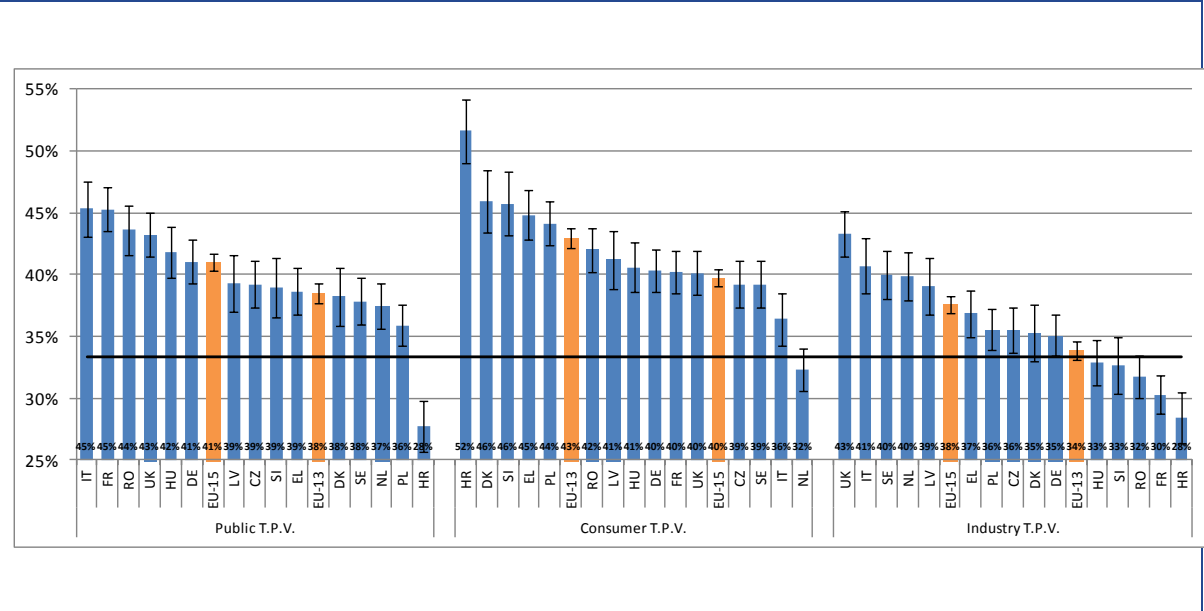
Note: Error bars indicate standard errors. Random chance to choose a third party verified site is 66.6% (red horizontal line).

The next figure presents respondents' preferences for different types of third party verification across the countries included in the experiment.

- Public authority verified sites were chosen in the EU15 on average by 41% of the participants, and in the EU13 by 38% of the participants.
- Consumer body verified sites were chosen by 40% of participants in the EU15 and by 43% on average in the EU13.
- Industry operator verified sites were chosen by 38% in the EU15 and by 34% in the EU13.

The country level observations are in line with the aggregate analysis. That is, respondents tend to choose sites that contain a consumer or public authority verification over industry verification; and, preferences toward consumer verified sites versus industry verified sites is larger than the preference difference towards regulator versus industry verified sites.

Figure 79: Average share that chose a Consumer body, Industry operator or Public authority verified site across countries, electricity sector



Note: In Italy, respondents were over allocated to treatments that included a choice between industry and consumer verification. This over allocation meant that Italian respondents made few choices involving public authority verification. In order to avoid these influencing observations we weighted responses from Italy in these treatments such that observations from all treatments were treated equally in the analysis.

5.5.4.4 Results for the travel sector

The results in the travel sector are similar to that of the electricity sector. On average participants preferred comparison tools that had some form of third party verification over no verification. 78.8% of participants on average chose comparison tools that included verification compared to 21.2% that choose tools without third party verification.

Table 46: Share choosing each site under different third party verification treatments, travel sector

Treatment	Third party verification under treatment			Share choosing each site			Responses
	Site 1	Site 2	Site 3	Site 1	Site 2	Site 3	
T1	N	L.C.	L.P.	21.2%	36.9%***	42.0%*	553
T2	N	H.C.	H.P.	23.5%	37.0%***	39.6%	541
T3	N	L.I.	L.C.	21.0%	39.2%***	39.8%	548
T4	N	H.I.	H.C.	20.6%	38.3%***	41.1%	742
T5	N	L.I.	L.P.	20.7%	33.4%***	45.9%***	551
T6	N	H.I.	H.P.	24.2%	36.5%***	39.3%	545
T7	N	L.I.	H.I.	22.4%	26.9%*	50.7%***	531
T8	N	L.C.	H.C.	23.3%	26.7%	50.0%***	572
T9	N	L.P.	H.P.	22.0%	26.7%*	51.4%***	574
Average that chose sites with verification and without verification				21.2%	78.8%		

Note: Third Party Verification treatments – N = No verification, L = Light requirements, H = Heavy requirements, C = Consumer group verification, I = Industry body verification, P = Public body verification. Asterisks indicate statistical significant differences *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Public authority versus consumer organisation

Participants were given the choice between a consumer organisation verified tool and a public authority (regulator) verified comparison site. The regulator verified sites were chosen on average by 40.8% of respondents compared to 36.9% for a consumer verified site.

Extract from Table 46		
Treatment	Site 2 Consumer Verified ✓	Site 3 Regulator Verified ✓
T1 (light)	36.9%	42.0%*
T2 (heavy)	37.0%	39.6%
Average T1 and T2	36.9%	40.8%*

Note: Asterisks indicate a site is significantly more likely to be chosen for each treatment; *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Consumer organisation versus industry body

40.5% of respondents preferred comparison tools that had consumer body verification over industry verification. However, this difference is not found to be statistically different.

Extract from Table 46		
Treatment	Site 2 Industry Verified ✓	Site 3 Consumer Verified ✓
T3 (light)	39.2%	39.8%
T4 (heavy)	38.3%	41.1%
Average T1 and T2	38.7%	40.5%

Note: Asterisks indicate a site is significantly more likely to be chosen for each treatment; *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Public authority versus industry body

On average, public authority verified comparison sites were significantly more likely to be chosen (42.6%) than industry verified comparison sites (34.9%).

Extract from Table 46		
Treatment	Site 2 Industry Verified ✓	Site 3 Regulator Verified ✓
T5 (light)	33.4%	45.9%***
T6 (heavy)	36.5%	39.3%
Average T1 and T2	34.9%	42.6%***

Note: Asterisks indicate a site is significantly more likely to be chosen for each treatment; *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Light requirements versus heavy requirements

When participants had the choice of three comparison tools (including a version with no verification), the comparison tool with the heavy requirements was chosen by 50.7% of respondents compared to 26.8% of respondents that selected the site with light verification requirements.

Extract from Table 46		
Treatment	Site 2 Light req.	Site 3 Heavy req.
T7 (Industry)	26.9%	50.7%***
T8 (Consumer)	26.7%	50.0%***
T9 (Public)	26.7%	51.4%***
Average T7, T8 and T9	26.8%	50.7%***

Note: Asterisks indicate a site is significantly more likely to be chosen for each treatment; *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

5.5.4.5 Country group level analysis for the travel sector

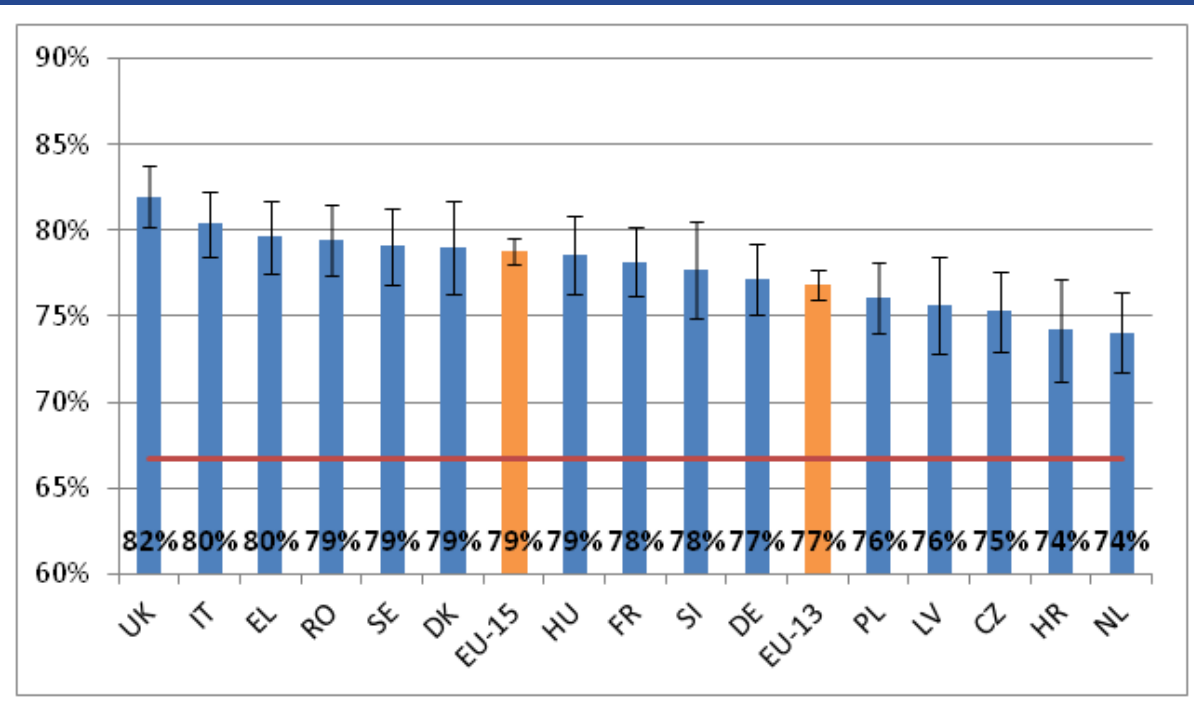
The following section looks at whether there were differences between countries and country groups in their response to third party verification schemes. The same factors as for energy are investigated:

- Are third party verification schemes in general more influential in some countries than others?
- Are there systematically different preferences of the provider (industry operator, consumer group or public authority) in the various countries?

The proportion that chose a third party verification scheme ranged from 82.0% of the participants in the UK to 74.1% in the Netherlands.

In general respondents from EU15 countries were more likely to choose a site with a third party verification scheme than those in EU13 countries. This difference is however not statistically significant.

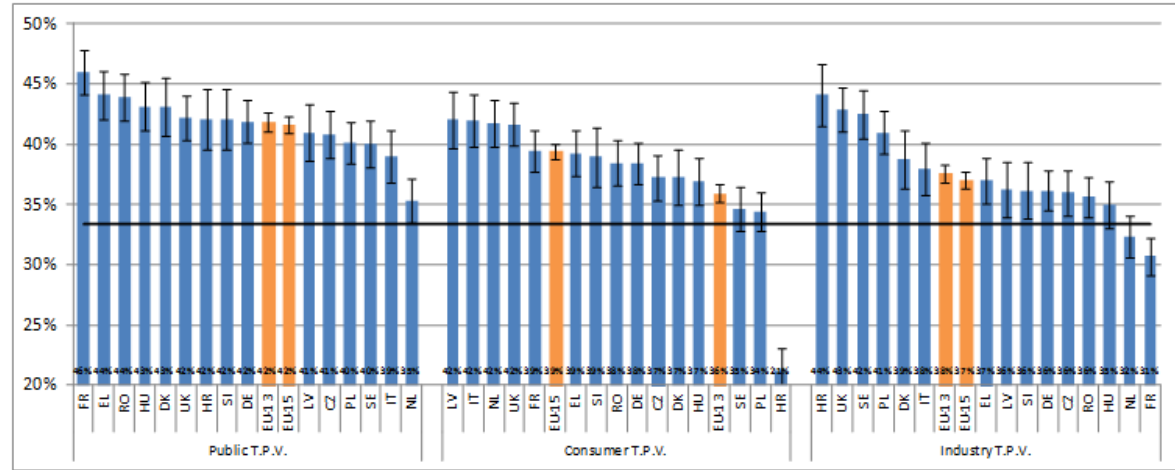
Figure 80: Average share that chose a site with third party verification across countries, hotel sector



Note: Error bars indicate standard errors. Random chance to choose a third party verified site is 66.6% (red horizontal line).

When we explore differences across country groupings we again see a general preference for public authority and consumer verified sites over industry verified sites, with only small differences between the EU15 and EU13 countries. One exception is for consumer verified sites in the EU13, where respondents on average preferred these sites less than industry verified sites.

Figure 81: Average share that chose a Consumer body, Industry operator or Public authority verified site across countries, hotel sector



Note: In Italy, respondents were over allocated to treatments that included a choice between industry and consumer verification. This over allocation meant that Italian respondents made few choices involving public authority verification. In order to avoid these influencing observations we weighted responses from Italy in these treatments such that observations from all treatments were treated equally in the analysis.

5.6 Impact of comparison tools on purchasing decisions

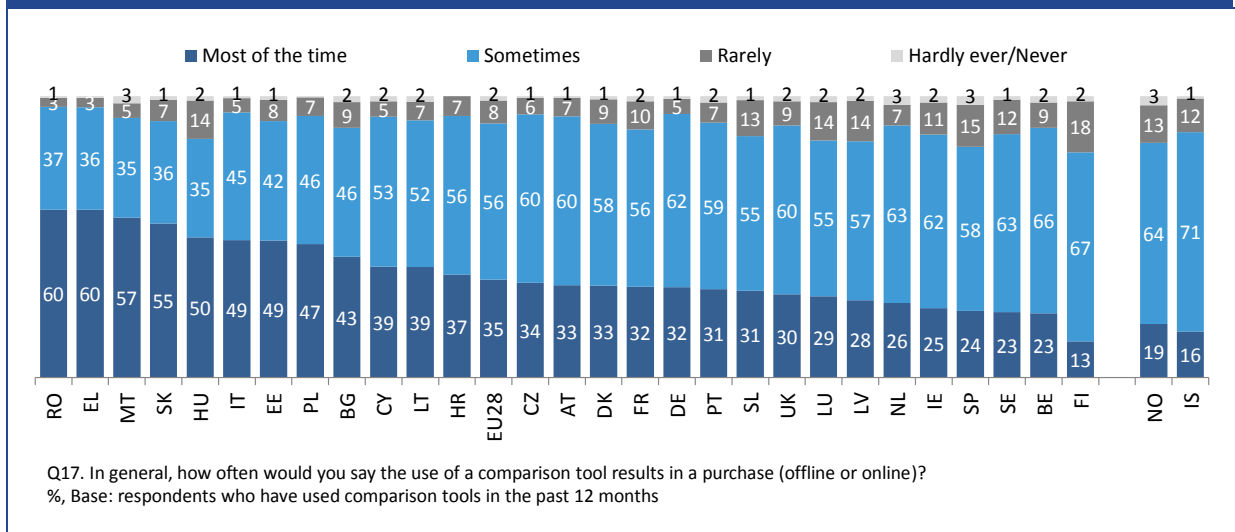
Box 9: Summary of main findings – Impact of comparison tools on purchasing decisions

- 35% of comparison tool users answered that the use of a comparison tool usually resulted in a purchase; just 9% said they rarely or never bought anything after using such a tool.
- The experiment found that the ranking method and the product position on a comparison tool impacts consumer product choice.
 - The sorting method used by comparison websites has an impact on the proportion of respondents in the experiment that selected the best deal. In the case of electricity, 79% and 76%, respectively, chose the best deal under the price sorting method and customer service method, compared to 49% when deals were sorted randomly. For travel, when deals were sorted by price and guest rating, 81% and 78% chose the best deal available compared to when deals were sorted randomly.
 - The position of a deal on a webpage has a significant impact on the likelihood that the deal is chosen. The higher up the page a deal is placed the more likely it is chosen by participants.
 - The way in which deals are ranked on a webpage has an effect on consumers' choice of product. The proportion of participants that chose the cheapest electricity offer when the deals were sorted by annual cost was 29%. This compares to 22% or less when deals were sorted by other methods. The same is found for hotels. When hotels were ordered by lowest price a larger proportion of participants selected the cheapest room (39%) than when offers were ordered in any other way.
 - When electricity deals were sorted by rate type (fixed rate deals at the top and flexible rate deals at the bottom), 65% of participants chose a fixed rate deal compared to 60% or less when deals were sorted in another way.
 - For hotels, when rooms were ordered by guest score, 65% of participants chose the deal with highest guest score compared to 59% or less when ordered in another way.
 - The effect of a given characteristic is found to be larger if deals are sorted according to that characteristic. For example, when electricity deals are ranked by annual cost then annual cost has a larger effect on first deal choice compared to when deals are ranked according to alternative methods (customer service, rate type, energy type or randomly).

5.6.1 Impact of comparison tools on the online purchase intention

Around a third of comparison tool users (35%) answered that the use of a comparison tool usually resulted in a purchase (i.e. most of the time); this figure varied between 13% in Finland and 60% in Greece and Romania.

A slim majority (56%) said they sometimes decided to buy a product or service after using a price comparison website. Just 9% of respondents said they rarely or never bought anything after using a comparison tool.

Figure 82: Frequency that using a comparison tool results in a purchase (by country)

The impact of comparison tools on purchasing decisions differed across socio-demographic groups; for example:

- At both side of the age spectrum (18-24 year-olds and over 64 year-olds), respondents were less likely than their counterparts to purchase something *most of the time* when using a comparison tool (30% for both age groups, compared to 35%-37% across the remaining age groups).
- In terms of income level, those ‘finding it very difficult’ were twice as likely as those ‘living comfortably on their present income level’ to report that they rarely or never bought a product or service after having used a comparison tool (14% vs. 7%, respectively).

5.6.2 Observations from experiment 3

Experiment three tests the effect of position and ranking (sorting) method on consumer product choice. The experiment shows that ranking method and position both have strong effects on which offers are chosen by consumers. Therefore, the experiment indicates that the ranking method used by comparison tools should be made clear to consumers as it influences their choice of product.

Further, the ranking method used has an effect on how important a given deal characteristic is on choice. That is, if the deals are ordered by price then price is the most important characteristic affecting choice. While if the deal is ranked by customer service or customer reviews, then these attributes are the most important on choice. Therefore, when reviews and ratings are used by comparison tools they should be impartial and accurate. Similarly, prices should be accurate and comprehensive upfront, such that consumer choice is not influenced by unseen charges revealed only later in the transaction.

The key findings from experiment 3 are shown below.

Effect of sorting (ranking method) on consumers' choice of the best deal

- Overall, experiment participants were in general able to identify the best deal offered on the comparison site irrespective of how the deals were sorted (either by price, customer service rating or randomly). In the case of electricity, participants' chose the best deal available as their first choice nearly four times more frequently than any other electricity deal presented across all sorting methods. In the case of travel, respondents chose the best deal just over three times more frequently than other deals.
- When we compare the proportion of participants that selected the best deal across the different sorting methods, in the case of electricity, 79% and 76% chose the best deal under the price sorting method and customer service method respectively, compared to only 49% when deals were sorted randomly. For travel, a similar picture is found. When deals are sorted by price and guest rating, 81% and 78% chose the best deal available compared to only 49% when deals were sorted randomly.
- Investigating behaviour at a country level, there are few differences between the EU13 and EU15 group countries. For energy, EU15 respondents were slightly better at identifying the best deal than EU13, but these differences are not statistically different except in the case of random ranking. The case is somewhat reversed for hotels. 84% of EU13 respondents chose the best hotel deal when sorted by price compared to 78% for EU15. 81% of EU13 respondents selected the best hotel deal compared to 76% from the EU15 when ranked by customer service. The differences for random ranking were small (1 percentage point) and not significant. The differences in ranking effect on respondents' choice of the best deal between the two sectors could be caused by the differences in the energy market for countries included in the EU13 and EU15 groups. That is, in some countries in the EU13 fixed duration deals are not available or have only recently become available. The optimal contract included fixed duration deals, as such lack of familiarity with this deal characteristic could be causing some differences in behaviour within the experiment across country groupings. Overall, the differences between country groupings for both sectors are small.

Effect of sorting method on consumers' choice of deals with different characteristics

- The position of a deal on a webpage has a significant impact on the likelihood that the deal is chosen. The higher up the page a deal is placed the more likely it is chosen by participants.
- The way in which deals are ranked on a webpage has an effect on consumers' choice of product. The proportion of participants that chose the cheapest electricity offer when the deals were sorted by annual cost was 29%. This compares to 22% or less when deals were sorted by other methods. The same is found for hotels. When hotels were ordered by lowest price a larger proportion of participants selected the cheapest room (39%) than when offers were ordered in any other way.
- When electricity deals were sorted by rate type (fixed rate deals at the top and flexible rate deals at the bottom), 65% of participants chose a fixed rate deal compared to 60% or less when deals were sorted in another way.
- For hotels, when rooms were ordered by guest score 65% of participants chose the deal with highest guest score compared to 59% or less when ordered in another way.
- The effect of the ranking method on the magnitude of deal characteristic impact on choice is larger when deals are ranked according to the given characteristic. For example, when

electricity deals are ranked by annual cost then annual cost has the greatest effect on choice over other deal characteristics. This is also the case for customer service, rate type and energy type. For hotels, the same is observed. When deals are ranked according to room rate then the offered rate has the greatest impact on choice compared to other deal characteristics. The same is true for location, guest score and refund policy.

5.6.2.1 Experiment 3 on consumer behaviour when choosing a product/service on a comparison tool

Experiment 3 is the 'product choice' experiment which explores consumer behaviour when choosing a product or service on a comparison tool. The details of experiment 3 design are provided in the methodology section of this report. Experiment 3 tests the impact of a) the placing/positioning (i.e. top, second, third, etc.) of a product/service on a comparison tool and b) product characteristics as shown on a comparison tool.

Each participant was presented with eight products/deals for each sector, as pictured in the next figure, and was asked to indicate their two preferred options.

The products/deals were sorted in five different ways for each sector:

- electricity sector - by price (annual cost), customer service rating, contract type, energy type and randomly; and;
- travel sector - by price, guest score, location, refund policy, and randomly.

In addition, in some experimental set-ups a 'most popular' option was indicated.

The sections below analyse the effect of the alternative ranking methods on participants' ability to pick the best option, and the influence that different product/ deal characteristics have on participants' choices under the alternative ranking methods.

Figure 83: Example electricity deals presented to a participant. Deals sorted randomly with a 'most popular' indication

Please imagine that a comparison website offered you the electricity deals shown below. Which of these would be your first choice and which would be your second choice?

You can click on the information icon 'i' to see an explanation of the product characteristics.
Please select 2 answers

	Annual [®] cost	Customer [®] service	Rate [®] type	Contract [®] duration	Sustainable [®] energy	
most popular Electricity deal 1	£418/year	★★★★★	Fixed	2 years	✓	<input type="checkbox"/>
Electricity deal 2	£439/year	★★★★★	Variable	1 year	✗	<input type="checkbox"/>
Electricity deal 3	£461/year	★★★★★	Fixed	2 years	✗	<input type="checkbox"/>
Electricity deal 4	£525/year	★★★★★	Fixed	2 years	✗	<input type="checkbox"/>
Electricity deal 5	£397/year	★★★★★	Variable	1 year	✓	<input type="checkbox"/>
Electricity deal 6	£504/year	★★★★★	Variable	1 year	✗	<input type="checkbox"/>
Electricity deal 7	£375/year	★★★★★	Fixed	2 years	✓	<input type="checkbox"/>
Electricity deal 8	£482/year	★★★★★	Variable	1 year	✓	<input type="checkbox"/>

Source: Behavioural experiment

5.6.2.2 Results for the electricity sector

5.6.2.2.1 Effect of ranking method on participants' ability to choose the best deal offered

Participants in the experiment were presented with eight electricity deals where one deal was objectively better than the rest. These participants were subsequently asked to identify their first and second choice deals. In these cases, the deals were presented using three different sorting methods, namely by price, by customer service rating and randomly. The next figure shows a screen shot from the experiment where electricity deals are sorted by price and sorted randomly where there is one deal that is objectively the best deal.

Figure 84: Example electricity deals presented to participants including an optimal deal

Deals sorted by price						Deals sorted randomly					
	Annual cost	Customer service	Rate type	Contract duration	Sustainable energy		Annual cost	Customer service	Rate type	Contract duration	Sustainable energy
Electricity deal 1	£301.89 /year	★★★★★	Fixed	2 years	✓	Electricity deal 1	£336.39 /year	★★★★★	Fixed	2 years	✓
Electricity deal 2	£319.14 /year	★★★★☆	Variable	1 year	✓	Electricity deal 2	£353.64 /year	★★★★☆	Variable	1 year	✗
Electricity deal 3	£336.39 /year	★★★★★	Fixed	2 years	✓	Electricity deal 3	£370.89 /year	★★★★☆	Fixed	2 years	✗
Electricity deal 4	£353.64 /year	★★★★☆	Variable	1 year	✗	Electricity deal 4	£422.64 /year	★★★★☆	Fixed	2 years	✗
Electricity deal 5	£370.89 /year	★★★★☆	Fixed	2 years	✗	Electricity deal 5	£319.14 /year	★★★★☆	Variable	1 year	✓
Electricity deal 6	£388.14 /year	★★★★☆	Variable	1 year	✓	Electricity deal 6	£405.39 /year	★★★★☆	Variable	1 year	✗
Electricity deal 7	£405.39 /year	★★★★☆	Variable	1 year	✗	Electricity deal 7	£301.89 /year	★★★★★	Fixed	2 years	✓
Electricity deal 8	£422.64 /year	★★★★☆	Fixed	2 years	✗	Electricity deal 8	£388.14 /year	★★★★☆	Variable	1 year	✓

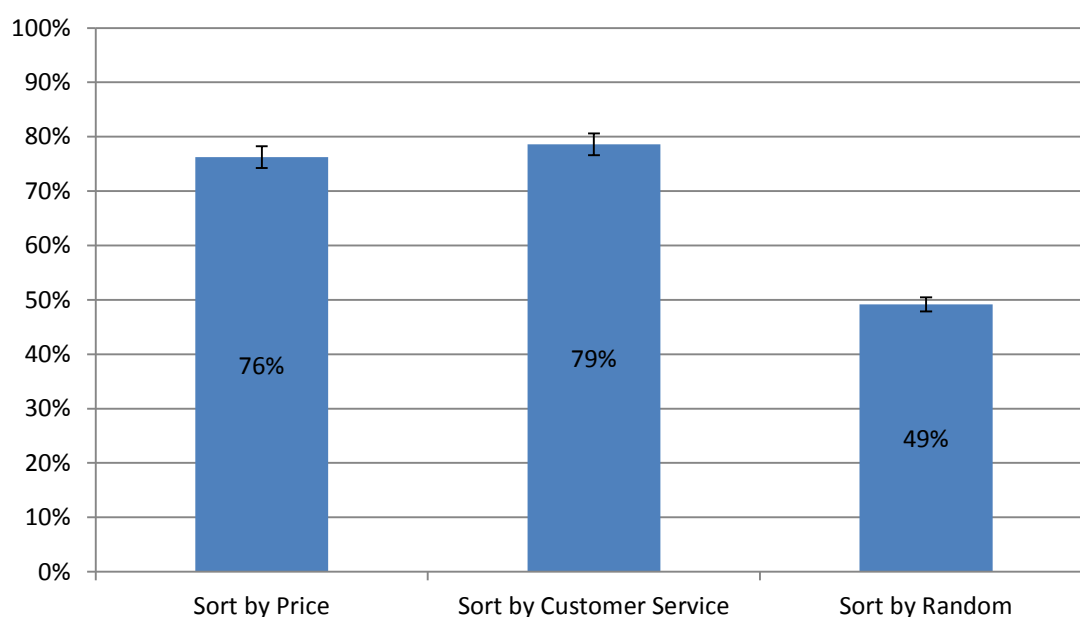
Note: The best deal has been indicated in red in the example above. Participants did not have this aid. A third sort method, by customer service, was presented to participants and is not shown above.

Source: *Behavioural experiment*

The optimal electricity deal was constructed such that it is superior (or equal) in terms of all subjective attributes. It has the lowest annual cost, equal best customer service rating, is sustainable, and has a fixed rate. On average across all sorting methods, the optimal electricity deal was identified as participants' preferred (first choice) deal around 4 times more frequently than any other electricity deal presented.¹⁵⁹

The experiment results show that when the electricity deals were sorted by price or customer service rating, close to four fifths of participants chose the best deal as their first choice – see the next figure. However, when the deals were sorted randomly, only around half chose the best deal as their first preference (i.e. a share that is statistically significantly lower than the share when the deals were sorted by price or customer service).

¹⁵⁹ Note that theoretically one of the other deals in the set could be considered the optimal deal, namely deal 2 in the screen shot figure when sorted by price, if a participant has a strong preference for a deal with a variable rate and a one year duration. However in practice this was rarely observed to be the case, irrespective of the sorting method used.

Figure 85: Proportion of participants that chose the best electricity deal as their first choice

Note: Error bars indicate the standard error of the sample by sort method.

5.6.2.2.2 Effect of ranking method on participants' choice of different electricity deals

The electricity deals were presented to participants under alternative ranking methods to test whether the ordering of the offers had an effect on the different deals that consumers pick. In these cases, four different sets of deals were presented in which no deal (in any set) was objectively better than all others (i.e. there was no optimal deal). The four sets of deals were constructed so that (given an even split of respondents across the sets) overall there would be low correlation levels between the characteristics of deals in the dataset. The five different ranking methods used were:

- By annual cost: the deals were ordered from lowest to highest annual cost.
- By customer service: the deals were ordered such that the deal with the highest customer service rating was top and the deal with the lowest customer service rating was bottom.
- By rate type: fixed rate deals were top and variable rate deals were bottom.
- By energy type: the deals with sustainable energy were top.
- Randomly: the deals were not sorted according to any characteristic.

Since deals were ranked using the methods set out above, overall in the dataset (across all ranking methods) there is some mild correlation between deal position (i.e. the order in which deals were shown on the page) and deal attributes – see the table below for these correlations. For example, the cheapest deals and deals with higher customer service ratings were more frequently presented among the first few positions. In addition, there is some mild correlation between the deal attributes themselves (e.g. between customer service rating and contract duration, and between sustainable energy and rate type). This correlation is mainly intended and due to the experiment design.

Table 47: Correlations between electricity deal attributes

	Position	Annual cost	Customer Service	Rate type	Sustainable Energy	Contract duration
Position	1					
Annual cost	0.18	1				
Customer Service	-0.20	0.00	1			
Rate type	-0.01	0.00	-0.12	1		
Sustainable Energy	0.15	0.01	0.11	0.25	1	
Contract duration	0.10	0.00	-0.35	0.00	0.00	1

Proportion of respondents choosing particular deals

This section examines whether participants chose particular deals, e.g. the cheapest deal or the deal with the highest customer service rating, depending on how the deals were ranked. The shares of participants who chose a particular deal as their first choice under different ranking methods are presented in the following table. The table shows that the shares choosing a certain deal were often highest when the deals were ranked according to a particular attribute. In particular, for three of the four ranking methods, when the deals were ranked according to a particular characteristic the standout deal in terms of that characteristic was chosen more frequently:

- When the deals were ranked by annual cost, significantly more participants chose the deal with the lowest annual cost (29%) than when the deals were sorted by another method ($\leq 22\%$), a difference that is statistically significant.
- When the deals were sorted by rate type, significantly more participants chose a deal with a fixed rate (65%) than when the deals were sorted by another method ($\leq 60\%$), a difference that is statistically significant.
- When the deals were sorted by energy type, more participants chose a deal with sustainable energy (76%) than when the deals were sorted by another method ($\leq 73\%$), although in this case the difference is not statistically significant.

Table 48: Effect on proportion that chose an electricity deal by sort method

Share that chose a/the deal with	Sort method				
	Annual cost	Customer Service	Rate type	Sustainable Energy	Random
Lowest annual cost	29%***	21%	17%	21%	22%
Highest customer service	50%	47%	51%	47%	51%
A fixed rate	49%	47%	65%**	54%	60%
Sustainable energy	61%	65%	67%	76%	73%
One year duration	58%	61%	63%	58%	58%

Note: Asterisks indicate a proportion is significantly larger than the second largest proportion for the relevant deal (i.e. it is the largest proportion in the row): *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Regression analysis of deal choices

In this section the effects of different electricity deal characteristics on the likelihood that a deal is chosen as a participant's first choice are estimated using a conditional logit regression.¹⁶⁰ In this analysis, every deal presented to a participant (and its characteristics) forms a separate entry in the dataset, meaning there are eight entries for every choice made by a participant, one of which was chosen as a first choice.¹⁶¹ The explanatory variables included in the regression are:

- 'Annual cost': a variable indicating the annual cost of the deal, expressed as a percentage of the cost of the most expensive deal in the set.
- 'Customer service': a variable indicating the customer service rating of the deal, presented in the experiment via a star-rating ranging from 2 stars (poor) to 5 stars (good).
- 'Rate type': a dummy variable indicating whether the deal has a fixed rate (Rate type=1) or a variable rate (Rate type=0).
- 'Energy type': a dummy variable indicating whether the deal provides sustainable energy (Energy type=1) or not (Energy type=0).
- 'Contract duration': a variable indicating the duration of the deal (i.e. one year or two).
- 'Position': the position of the deal on the screen, from 1 (top) to 8 (bottom).

Separate regressions are estimated for each ranking method (i.e. the data are split by ranking method) in order to examine whether the estimated effects of the deal characteristics on choice differ depending on the ranking method. Two regressions are estimated on the data where the deals were ordered randomly, including and excluding the position variable.¹⁶² Hence six regressions are estimated in total. The results are presented in the table below.

The results show that, irrespective of the sorting method used to rank the deals, all deal characteristics have a statistically significant impact on the likelihood that a deal is chosen in the expected direction. For example, higher annual cost reduces the likelihood a deal is chosen as shown by the negative coefficients across the top row in the table. The exception to this is contract duration which is not found to have a significant effect if the deals are ordered by customer service, energy type or randomly.

An interesting observation is that the estimated effect of a given characteristic is found to be larger if the deals were sorted according to that characteristic (these effects are highlighted in red in the table). For example, the size of the coefficient on the annual cost variable is largest (at 0.176) when the deals were sorted by annual cost. In addition, the results show that when the deals were ordered randomly the position of a deal had a strong effect on the likelihood that it was chosen. These two findings suggest that the method used to sort deals and the position of deals has an important effect on consumers' choices when facing a selection between alternative offers as might be presented by a comparison tool.

¹⁶⁰ A logit regression is used instead of an OLS regression since the dependent variable is binary. That is the dependent variable has value 1 or 0. The dependent variable in this regression is whether a deal was chosen or not. The regression analysis estimates the probability that a deal is chosen depending on the deal's characteristics.

¹⁶¹ The fact that one out of every group of eight links in the dataset must have been chosen is the reason that a conditional logit regression is appropriate, instead of a standard logit regression.

¹⁶² However the position variable is excluded from regressions estimated on data where the deals were ordered according to a specific characteristic, since in this data the position variable is highly correlated with that characteristic (by construction).

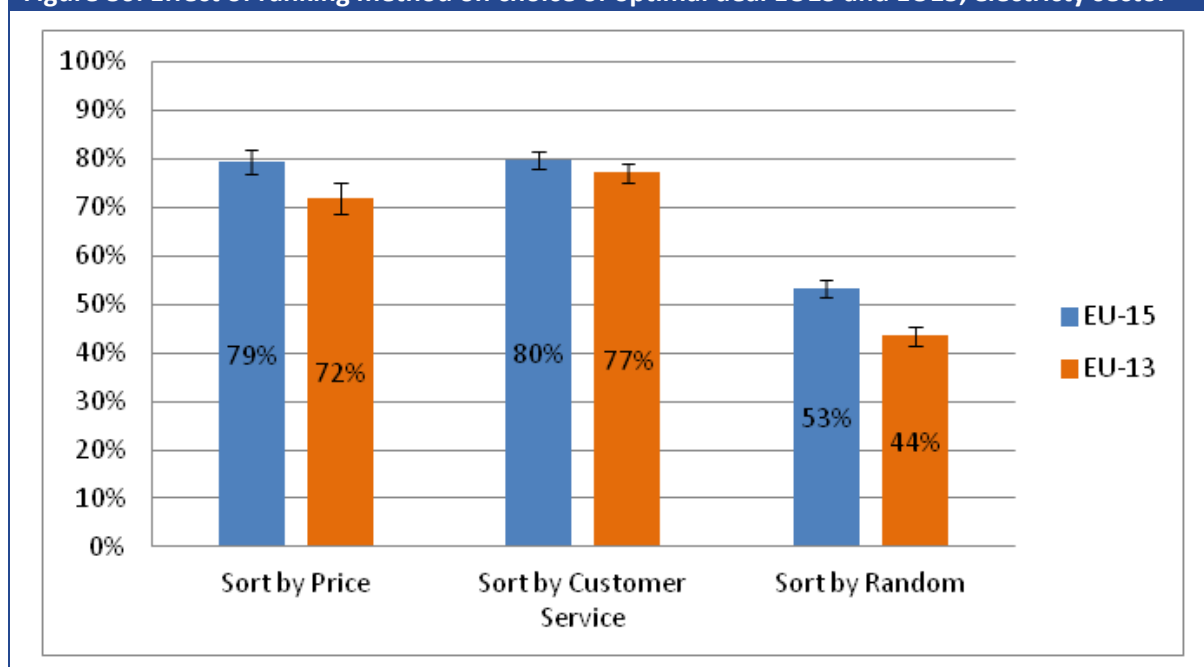
Table 49: Results of conditional logit regression of first deal choice, electricity sector

Deal attributes	Regression 1 deals sorted by annual cost	Regression 2 deals sorted by customer service	Regression 3 rate type	Regression 4 energy type	Regression 5 random (1)	Regression 6 random (2)
Annual cost	-0.176*** (0.006)	-0.110*** (0.005)	-0.132*** (0.007)	-0.100*** (0.005)	-0.101*** (0.006)	-0.107*** (0.006)
Customer service	0.380*** (0.0299)	0.533*** (0.0332)	0.334*** (0.0437)	0.398*** (0.0324)	0.497*** (0.0415)	0.467*** (0.0433)
Rate type	0.813*** (0.0554)	1.010*** (0.0717)	1.313*** (0.0870)	0.713*** (0.0604)	0.537*** (0.0710)	0.405*** (0.0722)
Energy type	1.411*** (0.0739)	1.206*** (0.0639)	1.639*** (0.105)	1.799*** (0.0809)	1.674*** (0.104)	1.482*** (0.109)
Contract duration	-0.224*** (0.0606)	-0.103 (0.0723)	-0.366*** (0.0943)	-0.0988 (0.0693)	0.0426 (0.0809)	0.0448 (0.0848)
Position						-0.109*** (0.0159)

Note: Standard errors in parentheses. *, ** and *** indicate significance at the 5%, 1% and 0.1% levels respectively.

5.6.2.2.3 Country level analysis electricity sector

This section investigates the impact of ranking method on respondents choice of electricity deal across the countries included in the experiment. The country level analysis shows a similar picture to the analysis across the full sample, with no statistical difference in behaviour between EU13 and EU15 countries. The exception is when deals are ranked randomly when respondents from the EU15 were able to select the best deal offered more often than those in the EU13.

Figure 86: Effect of ranking method on choice of optimal deal EU13 and EU15, electricity sector

Note: Error bars indicate the standard error of the sample by sort method.

5.6.2.3 Results for the travel sector

We now turn to analysis of the travel sector. The analysis follows the same structure as was presented for the energy sector.

5.6.2.3.1 Effect of sorting method on participants' ability to choose the best option

As was the case with electricity deals, some participants were presented with hotels where one hotel was objectively better than the rest. On average participants chose the best hotel deal just over three times more often than other deals irrespective of how the deals were sorted.

When hotels were sorted by price or guest rating, around four fifths of participants chose the best room as their first choice, compared to only around half when the deals were ordered randomly – see the figure below.

Figure 87: Proportion of participants that chose the best hotel deal as their first choice



Note: Error bars indicate the standard error of the sample by sort method.

5.6.2.3.2 Effect of sorting method on participants' choice of different hotel deals

The same hotels were presented to participants ranked using different methods to test whether the ordering influences their selection. The five different sorting methods used were:

- By room rate: the deals were ranked from lowest to highest cost per night.
- By location: the hotel located closest to the city centre was top and the hotel located furthest from the city centre was bottom.
- By guest score: the hotel with the highest guest score was top and the hotel with the lowest guest score was bottom.
- By refund policy: hotels that offered refunds were top
- Randomly: the deals were not sorted according to any characteristic.

Since deals were sorted using these methods, overall in the dataset (across all sorting methods) there is some mild correlation between the position that hotels were shown on the page and hotel attributes – see the following table. In addition, there is some correlation between the hotel attributes themselves, in particular between guest score and guest review (since these are essentially quantitative and qualitative expressions of the same attribute). This correlation is mainly intended and due to the experiment design.

Table 50: Correlations between hotel deal attributes

	Position	Official rating	Room rate	Location	Guest score	Guest review	Refund policy
Position	1.00						
Official rating	-0.03	1.00					
Room rate	0.05	0.24	1.00				
Location	0.23	0.00	0.00	1.00			
Guest score	-0.18	0.00	0.00	-0.01	1.00		
Guest review	0.10	0.00	0.00	-0.22	-0.87	1.00	
Refund policy	0.19	0.01	0.00	0.00	0.00	0.00	1.00

Proportion that chose particular hotels

This section examines whether participants chose particular deals, e.g. the deal with highest guest score or lowest room rate (price), depending on how the deals were sorted. The shares of participants who chose a particular deal as their first choice under different sorting methods are presented in the following table. As was the case with electricity, the shares choosing a certain deal were often highest when the deals were sorted according to a particular attribute:

- When the deals were sorted by room rate, significantly more participants chose the hotel with the lowest room rate (39%) than when the deals were sorted by another method ($\leq 34\%$), a difference that is statistically significant.
- When the deals were sorted by location, significantly more participants chose a hotel located closer to the city centre (39%) than when the deals were sorted by another method ($\leq 30\%$), a difference that is statistically significant.
- The same effects are found for guest score sort method and refund policy sorting.

Table 51: Effect on proportion that chose a hotel deal by sort method

Share that chose a/the deal with	Sort method				
	Room Rate	Location	Guest Score	Refund Policy	Random
Most official rating stars	21%	32%	61%	32%	24%
Lowest room rate	39%**	34%	30%	32%	31%
Closest location to the centre	30%	39%***	31%	28%	25%
Highest guest score	55%	56%	65%***	58%	59%
Most favourable guest review	55%	56%	65%***	58%	59%
Refundable	64%	66%	65%	73%*	69%

Note: Asterisks indicate a proportion is significantly larger than the second largest proportion for the relevant deal (i.e. it is the largest proportion in the row): *, ** and *** indicate confidence at 95%, 99%, and 99.9% levels respectively, based on a one-tailed two-proportion z-test.

Regression analysis of hotel choices

The effects of different hotel characteristics on the likelihood that a deal is chosen as a participant's first choice are estimated using a conditional logit regression. The explanatory variables included in the regression are:

- 'Official rating': a variable indicating the official rating (i.e. number of stars) of the hotel.
- 'Room rate': a variable indicating cost per night of the hotel, expressed as a percentage of the cost of the most expensive hotel in the set.
- 'Location': a variable indicating the distance of the hotel from the city centre.
- 'Guest score': a variable indicating the guest score of the hotel on a scale of 1 (poor) to 10 (good)
- 'Guest review': a categorical variable indicating whether the guest review of a hotel was classed as good (Guest review=3), satisfactory (Guest review=2) or poor (Guest review=1)
- 'Refund policy': a dummy variable indicating whether the hotel offers refunds (Refund policy=1) or not (Refund policy=0)
- 'Position': the position of the deal on the screen, from 1 (top) to 8 (bottom).

Separate regressions are estimated for each sorting method (i.e. the data are split by sorting method) in order to examine whether the estimated effects of the deal characteristics differ depending on the sorting method. Six regressions are estimated in total. The results are presented in the table below. The results show that all hotel characteristics have a statistically significant impact on the likelihood that a hotel is chosen, in the expected direction, irrespective of the sorting method used. The only exception is guest score which does not have a statistically significant impact on deal choice when the deals are sorted by room rate.¹⁶³ As was found for the electricity sector, the estimated effect of a given characteristic is larger if the hotels were sorted according to that characteristic (these effects are highlighted in red in the table below).¹⁶⁴

¹⁶³ This may be due to the correlation between guest score and guest review meaning that the estimated effect of guest score, which is statistically significant at the 0.1% level, overwhelms any impact of guest review in the regression. The correlation between guest score and guest review was created by design as we would expect such correlation in the market.

¹⁶⁴ When reading the estimated parameters a comparison in the magnitude of these parameters between different deal attributes should not be made. The relative magnitudes are influenced by the underlying scales used. For example, room rate was denominated in Euros and cents and guest score on a 5 point scale. This means the estimated magnitudes will be smaller for room rate and larger for guest score.

Table 52: Results of conditional logit regression of first deal choice, hotels sector

Deal attributes	Regression 1 Room Rate	Regression 2 Location	Regression 3 Guest Score	Regression 4 Refund Policy	Regression 5 Random (1)	Regression 6 Random (2)
Official Rating	0.297* (0.146)	0.492*** (0.0735)	0.614*** (0.154)	0.578*** (0.0858)	0.518*** (0.0805)	0.504*** (0.0802)
Room Rate	-0.074*** (0.004)	-0.050*** (0.002)	-0.053*** (0.002)	-0.053*** (0.002)	-0.049*** (0.002)	-0.047*** (0.002)
Location	-0.183** (0.0558)	-0.466*** (0.0290)	-0.269*** (0.0423)	-0.109*** (0.0312)	-0.050 (0.0264)	-0.162*** (0.0308)
Guest Score	0.603*** (0.133)	1.083*** (0.0978)	1.139*** (0.141)	0.736*** (0.0757)	0.907*** (0.0736)	0.840*** (0.0743)
Guest Review	-0.184 (0.356)	1.003*** (0.220)	0.910** (0.337)	0.471* (0.192)	0.892*** (0.175)	0.630*** (0.181)
Refund policy	0.533*** (0.0855)	0.632*** (0.0480)	0.797*** (0.0633)	0.988*** (0.0593)	0.809*** (0.0510)	0.665*** (0.0534)
Position						-0.132*** (0.0129)

Note: Standard errors in parentheses. *, ** and *** indicate significance at the 5%, 1% and 0.1% levels respectively.

5.6.2.3.3 Country level analysis hotels

This section explores the impact of ranking method on respondents' choice of the best hotel deal. The results for the hotels sector differ from that of the energy sector. In the energy sector overall respondents from the EU15 were slightly better at identifying the best deal than EU13 respondents. However, these differences were not statistically different except in the case of random ranking. For hotels, EU13 respondents tend to be better at identifying the best deal than EU15 respondents and these differences are statistically different except in the case of random ranking.

One reason for the difference in findings between the energy and hotel sector may be due to differences in the energy market for countries included in the EU13 and EU15 groupings. For example, the best electricity deal included a fixed duration contract. In some countries included in the EU13, the Czech Republic, Estonia, Greece, Hungary, Latvia, Poland, Romania, and Slovenia, no fixed duration contracts are available (or if they are they have been in place only since 2009 the last period when data was collected).¹⁶⁵

Overall the differences between the EU15 and EU13 countries are not large for either the energy or the hotel sector.

¹⁶⁵ EC DG SANCO The functioning of retail electricity markets for consumers in the EU, October 2010.

Figure 88: Effect of ranking method on choice of optimal deal EU13 and EU15, hotels



Note: Error bars indicate the standard error of the sample by sort method.

6 Practical functioning of comparison tools and shortcomings identified

In this chapter, we discuss the results of the mystery shopping exercise, focusing on practical functioning of comparison tools and shortcomings identified. However, before presenting detailed results of the mystery shopping exercise, we discuss what the consumer survey has taught us about shortcomings of comparison tools.

Box 10: Summary of main findings – Practical functioning of comparison tools

Feedback from consumers on main problems encountered

- 65% of users of price comparison tools surveyed had experienced at least one problem when using such tools; this figure ranged from 48% in the Netherlands to 83% in Greece.
- The most commonly reported problem was the unavailability of a product on the seller's website (32%); the problem was followed by issues with incorrect prices (21%) and incorrect product information (18%).
- 54% of these users who had experienced a problem decided to do nothing about it, 27% contacted the seller of the product and 17% the comparison tool provider or customer help. 39% of respondents who had done nothing about the problem encountered were convinced their action would have led to no result.

Mystery shopping

Business model and compliance with existing legislation

- A majority of mystery shoppers found information on the owner of the comparison tool; this figure varied from 63% for comparison tools dealing with perfumes to 78% for those dealing with broadband internet.
- Comparison tools did not appear keen to divulge details on how they generated income; the proportion of shoppers finding information on income-generation remained below 37% across all markets. This is consistent with the mapping exercise.
- 11% of mystery shoppers could not find any contact details on the comparison tool that they evaluated.
- Only 34% of the comparison tools surveyed provided information on how to file a complaint. Out of those, 34% contained a link to an ADR body or provided contact details on how to contact the ADR body.
- 28% of mystery shoppers reported that the website they evaluated contained a quality label or verification mark; 44% of shoppers found a "code of conduct" on the site and 30% a glossary to explain the main words and phrases.
- In most markets, less than half of comparison tools identified the number of providers compared (e.g. 24% of comparison tools dealing with perfumes and 20% for flat screen TVs).
- 37% of comparison tools surveyed provided offers from abroad, with a large disparity across sectors (96% of comparison tools for hotels provided offers from abroad but only 7% of those comparing broadband offers did so – this difference can of course be explained by the – mostly – national nature of some sectors).
- Although comparison tools seem rather diligent in their updating of prices (see mapping exercise), just 15% of them contained information on how the prices were updated; the highest rate was observed for comparison tools dealing with flat screen TVs (24%), while the lowest rate was found for comparison tools dealing with car insurances (7%).
- Websites with a quality label generally scored better than sites without such a label on most of

the indicators measured; for example, a shopper of a website with a quality label was more likely to find information on the owner of the site (77% vs. 69%), how the site generates income (37% vs. 27%) or how to file a complaint (45% vs. 29%).

Ranking and search options

- Customer reviews and ratings of providers/products were more common in some markets (e.g. hotel prices), but more rare in others (e.g. broadband internet and car insurances). Where reviews or ratings appeared, there was usually no explanation provided on how they were controlled.
- A minority of comparison tools explicitly mentioned that customer reviews were controlled. Among these comparison tools, 45% explained that the site itself had the possibility to edit a review and 14% mentioned that the seller, trader or hotel had the possibility to react on a review. Another 37% of these comparison tools explained that reviews were controlled via a system of user accounts, 24% asked for contact details and 23% for a proof of payment.
- None of the markets were particularly good at explaining how the initial list of quotes had been ordered; the worst performing tools were found in broadband internet and car insurance markets, where only 20%-22% of shoppers were notified about the ranking criteria used.
- 52% of search results were initially presented in price order; this figure, however, masks a large variation across markets (from 89% for comparison tools dealing with car insurances to 31%-34% for comparison tools dealing with perfumes, hotels and flat screen TVs).
- There was also a lot of variability between the markets in terms of consumers being given the opportunity to reorder the initial search results, ranging from 36% for comparison tools dealing with car insurances to 89% for those dealing with hotels.
- The proportion of comparison tools that offered consumers the possibility to filter the list of quotes on specific parameters varied from 33% for comparison tools dealing with car insurances to 85% for those dealing hotels.

Quality of information provided

- 68% of shoppers agreed that complete and detailed information was available on the comparison tool to start the purchasing process and 66% agreed that they had sufficient information to feel comfortable proceeding with the purchase, had they been a real customer.
- When looking for the exact same product/booking and its price on the supplier website, 58% of comparisons showed no price difference between the supplier website and the comparison tool, 15% of shoppers reported that the product/booking was offered at a higher price on the supplier and 10% found a lower price on the supplier site. Finally, 18% of shoppers were not successful in finding the exact same product/booking or its price on the supplier website.

Personalised pricing

- In the electric and electronic appliance sector, mystery shoppers also completed an exercise on personalised pricing. The aim of this exercise was to test whether e-commerce sites adapt their pricing according to the characteristics of the shopper.
- Some proof was found that routing via a price comparison site affected the price of a product listed on the e-commerce site (this affected 7% of shoppers).
- Little proof was found that the geographic location from where the consumer accessed the e-commerce site had an impact; 19% of mystery shoppers, however, could not complete this exercise due to issues when using a proxy server to access the e-commerce site.
- 87% of shoppers found the same price at two different points in time, 5% reported a price difference and 7% could not complete the exercise because they could no longer find the product or its price at the second point in time.

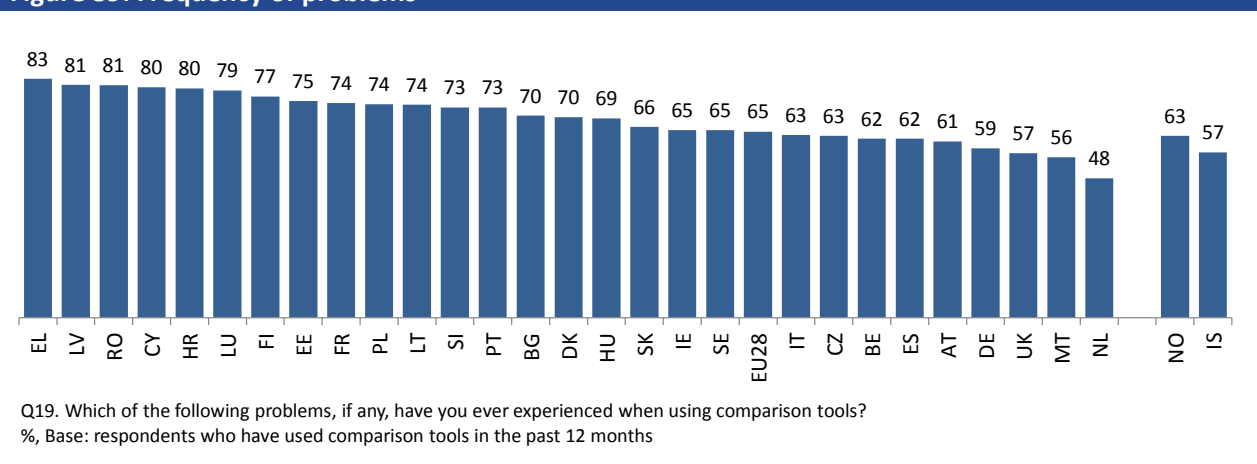
6.1 Feedback from consumers on main problems encountered

6.1.1 Types of problems encountered when using comparison tools

Frequency of problems

At the end of the consumer questionnaire, users of comparison tools were asked what type of problems, if any, they had experienced when using such tools. The results show that roughly one third of respondents (35%) had never experienced any problems when using comparison websites, while 65% had experienced at least one problem.

Figure 89: Frequency of problems



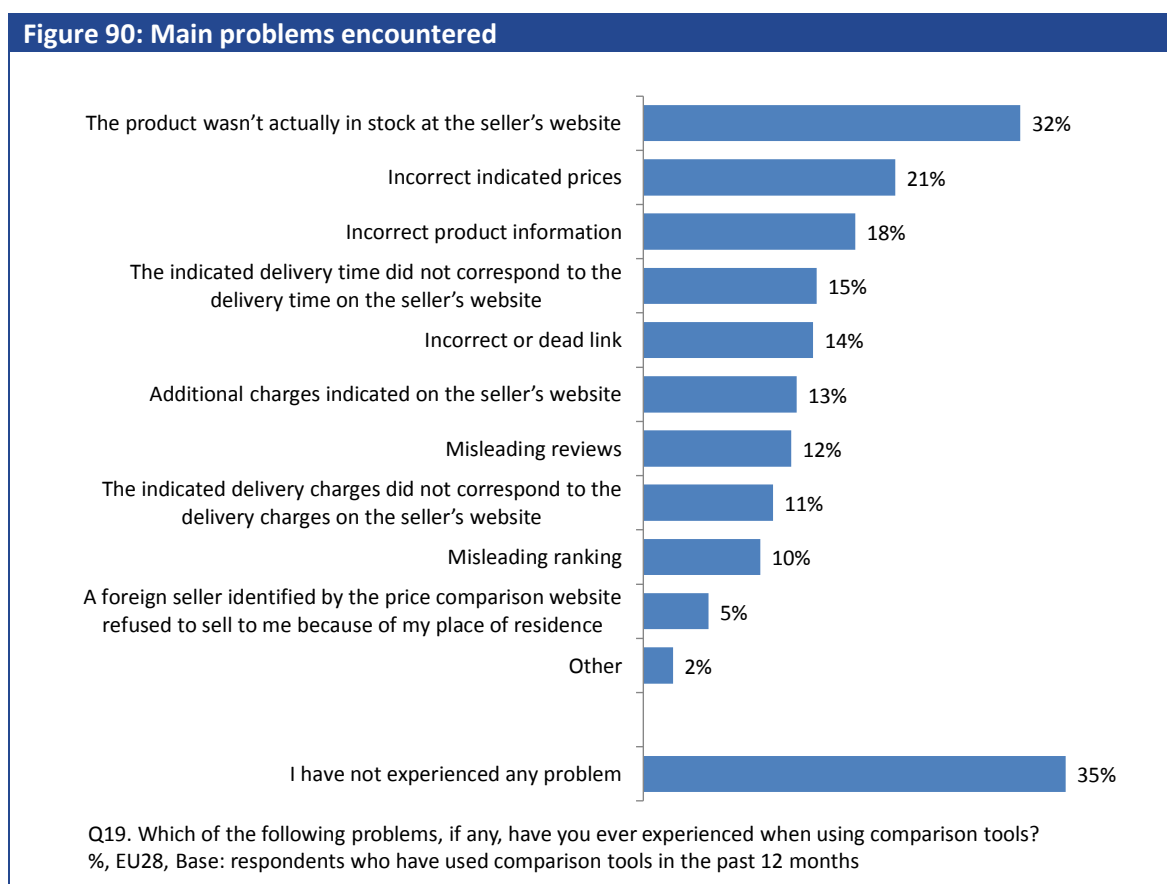
The proportion of comparison tool users who had experienced at least one problem when using comparison tools ranged from 48% in the Netherlands to 83% in Greece. Other countries at the higher end of the ranking included Luxembourg (79%), Croatia, Cyprus (both 80%), Romania and Latvia (both 81%).

There does not appear to be a relationship – at country level – between the proportions of respondents who experienced problems using comparison tools and the proportions of respondents with mostly positive perceptions about such tools. In section 5.5, it was noted that comparison tool users in Cyprus, the Czech Republic, Malta and Slovakia had overall the most positive perception about comparison tools. Although respondents in Malta and the Czech Republic had relatively low proportions of respondents who had experienced problems when using such tools (56% and 63%, respectively), this was definitely not the case for Cyprus; in this country, respondents were among the most likely to report having experienced problems when using comparison tools (80%).

The proportion of consumers who had not experienced any issues with comparison tools was correlated with their frequency of using comparison websites: while 45% of respondents who had used comparison *every six months or less* over the last 12 months had not encountered any problems using them, this figure dropped to 28% for more frequent users of comparison tools (i.e. those using the tools *every two weeks or more frequently*).

Type of problems encountered

Respondents who experienced problems when using comparison websites were faced with different types of problems. The most commonly reported problem was the unavailability of a product at the seller's website (32%). Incorrect prices and incorrect product information were reported by, respectively, 21% and 18% of consumers, while 14% of consumers were faced with incorrect information about the delivery time. Other issues reported included: incorrect links on the site (14%), misleading reviews (12%) and misleading ranking (10%). The hierarchy of problem encountered was similar for frequent and non-frequent users of comparison websites.



Across most countries, the most commonly reported problem was the unavailability of a product at the seller's website; this problem was reported by between 18% of comparison tool users in Malta and 55% in Greece. In Malta and Luxembourg, the largest share of respondents complained about the fact that a foreign seller identified by the price comparison website refused to sell to them because of their place of residence. In Cyprus, 46% of consumers were faced with incorrect information about the delivery time, while 39% had difficulties with foreign sellers.

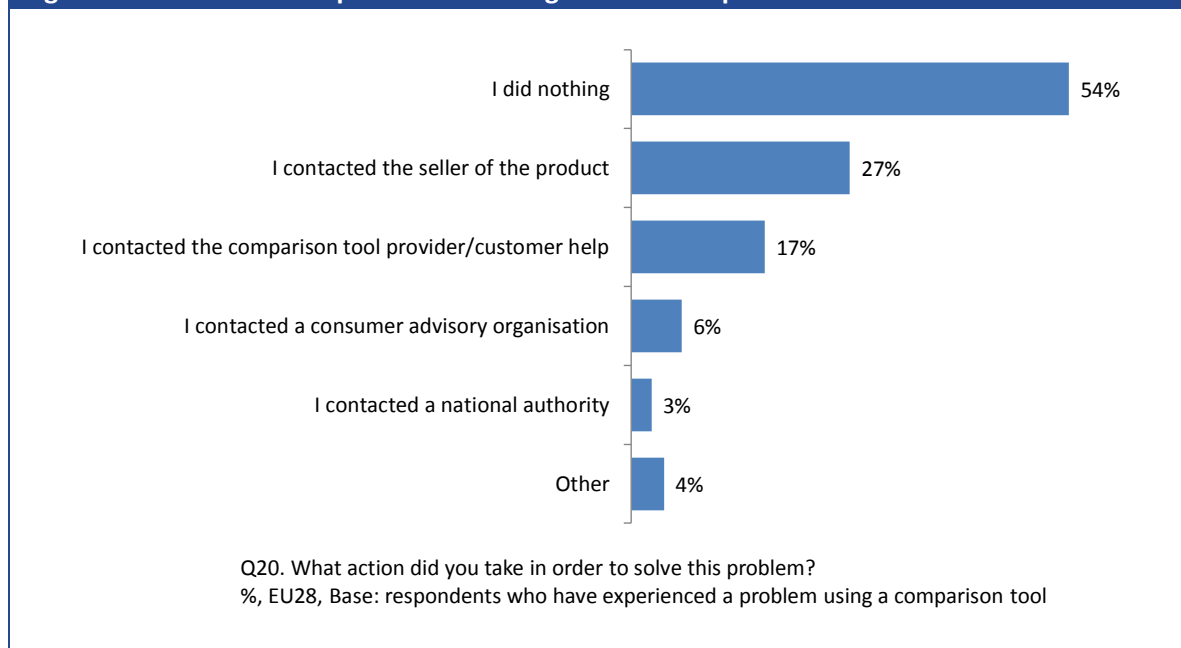
6.1.2 Consumer's response when experiencing an issue

Consumers who had faced an issue when using a comparison tool (65% of all comparison tool users) were also asked about their response when experiencing the problem. A slim majority of them decided to do nothing (54%); this figure ranged from 23% in Malta to 69% in Norway.

When consumers decided to react to the problem, they mainly chose to contact the seller of the product (27%), and, to a fewer extent, the comparison tool provider or customer help (16%). A

minority of respondents reported the incident to a consumer advisory organisation (6%) or a national authority (3%).

Figure 91: Consumers' response when being faced with a problem

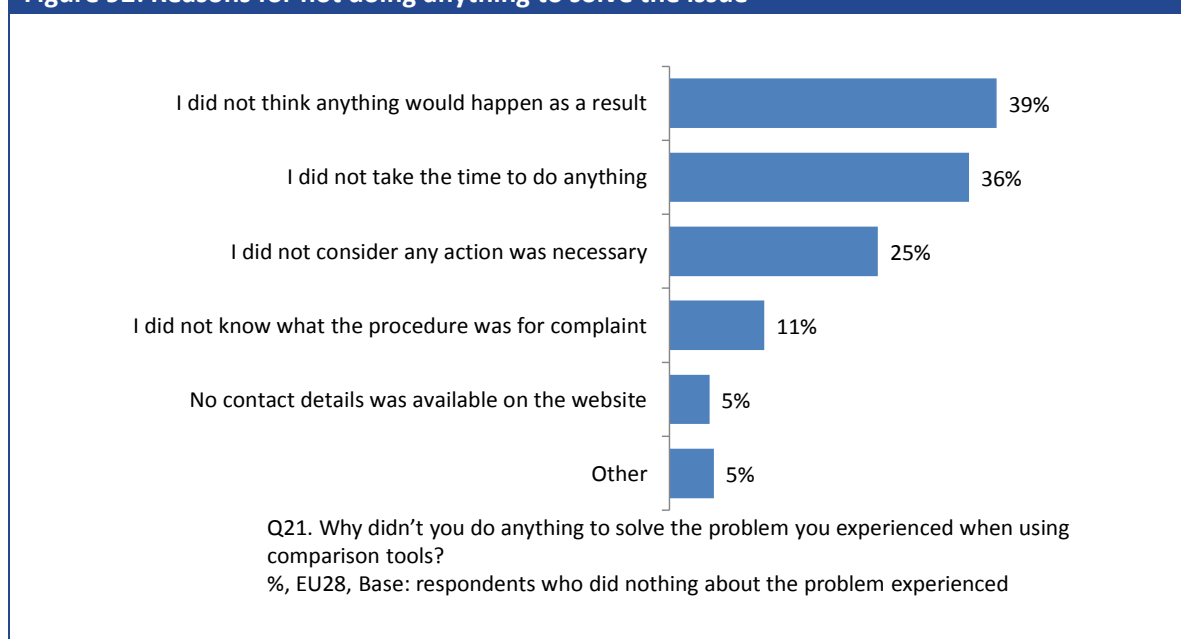


In terms of socio demographics characteristics, we found that women (59% vs. 51% of men), 25-44 year-olds (57%-58% vs. 39% for over 64 year-olds), as well as those with a high level of education (58% vs. 50% of the least educated respondents) were more likely not to take action when encountering a problem with a comparison tool.

6.1.3 Reasons for not taking any actions to solve the issue encountered

Respondents who had done nothing when being faced with a problem with a price comparison website were then asked to specify why they decided not to take any action. Roughly 4 in 10 of these respondents (39%) answered that they had done nothing because they were convinced their action would lead to no result. A similar proportion (36%) answered they had not taken action due to a lack of time and a quarter (25%) had not done anything because they did not consider it necessary to take action.

A minority of respondents had done nothing because they were not aware of the procedure to file a complaint (11%) or because they could not find any contact details on the price comparison website (5%).

Figure 92: Reasons for not doing anything to solve the issue

Women (42% vs. 36% of men) and older respondents (46% of 55-64 year-olds and 47% of over 64 year-olds) were more likely than their counterparts to have not taken action when being faced with a problem because they thought that nothing would happen as a result.

6.2 Results of the mystery shopping

6.2.1 Business model and compliance with existing legislation

Business model – results across markets and countries

In all markets, a majority of mystery shoppers found information on the owner of the price comparison website on the site; this proportion varied from 63% for CTs dealing with perfumes to 78% for those dealing with broadband internet. Hotel comparison tools were close to those dealing with perfumes with 69% providing information on the owner of the site.

Contact details were easy to find on price comparison websites; nonetheless, CTs dealing with perfumes or hotels were again lagging behind other markets, with 83% of mystery shoppers who found at least some contact information on the site, compared to 92%-94% in other markets.

In every market, price comparison websites did not appear keen to divulge details on how they generated income. CTs in the energy market, followed by broadband internet CTs, were the most open about their means of income-generation (37% and 35%, respectively, of mystery shoppers found such information on the site).

In some markets, it was quite common for provider advertising to appear on the price comparison sites; for example, 42% of CTs for broadband internet contained such advertising. In others, such as comparison tools for electricity prices, advertising was less frequent (23% of sites in the electricity market contained advertising).

Table 53: Business information: Results by market					
	Unweighted base	CT contains information on:			CT contains advertising
		Owner	Contact details	Source of income	
All markets	1224	71%	89%	30%	30%
Broadband internet	144	78%	93%	35%	42%
Car insurance	216	75%	92%	28%	35%
Electricity	120	74%	94%	37%	23%
Flat screen TV	264	73%	92%	29%	25%
Hotel	264	69%	83%	27%	31%
Perfume	216	63%	83%	29%	26%

Base: all mystery shops (questions 2 to 9)

Highest %	Lowest %
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Comparison tools in Greece performed the worst in terms of providing information on the owner of the tool; 47% of mystery shoppers in this country had found information on the owner of the website. In Hungary, Germany and France, on the other hand, more than 80% of mystery shoppers found information on the owner of the price comparison website.

Comparison tools in Sweden appeared to score best in terms of providing contact details; however, it should be noted that only two markets were covered in Sweden (flat screen TVs and hotels). Romania, with four markets covered, had the lowest proportion (70%) of comparison tools that provided at least some contact information on the site.

In Italy, just 15% of comparison websites provided information about their means of income-generation; this is in sharp contrast to the 50% of CTs in the Netherlands that provided details on how they generated income. Note: the figure for the Czech Republic was the same as for Italy; however, while Italy covered all markets included in the study, only two markets were covered in the Czech Republic.

In Greece and the Netherlands, it was quite uncommon for provider advertising to appear on the price comparison sites (18% and 22%, respectively). In five countries, 30% or more of the CTs contained advertising (for example, 37% in Hungary and 35% in Germany).

Table 54: Business information: Results by country					
	Unweighted base	CT contains information on:			CT contains advertising
		Owner	Contact details	Source of income	
All countries	1224	71%	89%	30%	30%
Czech Republic	48	73%	83%	15%	33%
Germany	144	85%	95%	29%	35%
France	144	87%	89%	38%	28%
Greece	96	47%	89%	24%	18%
Hungary	120	81%	90%	27%	37%
Italy	144	69%	82%	15%	32%
Netherlands	144	62%	91%	50%	22%
Poland	96	68%	92%	23%	29%
Romania	96	65%	70%	24%	35%
Sweden	48	69%	97%	18%	31%
United Kingdom	144	68%	94%	43%	26%

Base: all mystery shops (questions 2 to 9)

Highest %	Lowest %
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Owner of comparison tool websites

Almost 6 in 10 comparison tools (57%) were owned by private organisations, 4% by consumer organisations and 1% by regulators. As noted above, 29% of comparison websites did not provide details about the owner of the tool.

The results reported by the mystery shoppers are in line with those observed in the mapping exercise (conducted by Deloitte's researchers); both exercises showed that a vast majority of operators of comparison tools were primarily commercial. In the mystery shopping exercise, a larger share of comparison tools appeared not to provide details about the owner (29% vs. 10% in the mapping exercise). However, one should keep in mind that mystery shoppers are similar to real consumers (and are not as experienced as Deloitte's researchers); as such, for a small proportion of comparisons tools information about the owner of the tool might have been provided somewhere on the website, but this information was not found by the mystery shopper.

Contact details found on comparison tool websites

As noted above, contact details could be found by the mystery shoppers on the price comparison websites: 75% provided a postal address, 68% a contact e-mail address and 60% a telephone number. Fewer comparison websites contained a trade register number (51%) and/or a VAT number (42%). Roughly a tenth of CTs provided other contact details than the ones listed in the table below.

Unweighted base	1224
A postal address	75%
A contact e-mail address	68%
A telephone number	60%
A trade registration number	51%
A VAT number	42%
None of the above	11%

Base: all mystery shops, all markets and countries (question 6)

Source of income

Among comparison tools giving details about their source of income, being paid on completion of a successful application/purchase/switch was usually the main source of income (43%). Roughly a third (32%) generated income via advertising, 28% was being paid when visitors continue to a provider's site and 22% generated income by asking provider to pay to appear in the search results of the comparison tool. While the stakeholder consultation established that advertising was the most prevalent revenue stream for comparison tools; this model was ranked second most important in the mystery shopping exercise.

Unweighted base	363
The comparison site is paid on the completion of a successful application/switch by the customer	43%
From advertising sales	32%
The comparison site is paid per 'click through' to a provider's site	28%
Providers/suppliers/hotels pay to appear in the search results on the website	22%
The comparison site charges a 'sign up' fee to the customer	6%
The comparison site does not generate income (not for profit)	2%
The comparison site is paid each time a customer provides their email address or telephone number	2%
Other	1%

Base: CTs that include information on source of income, all markets and countries (question 4b)

Position of advertising on comparison tool websites

If advertising was found on the comparison website, it was most often found on the home page (57%). Roughly one in two (49%) CTs with advertising used banner ads and about a quarter (27%) displayed advertising on the page with search results.

Unweighted base	371
On the homepage	57%
On banners (top / side)	49%
On specific result pages	27%
Pop up window	8%
Other	2%

Base: CTs that include advertising, all markets and countries (question 5a)

Information provided – results across markets and countries

More than a quarter (28%) of mystery shoppers reported that the website they evaluated contained a quality label or verification mark; 44% of shoppers found a “code of conduct” on the site and 30% a glossary to explain the main words and phrases. Finally, 34% of shoppers found information on the site on how to file a complaint.

A large variation was observed in the proportion of sites of sites with a quality label or verification mark across the different markets; while just 14% of CTs dealing with perfumes and 18% of those dealing with flat screen TVs had a quality label or verification mark, this figure increased to 40% for CTs dealing with car insurances and 46% for those dealing with electricity tariffs.

Variation was also observed in terms of the proportion of CTs that published information on how to file a complaint; this proportion ranged from 27% for comparison tools for broadband internet to 38% for comparison tools for electricity tariffs.

Comparison tools for perfumes were the best performer in terms of containing a “code of conduct” (51%), but they performed worst in terms of providing a glossary to explain the main words and phrases (19%). By comparison, 49% of comparison tools for car insurances provided a glossary of main terms used.

Table 58: Information provided: Results by market

	Unweighted base	CT contains:			
		Quality label/ verification	Code of conduct	Information on complaints	Glossary of terms
All markets	1224	28%	44%	34%	30%
Broadband internet	144	35%	35%	27%	34%
Car insurance	216	40%	47%	33%	49%
Electricity	120	46%	40%	38%	34%
Flat screen TV	264	18%	45%	35%	26%
Hotel	264	27%	39%	36%	21%
Perfume	216	14%	51%	31%	19%

Base: all mystery shops (questions 2 to 9)

Highest %	Lowest %
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The proportion of comparison tools with a quality label or verification mark was the lowest in Sweden, the Czech Republic and Romania (11%-12%). Although the study covered mostly markets with small shares of CTs that contained a quality label in these three countries (e.g. the proportion of verified CTs for perfumes was 14%), it is worth pointing out that, when also focusing solely on these markets in other countries, Sweden, the Czech Republic and Romania remained the worst performers.

Among countries that covered all markets included in the study, Italy and France (17% and 19%, respectively) scored considerably worse than the Netherlands, the UK and Germany (all 44%) with regards to the proportion of comparison tools that contained a quality label or verification mark.

The Netherlands and the UK not only had the best scores in terms of the proportion of sites that contained a quality label or verification mark, they also scored best in terms of the proportion of comparison tools that provided information on how to file a complaint (both 50%). It was Greece that had the highest proportion of comparison tools that provided a code of conduct on the site (61%), while Hungary had the highest proportion of tools that contained a glossary of terms (39%).

Table 59: Information provided: Results by country

	Unweighted base	CT contains:			
		Quality label/ verification	Code of conduct	Information on complaints	Glossary of terms
All countries	1224	28%	44%	34%	30%
Czech Republic	48	12%	38%	31%	28%
Germany	144	44%	35%	29%	30%
France	144	19%	46%	29%	35%
Greece	96	24%	61%	28%	28%
Hungary	120	20%	41%	23%	39%
Italy	144	17%	44%	24%	20%
Netherlands	144	44%	48%	50%	28%
Poland	96	30%	38%	34%	34%
Romania	96	12%	53%	28%	32%
Sweden	48	11%	40%	42%	15%
United Kingdom	144	44%	36%	50%	28%

Base: all mystery shops (questions 2 to 9)

Highest %	Lowest %
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Complaint handling

Among comparison tools that provided information on how to file a complaint, 53% also contained clear and detailed information on the exact process to file a complaint and 60% provided an option to register a complaint on the site itself.

Still focusing solely on CTs that provided information on filing complaints, 34% contained a link to an ADR body or provided contact details on how to contact the ADR body. Finally, in the energy market, 27% of CTs that provided information on complaints provided a link to the national body in charge of energy regulation.

Coverage of comparison tool websites

In many markets, there was a relatively low proportion of price comparison websites that identified the number of providers compared; for example, 20% for flat screen TVs, 24% for perfumes and 30% for broadband internet. Among comparison tools dealing with car insurances and those dealing with hotels, on the other hand, more than 50% explained how many suppliers or hotels were featured on the site (51% and 57%, respectively).

Across all markets, most comparison sites did not explain why some suppliers or products might not be included; this figure varied between 58% for CTs for hotel prices to 82% for CTs comparing perfumes.

Table 60: Information on coverage: Results by market			
	Unweighted base	CT explains how many providers/suppliers/hotels it features	CT does NOT explain why some providers/suppliers/hotels are not included in the comparison
All markets	1224	38%	69%
Hotel	264	57%	58%
Car insurance	264	51%	71%
Electricity	120	43%	59%
Broadband internet	216	30%	68%
Perfume	216	24%	82%
Flat screen	144	20%	75%

Base: all mystery shops (questions 11 and 12)

Across most countries, less than 50% of comparison websites identified the number of providers compared. Although Germany, the UK and France covered the same number of markets, just 26% of CTs in Germany and the UK provided information on the number of providers compared, compared to 53% in France. In line with the findings across markets, across all countries, a majority of CTs did not explain why some providers were not included in the comparison.

Table 61: Information on coverage: Results by country

	Unweighted base	CT explains how many providers/suppliers/hotels it features	CT does NOT explain why some providers/suppliers/hotels are not included in the comparison
All countries	1224	38%	69%
Poland	96	57%	84%
France	144	53%	66%
Sweden	48	52%	57%
Italy	144	46%	85%
Czech Republic	48	42%	50%
Netherlands	144	33%	65%
Hungary	120	30%	75%
Greece	96	29%	75%
United Kingdom	144	29%	61%
Romania	96	29%	78%
Germany	144	26%	59%

Base: all mystery shops (questions 11 and 12)

Cross-border offers

Almost all hotel price comparison tools (96%) offered hotels in various countries. Given the type of products offered in other markets, the proportion of cross-border offers was considerably lower in the other markets. Less than a tenth (7%) of CTs dealing with broadband internet included offers from providers abroad; this figure increased to 29% for CTs comparing perfumes.

Table 62: Cross-border offers: Results by market

	Unweighted base	CT provides offers from providers abroad
All markets	1224	37%
Hotel	216	96%
Perfume	264	29%
Flat screen TV	120	26%
Car Insurance	144	21%
Electricity	264	13%
Broadband internet	216	7%

Base: all mystery shops (question 10)

As noted above, virtually all websites comparing hotel prices offered hotel rooms in different countries; this was true for hotel comparison tools in all countries included in the study. In the following table, we excluded hotel CTs and focused solely on other markets. The proportion of comparison tools including offers from suppliers abroad ranged from 6% in the Netherlands and 11% in France to 34% in Italy and 38% in Poland.

Table 63: Cross-border offers: Results by country		
	Unweighted base (excl. hotels)	CT provides offers from providers abroad
All countries	960	21%
Poland	72	38%
Italy	120	34%
United Kingdom	120	27%
Romania	72	27%
Hungary	96	21%
Greece	72	20%
Czech Republic	24	18%
Sweden	24	18%
Germany	120	15%
France	120	11%
Netherlands	120	6%

Note: this comparison excludes hotels

Base: all CTs, excluding those dealing with hotels (question 10)

Switching option on the comparison website

Across the three markets for which a question was included on switching, roughly half of comparison tools offered the option to switch provider on the price comparison website itself: 54% for electricity providers, 52% for broadband internet providers and 46% for car insurance providers.

Updating prices

Although comparison tools seemed rather diligent in their updating of prices (see mapping exercise), a minority (15%) of comparison tools contained price updating information on the site. The highest rate of websites that provided information on how often prices were updated was observed for flat screen TVs (24%), while the lowest rate was found for CTs dealing with car insurances (7%).

Table 64: Updating prices: Results by market		
	Unweighted base	CT explains how often prices are updated
All markets	1224	15%
Flat screen	144	24%
Perfume	216	16%
Electricity	120	15%
Hotel	264	12%
Broadband internet	216	11%
Car insurance	264	7%

Base: all mystery shops (question 14)

Across all countries (the exception being Sweden), less than a fifth of comparison tools contained price updating information on the site; ranging from 8% in Hungary to 19% in Greece. In Sweden, on the other hand, 26% of comparison tools provided information on how often prices were updated.

Table 65: Updating prices: Results by country

	Unweighted base	CT explains how often prices are updated
All countries	1224	15%
Sweden	144	26%
Greece	96	19%
France	144	18%
Romania	144	17%
Netherlands	48	17%
Czech Republic	96	15%
United Kingdom	144	13%
Italy	96	13%
Poland	48	12%
Germany	144	10%
Hungary	120	8%

Base: all mystery shops (question 14)

Quality labels and verification mark

Of all the comparison tools included in the study, 28% contained a quality label or verification mark. Websites with a quality label or verification mark scored better than non-verified ones on most of the indicators measured; for example, a shopper of a site with a quality label or verification mark was more likely as one on a non-verified site to find information on the owner of the site (77% vs. 69%), to find information on how the site generates income (37% vs. 27%) or to find information on how to file a complaint (45% vs. 29%).

Table 66: E-commerce accreditation overview

CT contains/explains:	All markets	Quality label/verification	
		Yes	No
Unweighted base	1224	339	885
Information on owner	71%	77%	69%
Some contact information	89%	96%	86%
Information on source of income	30%	37%	27%
Advertising	30%	31%	29%
A "code of conduct"	44%	45%	43%
A "glossary"	30%	35%	27%
Information on how to file a complaint	34%	45%	29%
How many suppliers it features	38%	39%	37%
How often prices are updated	15%	15%	14%
NO explanation on why some suppliers are excluded	69%	63%	72%

Note: any type of accreditation (not only accreditation designed only for CTs)

Base: all mystery shops (questions 20 to 9, 11 and 12)

Analysis by ownership type

Comparison tools owned by a consumer organisation or regulator scored better than those owned by a private organisation on several of the indicators measured; for example, websites owned by a consumer organisation or regulator were more likely than the ones owned by a private organisation to contain information on how the site generates income (42% vs. 34%), to contain a “code of conduct” (60% vs. 46%) or to provide information on how to file a complaint (48% vs. 34%). We also found that comparison tools owned by a consumer organisation or regulator were more likely to contain advertising¹⁶⁶ (60% vs. 46% of websites owned by private organisations).

Although comparison tools owned by private organisations did not score as well as those owned by consumer organisations or regulators on certain indicators measured; they did score better than comparison tools that did not provide information about the owner of the tool. For example, 46% of websites owned by a private organisation contained a “code of conduct”, compared to 38% of websites for which the owner remained unknown.

Table 67: Ownership type overview

CT contains/explains:	All markets	Type of owner			
		Private	Consumer organisation /regulator	Other owner/ uncertain about type of owner	No info on owner
Unweighted base	1224	710	46	125	343
Information on source of income	30%	34%	42%	30%	20%
Advertising	30%	32%	41%	22%	27%
A "code of conduct"	44%	46%	60%	40%	38%
A "glossary"	30%	31%	30%	40%	24%
Information on how to file a complaint	34%	34%	48%	37%	29%
How many suppliers it features	38%	38%	39%	34%	38%
How often prices are updated	15%	17%	23%	10%	11%
NO explanation on why some suppliers are excluded	69%	72%	49%	65%	69%

Base: all mystery shops (questions 20 to 9, 11 and 12)

6.2.2 Accessibility and user-friendliness

Mystery shoppers' evaluations

Mystery shoppers were not only asked to collect general information from the price comparison website (e.g. signposting of accreditation and how often prices are updated); they were also asked to evaluate how difficult it had been to find each piece of information on the price comparison website.

Mystery shoppers were the most likely to have found information on the owner of the price comparison website; they were also most likely to agree that it was easy to find this type of information. Among mystery shoppers who could identify the owner of the comparison tool, 37% *strongly agreed*, 35% *agreed* and 16% *somewhat agreed* that it was easy to find this information.

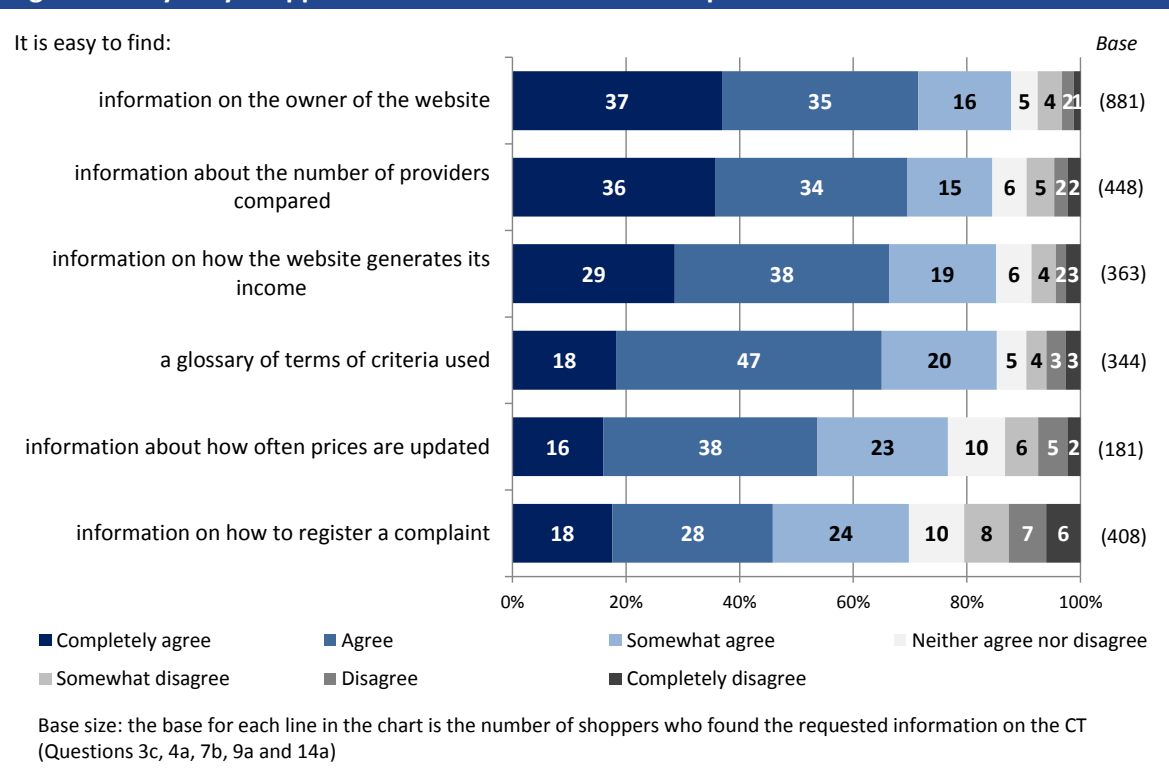
While a majority of shoppers found information on the owner of the comparison tool, a smaller proportion found information on how often prices were updated. Furthermore, among those who

¹⁶⁶ Note: mystery shoppers were asked to check if the CT contained advertising; however, they were not asked to specify what type of advertising.

found information on price updating information on the site, a smaller proportion agreed that it had been easy to find the information (16% *strongly agreed*, 38% *agreed* and 23% *somewhat agreed*).

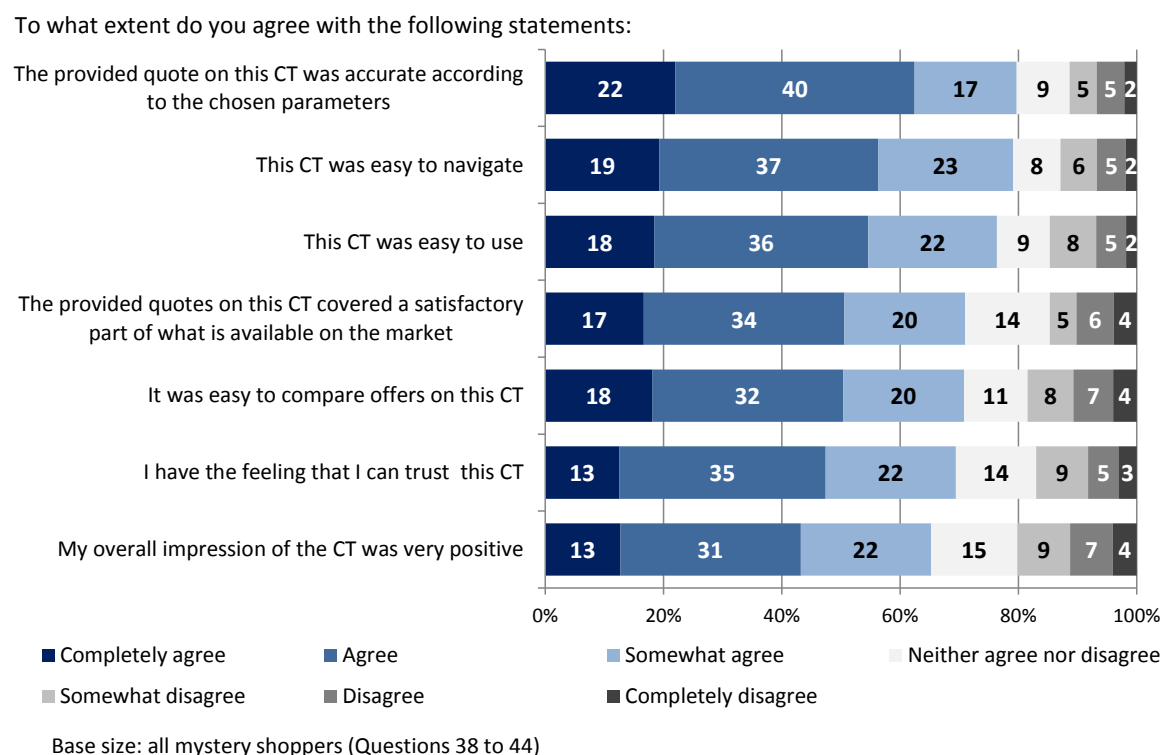
Information on how to register a complaint was seen as the most difficult to find on the comparison tool; among shoppers who found such information, a total of 21% disagreed that it had been easy to find this piece of information (by comparison, just 7% disagreed that it had been difficult to find information on the owner of the website).

Figure 93: Mystery shoppers' evaluations on information provided



User experience

Mystery shoppers were also asked to give their impressions of the price comparison websites (for example, do they agree or not that the website was easy to navigate). The following figure shows that, for each statement, a majority of mystery shoppers either *strongly agreed*, *agreed* or *somewhat agreed*. In other words, their overall impression was largely positive. It is, nonetheless, important to note that many respondents *agreed* or *somewhat agreed*, while a minority *strongly agreed*. For example, 19% of shoppers *strongly agreed* that the comparison tool was easy to navigate, compared to 37% who *agreed* and 23% who *somewhat agreed* with the statement.

Figure 94: Mystery shoppers' general impressions of the CT

An analysis across the various markets of mystery shoppers' overall impressions of the price comparison tools shows that CTs comparing electricity tariffs were each time scored the highest, while those dealing with perfumes each time received the lowest ratings. Comparison tools for broadband internet and flat screen TVs also consistently scored low in terms of mystery shoppers' user experience.

For example, while 86% of mystery shoppers who evaluated an energy comparison tool agreed that it was easy to compare offers on the website, this proportion dropped to 59% for shoppers evaluating a comparison tool for perfumes. Similarly, while 79% of the energy shoppers agreed that they had an overall very positive impression of the comparison tool, this figure was just 53% among those shopping for perfumes.

It is also interesting to note that comparison tools with a quality label or verification mark were consistently evaluated more positive than tools that did not have such a label. For example, 87% of mystery shoppers who evaluated a comparison tool with a quality label agreed that the tool was easy to navigate, compared to 76% of mystery shoppers who evaluated a tool without label.

Table 68: "I have the feeling that I can trust this CT."

	All markets	Market						Quality label/ verification	
		B'band Internet	Car insurance	Electricity	Flat screen TV	Hotel room	Perfume	Yes	No
Unweighted base	1224	144	216	120	264	264	216	339	885
Completely agree	13%	14%	12%	18%	10%	13%	11%	18%	10%
Agree	35%	32%	38%	31%	35%	40%	30%	40%	33%
Somewhat agree	22%	21%	21%	26%	22%	23%	21%	23%	22%
Total AGREE	69%	67%	71%	76%	66%	76%	62%	80%	65%

Base: all mystery shops (questions 38)

Table 69: "This PCW was easy to use."

	All markets	Market						Quality label/ verification	
		B'band Internet	Car insurance	Electricity	Flat screen TV	Hotel room	Perfume	Yes	No
Unweighted base	1224	144	216	120	264	264	216	339	885
Completely agree	18%	25%	19%	22%	11%	24%	13%	24%	16%
Agree	36%	34%	39%	42%	33%	39%	32%	44%	33%
Somewhat agree	22%	24%	23%	22%	23%	18%	22%	18%	23%
Total AGREE	76%	83%	81%	86%	68%	82%	67%	85%	73%

Base: all mystery shops (questions 39)

Table 70: "This CT was easy to navigate."

	All markets	Market						Quality label/ verification	
		B'band Internet	Car insurance	Electricity	Flat screen TV	Hotel room	Perfume	Yes	No
Unweighted base	1224	144	216	120	264	264	216	339	885
Completely agree	19%	27%	22%	22%	12%	24%	14%	24%	17%
Agree	37%	34%	39%	41%	37%	39%	32%	42%	35%
Somewhat agree	23%	23%	22%	28%	21%	21%	24%	21%	23%
Total AGREE	79%	85%	83%	92%	71%	83%	70%	87%	76%

Base: all mystery shops (questions 40)

Table 71: "It was easy to compare offers on this CT."

	All markets	Market						Quality label/ verification	
		B'band Internet	Car insurance	Electricity	Flat screen TV	Hotel room	Perfume	Yes	No
Unweighted base	1224	144	216	120	264	264	216	339	885
Completely agree	18%	22%	22%	19%	14%	22%	11%	23%	16%
Agree	32%	25%	35%	47%	31%	35%	25%	37%	30%
Somewhat agree	20%	21%	20%	20%	19%	21%	23%	19%	21%
Total AGREE	71%	68%	76%	86%	64%	77%	59%	79%	68%

Base: all mystery shops (questions 41)

Table 72: "The provided quote on this CT was accurate according to the chosen parameters."

	All markets	Market						Quality label/ verification	
		B'band Internet	Car insurance	Electricity	Flat screen TV	Hotel room	Perfume	Yes	No
Unweighted base	1224	144	216	120	264	264	216	339	885
Completely agree	22%	23%	21%	31%	19%	26%	15%	27%	20%
Agree	40%	32%	44%	43%	42%	43%	36%	46%	38%
Somewhat agree	17%	19%	18%	16%	16%	14%	21%	12%	19%
Total AGREE	80%	74%	82%	91%	77%	84%	72%	85%	78%

Base: all mystery shops (questions 42)

Table 73: "The provided quotes covered a satisfactory part of what is available on the market."

	All markets	Market						Quality label/ verification	
		B'band Internet	Car insurance	Electricity	Flat screen TV	Hotel room	Perfume	Yes	No
Unweighted base	1224	144	216	120	264	264	216	339	885
Completely agree	17%	22%	14%	27%	13%	20%	11%	22%	15%
Agree	34%	30%	36%	30%	34%	39%	30%	42%	31%
Somewhat agree	20%	17%	21%	23%	18%	21%	23%	16%	22%
Total AGREE	71%	68%	71%	80%	65%	80%	63%	80%	67%

Base: all mystery shops (questions 43)

Table 74: "My overall impression of the CT was very positive."

	All markets	Market						Quality label/ verification	
		B'band Internet	Car insurance	Electricity	Flat screen TV	Hotel room	Perfume	Yes	No
Unweighted base	1224	144	216	120	264	264	216	339	885
Completely agree	13%	17%	11%	12%	12%	17%	7%	16%	12%
Agree	31%	26%	32%	41%	27%	35%	26%	39%	27%
Somewhat agree	22%	21%	24%	25%	22%	22%	20%	22%	22%
Total AGREE	65%	64%	67%	79%	60%	73%	53%	77%	61%

Base: all mystery shops (questions 44)

6.2.3 Ranking and search functions

Ratings and customer reviews

A system of customer reviews or ratings of providers/products were more common in some markets, but more rare in others. They were most often found in hotel price comparison websites; 77% of these websites used a system of customer reviews and 90% included some type of ratings (e.g. number of stars).

The lowest proportion of websites that provided a system of customer reviews was found for CTs dealing with car insurances (19%). Car insurance shoppers, together with those shopping for broadband internet, were also the least likely to report that the tool they evaluated included ratings of providers or products (both 26%).

Table 75: Ratings and customer reviews: Results by market			
	Unweighted base	CT provides/includes:	
		a system of customer reviews	ratings (e.g. star ratings, satisfaction scores)
All markets	1224	51%	55%
Hotel	264	77%	90%
Flat screen TV	264	63%	64%
Perfume	216	59%	57%
Electricity	120	35%	38%
Broadband internet	144	31%	26%
Car insurance	216	19%	26%

Base: all mystery shops (questions 15 and 16)

Where customer reviews appeared, there was usually no explanation provided on how they were controlled (this figure varied from 71% for flat screen TVs to 86% for electricity tariffs). The proportion of CTs that included ratings, but that did not explain how these ratings had been calculated, varied from 57% for CTs dealing with car insurances to 72% for those dealing with perfumes.

Table 76: Information on ratings and customer reviews: Results by market				
	Base: CTs that provide a system of customer reviews		Base: CTs that include any type of ratings	
	Unweighted base	CT does NOT mention if customer reviews are controlled	Unweighted base	CT does NOT explain on which basis the ratings are calculated
All markets	637	78%	681	66%
Broadband Internet	46	84%	45	62%
Car insurance	45	80%	43	57%
Electricity	40	86%	238	58%
Flat screen TV	170	71%	61	70%
Hotel	206	81%	124	64%
Perfume	130	78%	170	72%

Note: questions 15a and 16a

A minority of CTs that provided a system of customer reviews explicitly mentioned that customer reviews were controlled. Among these CTs, 45% explained that the site itself had the possibility to edit a review and 14% mentioned that the seller, trader or hotel had the possibility to react on a review. Another 37% of these CTs explained that reviews were controlled via a system of user accounts, 24% asked for contact details and 23% for a proof of payment.

Table 77: How were the reviews controlled?

Unweighted base	119
The CT itself has the possibility to edit the review	45%
User account needed	37%
Contact details asked	24%
Proof of payment/order needed	23%
Seller/trader/hotel has possibility to react on review	14%
I don't know	14%

Base: CTs that explained that the reviews are controlled, all markets and countries (question 15a1)

Obtaining a list of quotes

In order to obtain a list of quotes, a majority of mystery shoppers – across all markets – could enter a range of details. In the broadband internet market, 9% of shoppers reported that it was not possible to input any details when starting a search for products. The corresponding figures for other markets were: 1% for car insurances, 3% for electricity, 6% for flat screen TVs and 6% for perfumes. All shoppers comparing hotels could enter at least some details when starting to search for quotes.

The most common details that mystery shoppers could select when using comparison tools to compare broadband internet rates were minimum speed (47%) and postal code (46%). In more than a third of cases (37%), mystery shoppers could input details on package options.

Table 78: Broadband internet: When starting search, can input details on...

Unweighted Base	144
Minimum speed	47%
Postal code	46%
Package options: broadband-only or broadband-package	37%
Phone number	19%
Provider selection	14%
Monthly cost	12%
Contract length	9%
E-mail address	6%
Current usage	6%
Usage limit	6%
Active phone line	6%
Name	4%
Current provider	4%
Annual cost	3%
Installation by technician or by customer	1%
Other	15%
None	9%

When starting a comparison of car insurances, a large majority of mystery shoppers could input details on, for example, their data of birth (82%), driving license details (79%), postal code (78%), start date (75%) and year of construction of the car (74%).

Table 79: Car insurance: When starting search, can input details on...	
Unweighted Base	216
Date of birth	82%
Driving license details	79%
Postal code	78%
Start date	75%
Year of construction	74%
Type of insurance required	70%
Name	62%
Power (HP)	61%
Address	61%
Expected mileage	60%
Marital status	58%
Owner of the car	55%
E-mail address	53%
Additional drivers	51%
Phone number	48%
Where is the car kept overnight	47%
Existing insurance provider	40%
Number of cars in the household	39%
Value of the car	38%
First owner	37%
Claims and convictions	35%
No claims bonus	33%
Employer	33%
Any existing accident or hail damage	30%
Preferred payment option	27%
Payment terms	22%
Where is the car kept during the day	21%
Voluntary excess amount	15%
Trailer	11%
Medical condition that could affect driving	11%
Renewal price	8%
Other	23%
None	1%

In order to obtain a list of quotes, mystery shoppers evaluating electricity tariff comparison tools could also enter a range of details, such as postal code (80%), energy usage (77%), tariffs for electricity only or a combination of gas and electricity (60%), household size (51%) and current electricity provider (48%).

Unweighted Base	120
Postal code	80%
Energy usage (currency or kWh)	77%
Whether looking for gas only, electricity only, or both	60%
Household size	51%
Current supplier(s)	48%
Postal address	27%
Include green/environmental tariffs in search results	27%
Current tariff(s)	23%
Other tariff type preferences (e.g. fixed, variable, online)	23%
Type of meter	22%
Current means of payment (e.g. direct debit)	19%
Size of house/flat	17%
Length of contract (i.e. 1 year, 3 years)	14%
Future means of payment (i.e. for the new account)	13%
Name	12%
Payment frequency	11%
E-mail address	11%
Willingness to apply direct debit	9%
Price calculation with or without promotions	3%
Other	14%
None	3%

The results for the flat screen TV market showed that the most common details that mystery shoppers could enter to get an initial list of results were screen type (73%), screen size (61%), brand (59%) and price (30%).

Table 81: Flat screen TV: When starting search, can input details on...	
Unweighted Base	264
Screen type (e.g. LCD, LED, OLED, plasma)	73%
Screen size	61%
Brand	59%
Price	55%
HD type	30%
3D TV	22%
Aspect ratio	17%
Connections (i.e. USB, HDMI)	16%
Shop	16%
Hertz	12%
Brightness	12%
Smart TV	11%
Wi-Fi (ready)	10%
Energy label	9%
Response time	6%
Memory card slot	6%
Average power	6%
Wlan connection	5%
Build year	5%
Smart modes	4%
Sale/promotion	4%
Free shipping	3%
Network card slot	3%
Built-in speakers	3%
Common interface	2%
On/off timer	2%
New/refurbished	1%
Game mode	1%
Other	18%
None	6%

The most common details that mystery shoppers could select when using comparison tools for hotel prices were location of the hotel (96%), check-in and check-out date (both 94%), number of guests (78%) and number of rooms (58%). Interestingly, just 2% of mystery shoppers reported that they could obtain an initial list of quotes in terms of the refund policy offered.

Unweighted Base	264
Location of hotel (country, city, neighbourhood)	96%
Check-in date	94%
Check-out date (how many nights)	94%
Number of guests (adults, children)	78%
Number of rooms	58%
Hotel rating (amount of stars)	43%
Price category	32%
Hotel name	25%
Type of accommodation	25%
Customer rating	21%
"I do not know my dates"-option	19%
Amenities (i.e. swimming pool, Wi-Fi)	16%
Package deals (flight and hotel or flight, hotel and car rental)	9%
Only available hotels	9%
Currency	7%
Refund policy	2%
Promotional code	1%
Other	4%
None	0%

The results for comparison tools dealing with perfumes showed that mystery shoppers could input details on, for example, brand (58%), price (50%), a choice for men's or women's fragrances (37%), size of the bottle (36%) and strength of the fragrance (33%).

Unweighted Base	216
Brand	58%
Price	50%
Men's or women's fragrance	37%
Size	36%
Strength (i.e. Eau de Parfum, Eau de Toilette)	33%
Product	29%
Most popular/top fragrances	17%
Store	16%
Newest	6%
Dispenser type (i.e. "splasher", spray)	6%
Package type (i.e. mini, tester, gift set)	5%
On sale	4%
Free shipping	1%
Other	13%
None	6%

A consistently high proportion of initial search results were based on all the criteria entered by the mystery shopper; this proportion varied from 80% for comparison tools dealing with perfumes to 96% for energy comparison tools. Across most markets, at least 70% of mystery shoppers reported that a summary of the search criteria was visible on the page with results (between 70% and 85%); in the car insurance market, on the other hand, it was less likely that a summary of the search results was shown (59%).

Among comparison tools that provided a summary of the search criteria on the results page, a large majority also provided shoppers with the option to access this summary to make changes to it; this figure ranged from 72% for car insurance comparison tools to 97% for hotel price comparison sites.

	Base: CTs that allowed to enter initial criteria to get list of quotes			Base: CTs with search summary on results page	
	Unweighted base	Initial list based on exact criteria	Summary of search criteria visible on page	Unweighted base	Possible to access summary to make changes
All markets	1181	88%	74%	871	87%
Broadband Internet	132	84%	72%	95	86%
Car insurance	215	89%	59%	126	72%
Electricity	116	96%	79%	91	83%
Flat screen TV	250	87%	76%	191	88%
Hotel	264	92%	85%	225	97%
Perfume	204	80%	70%	142	85%

Base: all mystery shops (questions 24, 25 and 25a)

Ranking and ordering options

None of the markets were particularly good at explaining how the initial list of quotes had been ordered. The worst performing CTs were found in broadband internet and car insurance markets, where less than a quarter of shoppers (20% and 22%, respectively) were notified about the ranking criteria used. In the hotel market, on the other hand, 36% of comparison tools offered an explanation on the ranking of the initial list of quotes.

A slim majority (52%) of search results were initially presented in price order; this figure, however, masks a large variation across markets. While 9 in 10 CTs dealing with car insurances (89%) presented the initial list of quotes in price order; this figure dropped to one in three for CTs dealing with perfumes, hotels or flat screen TVs (between 31% and 34%).

The behavioural experiment found that the sort method used by comparison tools can have a significant impact on consumer deal choice. For example, in the hotel sector when deals were sorted by price, 81% of respondents selected the best deal available compared to only 49% when deals were sorted randomly. Similarly in the energy sector, 76% and 79% chose the best deal when deals were sorted by price and customer service, respectively, compared to 49% when deals were sorted randomly (for more details, section 5.7).

There was also a lot of variability between the markets in terms of consumers being given the opportunity to reorder the initial search results, ranging from 36% for CTs dealing with car insurances to 89% for those dealing with hotels. On average across all markets (focusing solely on CTs that offered the opportunity to reorder the initial search results), 2.2 ranking parameters could be used at the same time to reorder the initial list of quotes. A more detailed analysis of the different ranking parameters is presented following the section on the default ranking of the initial search results.

Table 85: Ranking and ordering options: Results by market

	Unweighted base	Initial list of quotes			Base: CTs with lists of quotes that can be reordered	
		Explanation on ranking	Cheapest ranked 1st	Can reorder list	Unweighted base	Average nmb. of ranking parameters
All markets	1224	28%	52%	69%	838	2.2
B'band Internet	144	20%	73%	67%	98	1.9
Car insurance	216	22%	89%	36%	72	2.0
Electricity	120	25%	78%	48%	62	2.8
Flat screen TV	264	31%	34%	83%	213	2.0
Hotel	264	36%	32%	89%	236	2.6
Perfume	216	25%	31%	74%	157	1.8

Base: all mystery shops (questions 21, 22 and 22b)

Default ranking of initial search results

As noted above, a slim majority of search results were initially presented in price order. Mystery shoppers were also asked to identify any other characteristics used for the default ranking of quotes. It should, however, be noted that, for a proportion of sites across all markets, it was not clear how the initial list of quotes was ranked: 26% for CTs dealing with perfumes, 17% for flat screen TVs, 16% for broadband internet, 16% for car insurances, 11% for hotel prices and 7% for electricity tariffs.

In line with the findings discussed above, a majority of CTs in the broadband internet market presented the initial list of quotes in price order: 49% sorted the list on monthly price and 21% on

annual price. A smaller proportion of CTs ranked the initial search results on popularity (7%) or speed (4%).

Table 86: Broadband internet: Default ranking based on...	
Unweighted base	144
Price (monthly)	49%
Price (annual)	21%
On popularity	7%
Speed	4%
Usage (or data consumption)	0.4%
Other	2%
It was not clear how the results were ranked	16%

For car insurances, 16% of mystery shoppers reported that it was unclear how the initial search results were ranked. A majority of search results in this market were initially presented in price order: 66% were sorted on an annual premium and 10% on a monthly premium.

Table 87: Car insurance: Default ranking based on...	
Unweighted base	216
On annual premium	66%
On monthly premium	10%
On inclusive extras (breakdown cover, legal cover)	1%
Number of stars	1%
On voluntary excess amount	0.4%
Other	6%
It was not clear how the results were ranked	16%

The electricity market had the lowest proportion of comparison tools for which the mystery shoppers could not identify on which criteria the initial search results were ordered. The price of electricity was – once again – the most important criteria for the default ranking of results: 64% of lists were ordered (by default) on price and 11% on the annual or monthly cost. Slightly less than a tenth (8%) of CTs in the electricity market provided a default ranking in terms of savings compared to one's current energy contract.

Table 88: Electricity: Default ranking based on...	
Unweighted base	120
Price (e.g. base price per kWh)	64%
Annual or monthly energy cost	11%
Savings compared to current energy contract	8%
Supplier	2%
Supplier's service ratings	2%
Product	1%
Percentage green/environmental energy	1%
Other factors	5%
It was not clear how the results were ranked	7%

As noted above, roughly a third of comparison tools dealing with flat screen TVs, perfumes or hotels presented the initial list of quotes in price order. The largest share of CTs for flat screen TVs were ranked on popularity of the TV (36%), followed by the price of the TV (28%). One in six (17%) shoppers evaluating comparison tools for flat screen TVs reported that it was unclear how the initial search results were ranked.

Unweighted base	264
Popularity	36%
Price	28%
Brand	5%
Customer ratings	1%
Seller ratings	1%
Amount of ratings	1%
Newest	0.4%
Other	10%
It was not clear how the results were ranked	17%

Four out of 10 hotel price comparison tools ranked hotels recommended by the site first; this was the most common default ranking observed. A smaller proportion of CTs ranked the initial search results on price (21%), customer ratings (11%) or hotel ratings (5%).

Unweighted base	264
Recommended hotels by CT	40%
Price	21%
Customer rating	11%
Hotel rating (number of stars)	5%
Location (neighbourhood, landmarks, public transport)	1%
Special offers	1%
Availability	1%
Hotel name	0.3%
Other	9%
It was not clear how the results were ranked	11%

Comparison tools comparing perfumes had the highest proportion of tools for which the mystery shoppers could not identify on which criteria the initial search results were ordered (26%). Almost 4 in 10 comparison websites (37%) provided a default ranking based on popularity and a fifth (21%) based its default ranking on the price of the perfume.

Table 91: Perfume: Default ranking based on...	
Unweighted base	216
Popularity	37%
Price	21%
Brand	3%
Alphabetical	3%
Newest	1%
Customer ratings	1%
Widest availability	1%
Amount of ratings	0.5%
Seller ratings	0.3%
Other	6%
It was not clear how the results were ranked	26%

Ability to reorder the initial list of quotes

As noted above, there was also a lot of variability between the markets in terms of consumers being given the opportunity to reorder the initial search results, ranging from 36% for CTs dealing with car insurances to 89% for those dealing with hotels.

A reordering option was available for 67% of comparison websites for broadband internet. When available, the most prevalent reordering factors for comparison tools for broadband internet were speed (68%), price (59%) and contract length (46%).

Table 92: Broadband internet: Reordering options	
All CTs in market	
Able to reorder	67%
All CTs where list can be reordered	98
Can reorder on...	
Speed	68%
Price (monthly)	59%
Contract length	46%
Usage	28%
Price (annual)	19%
Available technology	12%
Special offer	12%
Part of a bundle	11%
Average price over a year	5%
Customer ratings	5%
Reliability	4%
On popularity	3%
Location	1%
Other	42%

Car insurance comparison tools performed the worst in terms of giving consumers the opportunity to reorder the initial search results; a reordering option was available for just 36% of websites evaluated. Where available, mystery shoppers could reorder the list based on monthly or annual premium (24% and 18%, respectively), number of stars (20%), customer ratings (19%) etc.

Table 93: Car insurance: Reordering options	
All CTs in market	
Able to reorder	36%
All CTs where list can be reordered	72
Can reorder on...	
On monthly premium	24%
Number of stars	20%
On customer ratings	19%
On annual premium	18%
On inclusive extras (breakdown cover, legal cover)	15%
Popularity	13%
On voluntary excess amount	13%
Number of reviews	3%
Other	42%

Looking at comparison tools for electricity tariffs that gave consumers the opportunity to reorder the initial list of search results, the largest shares of shoppers reported that they could reorder the list by percentage of green energy (47%), tariff type (39%) and contract length (34%).

Table 94: Electricity: Reordering options	
All CTs in market	
Able to reorder	48%
All CTs where list can be reordered	62
Can reorder on...	
Percentage green/environmental energy	47%
Tariff type	39%
Contract length	34%
Supplier	30%
Product	29%
Price	20%
Supplier's service ratings	20%
Annual or monthly cost	15%
Savings compared with your current energy contract.	14%
Payment type	14%
Other	35%

The largest share of CTs for flat screen TVs were by default ranked on popularity (36%), followed by price (28%). Among comparison tools with a reordering option, consumers were most likely to be able to reorder the list on the TV's price (76%, compared to 36% for popularity).

Table 95: Flat screen TV: Reordering options	
All CTs in market	
Able to reorder	83%
All CTs where list can be reordered	213
Can reorder on...	
Price	76%
Popularity	36%
Brand	32%
Customer ratings	22%
Alphabetical	20%
Newest	17%
Amount of ratings	8%
Seller ratings	8%
Widest availability	6%
Other	22%

Although many initial lists of hotel price comparison tools focused on hotels recommended by the website (i.e. recommended hotels were ranked first), consumers could easily reorder this initial list on a variable other than the one used by default (89% of CTs provided this option). Popular reordering variables included: hotel rating (83%), price for a room (80%), location of the hotel (67%) and customer ratings (66%).

Table 96: Hotel: Reordering options	
All CTs in market	
Able to reorder	89%
All CTs where list can be reordered	236
Can reorder on...	
Hotel rating (amount of stars)	83%
Price	80%
Location (neighbourhood, landmarks, public transport)	67%
Customer rating	66%
Hotel name	37%
Recommended hotels by CT	14%
Customer rating based on type of customer (e.g. young couple)	10%
Availability	9%
Special offers	5%
Other	14%

When available, the most prevalent reordering factors for comparison tools dealing with perfumes were price (82%), brand (32%), popularity (29%), customer ratings (22%) and a reordering of perfumes in alphabetical order (18%).

Table 97: Perfume: Reordering options	
All CTs in market	
Able to reorder	74%
All CTs where list can be reordered	157
Can reorder on...	
Price	82%
Brand	32%
Popularity	29%
Customer ratings	22%
Alphabetical	18%
Newest	9%
Seller ratings	9%
Widest availability	5%
Amount of ratings	2%
Other	17%

Filtering options

Once faced with a list of possibilities, consumers might not only want to reorder the list on a variable other than that used initially, they may also want to shorten the list by filtering out some of the products. Car insurance comparison tools were not only the least likely to offer consumers the possibility to reorder the initial list of quotes, they were also the worst performer in terms of providing consumers with the possibility to filter the list of quotes (33% of sites included this option). Hotel price comparison tools scored again the highest with 85% of tools that offered consumers the possibility to filter the list of quotes on specific parameters.

	Unweighted base	Possible to filter list of results/quotes on specific parameters
All markets	1224	66%
Hotel	264	85%
Flat screen TV	264	76%
Perfume	216	68%
Broadband internet	144	61%
Electricity	120	61%
Car insurance	216	33%

Base: all mystery shops (questions 23)

In line with the findings on the most common variables that could be used to reorder the list of quotes for CTs dealing with broadband internet, the most prevalent filtering factors were speed (68%), price (59%), contract length (46%) and usage (32%).

Table 99: Broadband internet: Filtering options	
All CTs in market	
Able to filter	61%
All CTs where list can be filtered	91
Can filter on...	
Speed	84%
Price (monthly)	64%
Usage	34%
Contract length	32%
Price (annual)	18%
On popularity	7%
Special offer	4%
Customer ratings	3%
Reliability	3%
Other	48%

As noted above car insurance comparison websites performed the worst in terms of giving consumers the opportunity to filter the initial list of results; a filtering option was available for 33% of websites evaluated. Where a filtering option was available, mystery shoppers reported they could filter the list with search results based on variables such as: breakdown cover (41%), voluntary excess (38%) and total excess (32%).

Table 100: Car insurance: Filtering options	
All CTs in market	
Able to filter	33%
All CTs where list can be filtered	74
Can filter on...	
Breakdown cover	41%
Voluntary excess	38%
Windscreen cover	36%
Total excess (compulsory and voluntary)	32%
Provider	25%
Courtesy car	23%
Other factors	51%

The three most common reordering variables available on comparison tools for electricity tariffs were percentage of green energy, tariff type and contract length; these were also present as filtering options (mentioned by between 50% and 52% of shoppers).

Table 101: Electricity: Filtering options	
All CTs in market	
Able to filter	61%
All CTs where list can be filtered	73
Can filter on...	
Contract length	52%
Tariff type	52%
Percentage green/environmental energy	50%
Price	30%
Product	27%
Supplier	23%
Payment type	22%
Annual or monthly cost	15%
Savings compared with your current energy contract.	12%
Supplier's service ratings	9%
Other	22%

Three-quarters (76%) of comparison tools to compare prices of flat screen TVs included a possibility to filter out some initial search results. When the option was available, the most prevalent filtering variables for flat screen TVs were price (84%), brand (81%), screen size (67%) and screen type (65%).

Table 102: Flat screen TV: Filtering options	
All CTs in market	
Able to filter	76%
All CTs where list can be filtered	197
Can filter on...	
Price	84%
Brand	81%
Screen size	67%
Screen type (LCD, LED, OLED, plasma, ...)	65%
HD type	41%
3D TV	33%
Shop	26%
Aspect ratio	26%
Connections (i.e. USB, HDMI)	24%
Hertz	23%
Smart TV	19%
Wi-Fi ready	17%
Brightness	14%
Energy label	14%
Wlan connection	10%
Response time	9%
Smart modes	8%
Build year	7%
Average power	7%
New/refurbished	5%
Memory card slot	5%
Free shipping	4%
Common interface	4%
Built in speakers	3%
Network card slot	3%
Game mode	2%
On sale	2%
On/off timer	1%
Other	27%

Popular filter variables for hotel price comparison websites included: hotel rating (93%), price category (90%), location of the hotel (79%), hotel amenities (68%), customer ratings (64%) and the type of accommodation (62%).

Table 103: Hotel: Filtering options	
All CTs in market	
Able to filter	85%
All CTs where list can be filtered	227
Can filter on...	
Hotel rating (number of stars)	93%
Price category	90%
Location of hotel (country-side, city, neighbourhood)	79%
Amenities (i.e. swimming pool, Wi-Fi)	68%
Customer rating	64%
Type of accommodation	62%
Hotel name	55%
Parking	32%
Restaurant	32%
Pets allowed	23%
Check-in hour	12%
Other	27%

Finally, 68% of comparison tools dealing with perfumes offered consumers the possibility to filter search results on specific variables; the most common filtering variables were price (88%) and brand (80%). Other variables mentioned by shoppers were, for example, men's vs. women's perfumes (42%), strength of the perfume (41%) and size of the bottle (36%).

Table 104: Perfume: Filtering options	
All CTs in market	
Able to filter	68%
All CTs where list can be filtered	140
Can filter on...	
Price	88%
Brand	80%
Men's and women's perfumes	42%
Strength (i.e. Eau de Parfum, Eau de Toilette)	41%
Size	36%
Most popular/top fragrances	26%
Store	24%
Product	18%
Package type (i.e. mini, tester, gift set)	11%
Dispenser type (i.e. "splasher", spray)	8%
Newest	6%
On sale	4%
Free shipping	2%
Other	16%

6.2.4 Quality of information provided

Additional restrictions and costs not previously mentioned

Shoppers looked at the first five quotes shown to ascertain whether any mentioned restrictions or limitations that had not been mentioned when entering the search criteria. For broadband internet and electricity tariffs, roughly 3 in 10 mystery shoppers uncovered additional restrictions or limitations (32% and 30%, respectively). For CTs dealing with broadband internet, the most commonly reported restriction was one in terms of the minimum length of the contract (mentioned by 12%). In the electricity market, most mystery shoppers uncovered restrictions linked to tariffs being only available if accounts were managed online (12%) or if costs were paid by Direct Debit (14%).

For CTs dealing with car insurances, perfumes and flat screen TVs, shoppers were less likely to discover any additional restrictions or limitations (between 15% and 18%).

Mystery shoppers also checked if any additional costs were mentioned in the first five quotes (i.e. costs not mentioned when entering the search criteria); the proportion of shoppers uncovering such additional costs ranged from 18% for comparison tools dealing with car insurances to 41% for those dealing with perfumes.

Table 105: Additional restrictions and costs for first 5 quotes: Results by market			
	Unweighted base	At least 1 of first 5 quotes/results mentions:	
		additional restrictions/limitations	additional costs
All markets	1224	21%	30%
Broadband internet	144	32%	38%
Car insurance	216	15%	18%
Electricity	120	30%	19%
Flat screen TV	264	18%	38%
Hotel	264	21%	24%
Perfume	216	16%	41%

Base: all mystery shops (questions 26 and 27)

Starting purchasing process

Mystery shoppers were then asked to select one of the first five quotes and evaluate the information provided for the selected quote. Across all markets, 60% of mystery shoppers reported that the terms and conditions for the selected quote were clearly stated and 39% answered that it was clearly stated whether VAT was included or not in the quote.

Roughly two-thirds (68%) of mystery shoppers agreed that complete and detailed information was available to start the purchasing process. A similar proportion (66%) agreed that they had sufficient information to feel comfortable proceeding with the purchase, had they been a real customer.

Mystery shoppers evaluating a hotel comparison site were the least likely to report that the terms and conditions of the quote were clearly stated (47%, compared to e.g. 67% for broadband Internet), and they were also among the least likely to agree that complete and detailed information was available to start the purchasing process (59%) or that they had sufficient information to feel comfortable proceeding with the purchase (56%).

For CTs in the electricity market, it was observed that 80% of mystery shoppers agreeing with the former statement and 73% with the latter. Shoppers comparing electricity tariffs were not only the most likely to have an overall positive impression of the comparison tool (see section “user experience”), they were also the most likely to feel comfortable proceeding with the purchase, had they been a real customer.

Table 106: The selected product: Results by market

	Unweighted base	Characteristics of the quote		% of shoppers agreeing that:	
		Terms and conditions clearly stated	Clearly stated whether VAT was included	"Complete & detailed information is available to start the purchasing process"	"With the information given I feel comfortable to start the purchasing process"
All markets	1224	60%	39%	68%	66%
Electricity	120	72%	61%	80%	73%
Car insurance	216	67%	35%	73%	71%
Hotel	264	65%	36%	70%	69%
B'band Internet	144	62%	34%	67%	68%
Flat screen TV	264	55%	41%	67%	62%
Perfume	216	47%	35%	59%	56%

Note: % agreeing with the statement is based on the sum of "strongly agreeing", "agreeing" and "somewhat agreeing" responses

Base: all mystery shops (questions 31 to 34)

When starting the application process, 31% of mystery shoppers stayed with the comparison tool, while 64% of them were redirected to the supplier website. A minority of shoppers (5%) reported that something else, or nothing, happened when they clicked the application button.

A large variation was observed across markets in terms of the proportion of mystery shoppers who stayed on the comparison tool website when clicking the application button. While this was the case for less than tenth of mystery shoppers who evaluated comparison tools for perfumes and flat screen TVs (3% and 8%, respectively), more than 6 in 10 mystery shoppers who evaluated comparison tools for car insurances or electricity tariffs stayed within the tool when starting the application (61% and 67%, respectively).

It was noted above that roughly half of electricity providers, broadband internet providers and car insurance providers offered the option to switch provider on the price comparison website itself. As such, the high rates of mystery shoppers who stayed on the comparison tool website when clicking the application button in the car insurance and electricity markets did not come as a surprise (61% and 67%, respectively); the corresponding figure for the broadband internet market was lower than expected (37%).

Table 107: Starting the application process: Results by market

	Unweighted base	What happened when application button was clicked?		
		Stayed within CT	Redirected to supplier website	Other/Nothing
All markets	1224	31%	64%	5%
Broadband internet	144	37%	60%	3%
Car insurance	216	61%	32%	8%
Electricity	120	67%	26%	7%
Flat screen TV	264	8%	86%	6%
Hotel	264	31%	67%	2%
Perfume	216	3%	92%	5%

Base: all mystery shops (Question 35)

As noted above, mystery shoppers were asked to select one of the first five quotes and start the application process. Compared to the likelihood of uncovering additional costs in the initial list of five quotes, it was less likely that additional costs were uncovered when starting the application process (22% vs. 30%). This is true for all markets except for hotels; 28% of mystery shoppers uncovered additional restrictions or limitations at the point of application (compared to 24% in the initial list of quotes).

Mystery shoppers evaluating broadband internet CTs and electricity CTs were less likely to uncover additional restrictions or limitations when making an application than when requesting the initial list of quotes (22% vs. 32% for broadband internet and 19% vs. 30% for electricity tariffs).

Table 108: Additional restrictions and costs in the application: Results by market

	Unweighted base	First screen of the application process mentions:	
		additional restrictions/limitations	additional costs
All markets	1224	18%	22%
Broadband internet	144	22%	26%
Car insurance	216	14%	12%
Electricity	120	19%	6%
Flat screen TV	264	18%	23%
Hotel	264	19%	28%
Perfume	216	18%	29%

Base: all mystery shops (questions 36 and 37)

Accuracy

After the shoppers had selected their assigned product from the first five in the initial list of quotes, they visited the supplier website and attempted to find the same product. Almost 9 in 10 shoppers (88%) were successful in finding the exact same product/booking on the supplier website and more than 8 in 10 (83%) also found the price of the product/booking on the supplier website.

An analysis by market shows that mystery shoppers who evaluated comparison tools dealing with hotels, car insurances and electricity tariffs were somewhat less likely than shoppers evaluating other markets to have been successful in finding the product and its price on the supplier website. For example, 77% found the price of the same car insurance, compared to 91% for flat screen TVs.

In all markets, a proportion of suppliers provided product details that were additional to those in the price comparison website; this proportion ranged from 23% for the car insurance market to 46% for the flat screen TV market.

Table 109: Comparison with supplier site: Results by market

	Unweighted base	On the supplier website, the shopper was able to find:		Base: shoppers who found product/booking on supplier site	
		exact same product/booking	price of same product/booking	Unweighted base	Supplier site contains additional details
All markets	1224	88%	83%	1076	38%
Flat screen TV	264	93%	91%	242	46%
Perfume	216	92%	89%	199	41%
Broadband internet	144	90%	88%	127	43%
Electricity	120	85%	75%	100	24%
Car insurance	216	84%	77%	183	23%
Hotel	264	83%	75%	225	42%

Base: all mystery shops (questions 45, 46 and 47)

When looking for the exact same product/booking and its price on the supplier website, 17% of shoppers were not successful in finding the exact same product/booking or its price on the supplier website. A slim majority (58%) of comparisons showed no price difference between the supplier website and the comparison tool, 15% of shoppers reported that the product/booking was offered at a higher price on the supplier and 10% found a lower price on the supplier site.

The proportion of mystery shoppers who found the same price varied between 57% and 69% in most markets. Among mystery shoppers evaluation price comparison website for hotels, however, just 35% found the same price on the price comparison tool and the supplier website. In the latter market, 24% of mystery shoppers reported that the price on the supplier's website was higher than the price on the comparison website, and 16% reported the opposite.

Roughly one in five (18%) mystery shoppers, who found a price difference between the comparison tool website and the supplier's website, could uncover the reason for the price difference¹⁶⁷.

Table 110: Price comparison CT versus supplier website: Results by market

	Unweighted base	Could not find product/price	Supplier site cost was:		
			same as price on CT	higher than price on CT	lower than price on CT
All markets	1224	17%	58%	15%	10%
Broadband internet	144	13%	69%	13%	6%
Flat screen TV	264	9%	68%	13%	9%
Perfume	216	11%	67%	12%	11%
Electricity	120	25%	58%	10%	7%
Car insurance	216	24%	57%	11%	8%
Hotel	264	25%	35%	24%	16%

Base: all mystery shops (questions 46a)

¹⁶⁷ Note: during the mystery shopping exercise, no information was collected on the reason provided for the difference in prices.

6.2.5 Personalised pricing

In the electric and electronic appliance sector (but not in other sectors), mystery shoppers were also instructed to complete an exercise on personalised pricing. In total, 214 unique pairs of e-commerce sites and price comparison tools were evaluated across 11 countries. A random selection of pairs was evaluated more than once; as such the total number of exercises completed was 264.

Prices online vary, depending on factors such as: (1) the route into the website, (2) the location of the consumer (e.g. based on IP address) and (3) the time of purchase. Personalised pricing occurs if the price offered to a consumer is based on information the business has collected or observed about that consumer (geographic location, browsing history etc.).

The route into the website

In this study, we tested whether routing via a price comparison site affects the price of a product listed on the source site (e-commerce site). For example, retailers may offer discounts to those who came to a product via a price comparison website.

We found some proof for this type of personalised pricing; 3% of mystery shoppers reported that the price obtained directly on the e-commerce site (with “cookies” disabled) was higher than the price obtained when browsing to the e-commerce site via the price comparison website. A similar proportion (4%) reported the opposite, i.e. that the price on the e-commerce site was higher than the price obtained when routing via the comparison tool. Another 4% of mystery shoppers could not complete this exercise; they could not find the exact same product on the e-commerce site or the e-commerce site did not allow them to continue when “cookies” were disabled.

Geographic location of the consumer

In the next step, mystery shoppers tested whether their geographic location had an impact on the price they found on the e-commerce website. We assumed that the IP address is enough to identify the geographical location of the consumer; mystery shoppers visited the site once with IP address visible and once via a proxy server (IP not visible).

We found little proof that the geographic location from where the consumer accessed the e-commerce site had an impact on the price of a product; such a price difference was reported by less than 1% of mystery shoppers. It should, however, be noted that roughly one in five (19%) mystery shoppers were not able to complete this exercise. Mystery shoppers were instructed to access the e-commerce site via a proxy server; using a proxy server means that one’s IP address (or geographic location) remains hidden. Many e-commerce websites, however, could not be used when accessed via a proxy server.

The time of purchase

E-commerce sites use fluctuations in demand to change the prices of their products depending on availability. In a last step, mystery shoppers were asked to check the price of the product at two different points in time (once during business hours and once during the evening). Almost 9 in 10 shoppers (87%) found the same price at both times, compared to 5% who reported a price difference. Finally, 7% could not complete the exercise because they could no longer find the product or its price at the second evaluation time.

What did we found out about personalised pricing?

This exercise on personalised pricing has certain limitations; e.g. only one market was covered and the number of evaluations was limited. Nonetheless, we conclude that this is an area that should be kept under review; although we found little proof that personalised pricing was used by businesses, we know that the technology exists to do this, and it is not always easy to detect when personalised pricing is actually occurring.

7 EU consumer law and comparison tools

The following part of the study explores the existing EU legal framework of consumer laws and the potential impact of these laws on Comparison Tools. The analysis below builds upon the Commission's MSDCT Report¹⁶⁸, which divided the legislative instruments into horizontal and vertical ones.

Box 11: Summary of main findings – EU consumer law and comparison tools

- There are at least 14 applicable items of consumer protection legislation and official guidance documents pertaining to Comparison Tools.
- In the absence of a single legislative instrument governing this area, regulatory coverage can appear to lack coherence and may be confusing to consumers and traders.
- There are both horizontal and vertical (sectoral) legal instruments and initiatives which can be used to regulate the industry.
- The application of the law depends on the status of the Comparison Tool operators, with commercial firms being the most heavily regulated. While it is possible to envisage public bodies and consumer organizations as potentially covered by consumer law, which would depend on their operation of the CT (i.e. whether as an economic undertaking or a social function), the position is uncertain at the moment. An important distinction between social and economic (business) functions of these public bodies and consumer organizations needs to be considered.
- The Unfair Commercial Practices Directive (UCPD) is the most crucial legislative measure in the Comparison Tool environment.
- Articles 6, 7.1 and 7.2 of the UCPD suggest that Comparison Tools should display full prices, as well as provide information regarding their business model and any links with suppliers whose goods or services they feature.

7.1 List of applicable consumer protection legislation and official guidance documents

Below are listed the major European legislative instruments and guidance documents which are applicable to the operation of Comparison Tools.

- Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council (**Unfair Commercial Practices Directive**)
- Guidance on the implementation of Directive 2005/29/EC on unfair commercial practices, European Commission Staff Working Document, 3 December 2009, SEC(2009) 1666, http://ec.europa.eu/justice/consumer-marketing/files/ucp_guidance_en.pdf (**Guidance on Unfair Commercial Practices Directive**)
- Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/44/EC of the

¹⁶⁸ Comparison Tools: Report from the Multi-Stakeholder Dialogue: http://ec.europa.eu/consumers/documents/consumer-summit-2013-msdct-report_en.pdf

European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council (**Consumer Rights Directive**)

- European Commission DG Justice, Guidance Document concerning Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/44/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council, June 2014, http://ec.europa.eu/justice/consumer-marketing/files/crd_guidance_en.pdf (**Guidance on Consumer Rights Directive**)
- Directive 2006/114/EC of the European Parliament and of the Council of 12 December 2006 concerning misleading and comparative advertising (**Misleading and Comparative Advertising Directive**)
- Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (**E-Commerce Directive**)
- Directive 98/6/EC of the European Parliament and of the Council of 16 February 1998 on consumer protection in the indication of prices of products offered to consumers (**Price Indication Directive**)
- Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts (**Unfair Contract Terms Directive**)
- Directive 2002/22/EC of the European Parliament and of the Council of 7 March 2002 on universal service and users' rights relating to electronic communications networks and services (**Universal Service Directive**), as amended by Directive 2009/136/EC of the European Parliament and of the Council of 25 November 2009 (**Citizens' Rights Directive**)
- Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features (**Payment Accounts Directive**), OJ L 257, 28.08.2014, p. 214–246
- Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules on the operation of air services in the Community (**Air Services Regulation**)
- Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC
- Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC
- Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (**Consumer Credit Directive**)

- Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC, and 2006/48/EC and repealing Directive 97/5/EC (**Payment Services Directive**)
- Directive 2002/65/EC of the European Parliament and of the Council of 23 September 2002 concerning the distance marketing of consumer financial services and amending Council Directive 90/619/EEC and Directives 97/7/EC and 98/27/EC

7.2 General Remarks on applicability

Each of the legislative instruments mentioned above contains detailed rules delimiting its scope of application. Comparison Tools and their operators are covered by them, but not in all cases. Coverage depends on the type of operator and his function, the type of a Comparison Tool, its framework and what exactly is being compared, and last but not least on the consumer using the tool and his/her transactional decisions following the use of the tool. There are legislative instruments which have the capacity to apply to all types of CTs (horizontal measures – for instance the Unfair Commercial Practices Directive), and those which only apply in specific areas (sectoral/vertical measures – for instance the Consumer Credit Directive).

Below the analysis focuses on the types of operators (businesses, public bodies/sector regulators and consumer organisations) and how the law applies to them, and the further criteria concerning applicability are explored when each of the legal instruments is examined.

7.2.1 Business/trader

The most crucial feature setting out the limits of EU consumer law is its focus on ‘business-to-consumer’ relationships. Consumer law governs relationships between traders and consumers (the notions ‘business’ and ‘trader’ are being used interchangeably). For instance, the UCP Directive covers ‘business-to-consumer commercial practices’, and defines a trader as ‘any natural or legal person who, in commercial practices covered by this Directive, is acting for purposes relating to his trade, business, craft or profession and anyone acting in the name of or on behalf of a trader’ (Article 2.b). The Consumer Rights Directive (Article 2.2) defines a trader as any ‘natural person or any legal person, irrespective whether privately or publicly owned, who is acting, including through any other person acting in his name or on his behalf, for purposes related to his trade, business, craft or profession’.

The Commission’s MSDCT Report¹⁶⁹ notes that EU consumer protection directives can apply to Comparison Tool operators as long as these operators are also traders in the meaning of these Directives (p. 9). The report gives examples of possible situations covered: when the CT gives consumers the possibility to directly purchase a product or service, when it is sponsored by the trader offering a product or service, or when it is provided to consumers for remuneration. For more information on this, please see Chapter 6, on the discussion of the quality of information provided by CTs and the purchasing process.

The last example indicates that Comparison Tools are seen as providing a service in themselves, independent of any products or services they compare. Considering that, whether remuneration is collected from consumers or not, CTs operated by businesses rely on consumers using their service to make their profits, it may well be possible to apply EU consumer directives to all business operators of

¹⁶⁹ Comparison Tools: Report from the Multi-Stakeholder Dialogue: http://ec.europa.eu/consumers/documents/consumer-summit-2013-msdct-report_en.pdf

CTs and not only those who sponsor the CT or collect direct payment from consumers. Chapter 4 of this report explores the revenue streams of CTs in more detail.

This wide interpretation of the notion of ‘trader’ is supported by the Guidelines to the Unfair Commercial Practices Directive. The Guidelines contain the following explanation (1.2):

‘Unfair commercial practices may also occur on price comparison websites. An obvious case is when an online price comparison service belongs or is linked to a trader and is used to advertise its products. For example, the site "quiestlemoinscher.com" (literally "whoisthecheapest.com"), a grocery price comparison service created by a French major supermarket company, was considered by French courts to be a trader's website and a tool for comparative advertising’ (*Tribunal de commerce de Paris - 29 mars 2007 - Carrefour c/Galaec (la coopérative groupement d'achat des centres Leclerc)*).

‘In the case of professional but independent price comparison websites, the trader's activity consists of sourcing prices from retailers and passing this information on to consumer. Such service providers should therefore also be considered as traders and they would therefore be bound by the Directive's provisions. In such cases the criteria and methodology used by the services providers and any contractual links with certain traders would have to be disclosed to the sites' users.

However, where individuals provide price comparison information purely on a non-professional basis, they are not considered as engaging in commercial practices. (...), it is for national enforcers to assess whether such sites fall inside the Directive's scope on a case-by-case basis.’

Thus, there is support for the interpretation according to which all professionals operating CTs are treated as ‘traders’ for the purposes of the application of the EU consumer protection laws.

7.2.2 Public bodies

The current tendency in EU law and the decisions of the Court of Justice of the EU (CJEU) is to interpret the notion ‘trader’ in the manner which complies with the evolving nature and the purposes of consumer protection laws. The Consumer Rights Directive refers to a trader as ‘any natural or legal person, irrespective of whether publicly or privately owned.’ (Article 2.2). In *BKK Mobil Oil* the CJEU held that a public law body charged with a task of public interest, such as the management of a statutory health insurance fund in this case, falls within persons covered by the Unfair Commercial Practices Directive.¹⁷⁰ Thus, the public body in question could be held responsible for the misleading content of information on their website. Whether or not the authority made profit from its operation was irrelevant according to the Court. The Court adopted a purposive approach to the notion of trader. It held that the wide interpretation was ‘the only one (...) able to give full effect to the Unfair Commercial Practices Directive, by ensuring that, in accordance with the requirement of a high level of consumer protection, unfair commercial practices are effectively combatted’ (para. 39). Emphasis was placed on the weaker position of the consumers using the website, who could be misled and prevented from making an informed choice and consequently could take a decision they would not have taken otherwise (para 37). Much less focus was placed on the nature of the body in question, and its arguments that it was a public body entrusted with a task of general public importance were held irrelevant.

CJEU followed the opinion of Advocate General Bot.¹⁷¹ Bot recommended an approach similar to the one adopted in competition law, where EU courts distinguish two distinct roles of public bodies and

¹⁷⁰ Case C-59/12 *BKK Mobil Oil Körperschaft des öffentlichen Rechts v Zentrale zur Bekämpfung unlauteren Wettbewerbs eV*, Judgement of 3 October 2013.

¹⁷¹ Opinion delivered on 4 July 2013.

consequently accept a dichotomy of their nature: as ‘undertakings’ (and thus covered by EU competition law rules, and specifically Articles 101 and 102 of the Treaty on the Functioning of the EU) and as pure public bodies. CJEU held in *AOK Bundesverband and Others*¹⁷² that while actions of bodies fulfilling exclusively social functions (managing a social security system based on the principle of national solidarity and completely non-profit making) are not actions of undertakings (para. 51), those same bodies may fulfil economic functions (for instance compete with one another and with private providers) and in this respect their conduct is that of undertakings (para. 58).

The Commission’s MSDCT Report¹⁷³ seems to some extent to echo these sentiments when it indicates that EU consumer protection directives should not apply to public authorities acting in their role of public regulators and providing the service free of charge to consumers and independently of traders (p. 9).

Thus, there is some potential for extending the application of the current EU consumer laws to regulators and other public bodies as long as their activities in question (for instance operating a CT) are seen as economic in nature. As regards determination of what an economic activity is, one may refer to the UCP Directive which defines ‘commercial practices’ of businesses in Article 2(d) as ‘any act, omission, course of conduct or representation, commercial communication including advertising and marketing, ... directly connected with the promotion, sale or supply of a product to consumers’. However, there is no doubt that in the context of Comparison Tools this issue has not yet been explored in policy papers and judicial decisions and it cannot be determined with certainty. There is a need for precise guidelines from the Commission on the question: when is operating a Comparison Tool a business activity, and when does it entail purely social functions?

With regard to public bodies performing exclusively social functions, the current consumer protection laws may constitute a basis for development of a future horizontal policy approach to all CTs, as suggested by the MSDCT Report (p. 9).

It is also important to note at this point that public bodies are entrusted with specific responsibilities by some consumer protection measures which may be important in the Comparison Tool context. For instance, the Universal Service Directive (concerning provision of electronic telecommunications networks and services to end-users), as amended by the Citizens Rights Directive, requires Member States to ensure that public authorities are able to oblige undertakings to provide to end-users and consumers adequate, up-to-date and comparable information which would enable them to make informed evaluation concerning costs, charges, standard terms and conditions, quality of service, and ‘cost of alternative usage patterns, for instance by means of interactive guides or similar techniques. Where such facilities are not available on the market free of charge or at a reasonable price, Member States shall ensure that national regulatory authorities are able to make such guides or techniques available themselves or through third party procurement. Third parties shall have a right to use, free of charge, the information published by undertakings providing electronic communications networks and/or publicly available electronic communications services for the purposes of selling or making available such interactive guides or similar techniques’ (Article 21).

7.2.3 Consumer organisations

As identified by this Report, a number of consumer organizations operate CTs and charge consumers for using them (for instance Which? in the UK or Test-Achat in Belgium). This notwithstanding, it is uncertain whether such a consumer organization operating a CT would be seen as a ‘trader’ within the

¹⁷² Cases C-264/01, C-306/01, C-354/01 and C-355/01 *AOK Bundesverband and Others* [2004] ECR I-2493.

¹⁷³ Comparison Tools: Report from the Multi-Stakeholder Dialogue: http://ec.europa.eu/consumers/documents/consumer-summit-2013-msdct-report_en.pdf

meaning of EC consumer protection laws. Yet again, there is scope for precise guidelines from the Commission on the question of business and social functions of Comparison Tool operators (similarly with public bodies – see above).

The remarks concerning the EU consumer protection laws as a basis for a future horizontal policy are relevant here as well.

7.3 Horizontal measures

Below we discuss the horizontal measures which impact directly on the Comparison Tool environment. The measures addressed here concern substantive consumer law. Other measures which also may apply – those pertaining to enforcement of consumer law – are briefly examined in Section 7.5 (under title: ‘Enforcement of existing legal instruments appears to be first a priority’).

7.3.1 Unfair Commercial Practices Directive (+Guidance on UCPD – 2009)

This Directive is probably the most crucial legislative measure in the context of Comparison Tools: it has the widest scope of application and covers a large number of concerns related to the use of CTs.

The Directive applies to ‘business-to-consumer commercial practices’ (Article 2d): ‘any act, omission, course of conduct or representation, commercial communication including advertising and marketing, by a trader, directly connected with the promotion, sale or supply of a product to consumers’.

As mentioned above, the Guidance to the Directive (http://ec.europa.eu/justice/consumer-marketing/files/ucp_guidance_en.pdf - see in particular its point 1.2) specifies that its provisions may apply to practices occurring on price comparison websites. A typical example of when the Directive applies is when an online price comparison service belongs or is linked to a trader and is used to advertise its products. Further, the Guidance indicates that professional but independent price comparison websites are also bound by the Directive. Non-professional CT operators are not covered, according to the Guidance. These remarks may need to be developed in future in order to more comprehensively cover Comparison Tools and their operators. For instance, they may need to refer to practices of some public bodies (as elaborated above). Further, the Guidelines may need to be updated and present more possible situations where Comparison Tools may be breaching the Directive – some are presented below.

Annex I of the UCP Directive contains a list of practices which are always considered unfair and are thus prohibited (black list). A number of items on the list may apply to Comparison Tools. Points 18 and 22 appear to be particularly relevant to operators of CTs:

Point 18: ‘Passing on materially inaccurate information on market conditions or on the possibility of finding the product with the intention of inducing the consumer to acquire the product at conditions less favourable than normal market conditions.’

Point 22: ‘Falsely claiming or creating the impression that the trader is not acting for purposes relating to his trade, business, craft or profession, or falsely representing oneself as a consumer.’

The latter point may apply in cases where a trader sponsors a CT and does not disclose it.

A number of other points are also relevant. For instance Point 1 refers to traders falsely claiming to be signatories to codes of conduct, and Point 2 to displaying a trust mark, quality mark or equivalent without having obtained the necessary authorization. These two examples may apply to traders who

sponsor the CT, as well as, importantly, to independent operators of CTs who falsely claim to be authorized by some Third-Party Verification Schemes. Perhaps it would be advisable to update the list in order to include such claims expressly, but in any case the Guidance to UCPD should be updated to include this example.

In addition to the black list of prohibited practices in Annex I, the Directive contains a description of other types of practices which may be considered unfair. Business to consumer commercial practices are unfair if they are contrary to the requirements of professional diligence (Article 5.2(a)). This means that they do not follow the 'standard of special skill and care which a trader may reasonably be expected to exercise towards consumers, commensurate with honest market practice and/or the general principle of good faith in the trader's field of activity' (Article 2.h). They also must have materially distorted 'or be likely to materially distort the economic behaviour with regard to the product of the average consumer whom it reaches or to whom it is addressed, or of the average member of the group when a commercial practice is directed to a particular group of consumers' (especially vulnerable consumers) – Article 5.2(b) and 5.3. To materially distort the consumer's economic behaviour is to appreciably impair his ability to make an informed decision, thus causing him to take a transactional decision he would not have taken otherwise (Article 2.e). Therefore, determination whether a particular practice is unfair depends not only on the practice itself, but also on the type of consumer it is aimed at and the decision he takes or may take following the practice.

Two key examples of unfair practices which the Directive deals with are misleading and aggressive practices. Providing false information or omitting material information is misleading (Articles 6 and 7). Article 6.1 concerns misleading actions and refers to information relating for instance to the nature and features of the product, the price or method of its calculation, the identity of the trader and his accreditation, and consumer rights. Two further examples of information contained in Article 6.1 are also particularly relevant in the light of problems identified by this Report in the use of Comparison Tools: the information on the 'extent of the trader's commitments, the motives for the commercial practice and the nature of the sales process, any statement or symbol in relation to direct or indirect sponsorship or approval of the trader or the product' (Article 6.1(c)); and the 'nature, attributes and rights of the trader or his agent, such as his identity and assets, his qualifications, status, approval, affiliation or connection and ownership of industrial, commercial or intellectual property rights or his awards and distinctions' (6.1(f)).

Article 7 on misleading omissions contains positive requirements on provision of information concerning 'material information that the average consumer needs, according to the context, to take an informed transactional decision' (7.1). It also specifies that providing information in an unclear, unintelligible, ambiguous or untimely manner, or failing to identify the commercial intent of the commercial practice if not already apparent from the context, is prohibited (7.2). Article 7.4 contains a list of the necessary pieces of information which are material if an 'invitation to purchase' is made: the main characteristics of the product, the identity and geographical address of the trader or the person on whose behalf he is acting, the price inclusive of all taxes, and if it is impossible to calculate the final price in advance – the manner in which it will be calculated (this should include all freight, delivery and postal charges, or if it is not possible to calculate these in advance – at least information that they will be payable), and the arrangements for payment, delivery, and complaint handling policy.

In summary, the most extensive information requirements concern those traders (including operators of CTs) who offer consumers the opportunity to directly purchase goods or services (Article 7.4). However, even those operators of CTs who merely link to the suppliers' websites are covered by Article 6, and by Article 7.1 and 7.2. Thus, operators of Comparison Tools should not mislead consumers with regard to such essential features of goods and services they compare as their

characteristics, their full price, as well as should provide information regarding their business model and any links with suppliers whose goods or services they feature.

Importantly, Annex II of the Directive provides a list of Directives with distinct informational requirements for commercial communication including advertising and marketing (Article 7.5 specifies that the information mentioned there is treated as material for the purposes of the Unfair Commercial Practices Directive). Some of these are relevant in the context of Comparison Tools and are analysed below.

7.3.2 Consumer Rights Directive and the Guidelines to the Directive (2014)

The Directive 2011/83/EU applies to certain aspects of contracts between a trader and a consumer (Article 1, Article 3). Thus, it only covers those Comparison Tool operators who offer consumers the opportunity to directly purchase products or services on their website.

The Directive sets out very detailed information requirements which the trader must fulfil before the contract is concluded. For distance (and off-premises) contracts, Article 6 contains a detailed list of the information to be provided at the pre-contractual stage; which includes but is not limited to the requirements contained in Article 7.4 of the Unfair Commercial Practices Directive. For example:

- main characteristics of the goods or services,
- identity and geographical address of the trader,
- the full price including all taxes, and if the contract concerns subscription or is of an indeterminate duration the total price should include the total cost per billing period,
- arrangements for payment, delivery, and performance, and complaint handling procedures,
- information concerning the right of withdrawal (if it applies, or a statement that it does not), and the procedure and any costs related to withdrawal,
- with regard to digital content: information about its functionality, technical protection measures, and interoperability (pages 67-8 of the Guidance to the Directive explain in detail what functionality and interoperability means),
- availability of recourse to an out-of-court settlement and dispute resolution mechanism.

Another provision of the Directive which is relevant for Comparison Tools is Article 22. It prohibits the use of 'pre-ticked boxes' for providing and charging for additional goods and services. As explained in the Guidance to the Directive (p. 63), this prohibition applies whether or not this additional service is within the scope of application of the Directive. Article 3.3(k) also mentions that the prohibition applies to passenger transport services. The Guidance gives two examples of such pre-ticked boxes: an express delivery option or maintenance contract when buying IT equipment, and an insurance contract when buying an airline ticket.

Guidelines to the Directive were recently published in June 2014 (http://ec.europa.eu/justice/consumer-marketing/files/crd_guidance_en.pdf).

7.3.3 Misleading and Comparative Advertising Directive

The Directive protects traders from the effects of misleading advertising by competitors. It also introduces requirements which must be fulfilled by comparative advertising. It covers Comparison Tools as far as they are seen as advertising goods and services.

Misleading advertising is prohibited. It has been defined as ‘any advertising which in any way, including its presentation, deceives or is likely to deceive the persons to whom it is addressed or whom it reaches and which, by reason of its deceptive nature, is likely to affect their economic behaviour and which, for these reasons injures or is likely to injure a competitor’ (Article 2.b).

Comparative advertising is considered beneficial for consumers when it compares material, relevant, verifiable and representative features and is not misleading. Thus, the conditions for comparative advertising include the following (Article 3):

- It should not be misleading (in the understanding of the Unfair Commercial Practices Directive),
- It must compare goods or services meeting the same needs or serving the same purpose,
- It must objectively compare one or more material, relevant, verifiable and representative features of goods or services (these may include the price).

7.3.4 E-Commerce Directive

The Directive applies to all providers of information society services (these are services provided at a distance, electronically, for remuneration and at the request of the recipient of the services).¹⁷⁴ Information society services are not ‘solely restricted to services giving rise to on-line contracting but also, in so far as they represent an economic activity, extend to services which are not remunerated by those who receive them, such as those offering on-line information or commercial communications, or those providing tools allowing for search, access and retrieval of data’ (Preamble to the Directive, Recital 18). Thus, the Directive potentially applies to any operator of a Comparison Tool – a trader, a public body or a consumer organization.

In this context, the Directive establishes a set of information requirements (Article 5): Member States must ensure that the service provider shall render easily, directly and permanently accessible to the recipients of the service and competent authorities, at least the following information:

- the name and geographical address of the service provider;
- the details of the service provider, including his electronic mail address, which allow him to be contacted rapidly and communicated with in a direct and effective manner;
- where the service provider is registered in a trade or similar public register, the trade register in which the service provider is entered and his registration number, or equivalent means of identification in that register;

¹⁷⁴ Directive 98/34/EC of the European Parliament and of the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on information society services, and Directive 98/84/EC of the European Parliament and of the Council of 20 November 1998 on the legal protection of services based on, or consisting of, conditional access provided this definition of information society services

- where the activity is subject to an authorisation scheme, the particulars of the relevant supervisory authority;
- where the service provider undertakes an activity that is subject to VAT, the VAT identification number.

Further, Article 5.2 specifies that Member States shall at least ensure that, where information society services refer to prices, these are to be indicated clearly and unambiguously and, in particular, must indicate whether they are inclusive of tax and delivery costs.

Clearly, a number of problems encountered by consumers when using Comparison Tools, as identified in this Report can be addressed using this Directive.

Further, other provisions of the Directive also may apply to Comparison Tools and their operators. Articles 9 and 10 establish an obligation for Member States to ensure that contracts may be concluded by electronic means and that legal obstacles to conclusion of such contracts are removed, and list requirements concerning the information to be provided to consumers before the contract is concluded (these are in addition to other information requirements in EU consumer law legislation).

Articles 12 and 14 contain provisions which allow information society service providers to escape liability for the content of information they merely convey. Both of them may potentially apply to CT operators. Article 12 concerns ‘mere conduit’ situations: ‘where an information society service is provided that consists of the transmission in a communication network of information provided by a recipient of the service, or the provision of access to a communication network, Member States shall ensure that the service provider is not liable for the information transmitted, on condition that the provider: does not initiate the transmission; does not select the receiver of the transmission; and does not select or modify the information contained in the transmission’. Article 14 describes the legal position of information society service providers who are merely hosting (storing information provided by a recipient of the service) – here it would be operators of CTs hosting information provided by providers of goods or services compared. The service providers are not liable for the information stored at the request of a recipient of the service, on condition that: the provider does not have actual knowledge of illegal activity or information and, as regards claims for damages, is not aware of facts or circumstances from which the illegal activity or information is apparent; or the provider, upon obtaining such knowledge or awareness, acts expeditiously to remove or to disable access to the information. This does not apply to situations where the recipient of the service is acting under the authority or the control of the provider.

7.3.5 Price Indication Directive

This Directive only applies to products, although in a number of Member States its implementation extended upon services as well: for instance Belgium, Germany, Hungary, Latvia or Poland.¹⁷⁵ Traders (who are defined as those who sell or offer for sale products which are within their professional or commercial activity – Article 2.d) are obliged to disclose the selling price (full final price inclusive of VAT and other taxes) and, with some exceptions, the price for a unit of measurement to consumers. The selling and unit prices must be easily identifiable, unambiguous, and clearly legible (Article 4). This obligation is meant to improve consumer information and facilitate product comparison (Article 1).

This Directive only applies to those Comparison Tool operators who offer products for sale directly through their websites.

¹⁷⁵ For a more comprehensive list see the Commission’s MSDCT Report, p. 12.

7.3.6 Unfair Contract Terms Directive

To the extent that information contained on comparison websites can find its way to contracts with consumers, or when consumers have a contract with the CT operators directly (for instance when booking a hotel using one of the hotel booking sites), the Unfair Contract Terms Directive will apply.¹⁷⁶ The Directive establishes a requirement that terms in consumer contracts be fair (unfair terms are defined as contrary to the requirement of good faith and causing significant imbalance in the parties' rights and obligations arising under the contract, to the detriment of the consumer).¹⁷⁷ It applies to terms which were not individually negotiated, and establishes a remedy for consumers: unfair terms are not binding on consumers.¹⁷⁸

7.4 Vertical measures and sectoral legislation

There are a number of sectoral measures of EU consumer law which stipulate detailed information requirements and other duties. These may apply to Comparison Tools and are important to mention here. As specified below, they often apply together with the Unfair Commercial Practices Directive which fills the gaps not regulated by these sectoral measures.

- **PAYMENT ACCOUNTS DIRECTIVE:** The most recent piece of legislation which applies to Comparison Tools, and indeed one which expressly refers to them, is the Payment Accounts Directive.¹⁷⁹ The Directive 'lays down rules concerning the transparency and comparability of fees charged to consumers on their payment accounts held within the Union, rules concerning the switching of payment accounts within a Member State and rules to facilitate cross-border payment account-opening for consumers.' Article 7 entitled 'Comparison Tools' provides that Member States shall ensure that consumers have access, free of charge, to at least one website comparing fees charged by payment service providers for at least the services included in the final list referred to in Article 3(5) at national level.¹⁸⁰ Comparison websites may be operated either by a private operator or by a public authority. Member States may require the comparison websites referred above to include further comparative determinants relating to the level of service offered by the payment service provider. The Directive further states that the comparison websites established according its Article 7 should: be operationally independent by ensuring that payment service providers are given equal treatment in search results; clearly disclose their owners; set out clear, objective criteria on which the comparison will be based; use plain and unambiguous language and, where applicable, the standardised terms set out in the final list referred to in Article 3(5); provide accurate and up-to-date information and state the time of the last update; include a broad range of payment account offers covering a significant part of the market and, where the information presented is not a complete overview of the market, a clear statement to that effect, before displaying results; and provide an effective procedure to report incorrect information on published fees. Member States have to ensure that information is made available online about the availability of the comparison websites that comply with this Directive.

¹⁷⁶ Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts, Official Journal L 095 , 21/04/1993 P. 0029 – 0034.

¹⁷⁷ Article 3.1.

¹⁷⁸ Article 6.

¹⁷⁹ Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features (Payment Accounts Directive), OJ L 257, 28.08.2014, p. 214–246. To come into force in September 2016.

¹⁸⁰ The list is defined in Article 5.1 as 'provisional list of at least 10 and no more than 20 of the most representative services linked to a payment account and subject to a fee, offered by at least one payment service provider at national level. The list shall contain terms and definitions for each of the services identified.'

- **ELECTRONIC COMMUNICATIONS:** The Universal Service Directive,¹⁸¹ now amended by the Citizens Rights Directive, 'establishes the rights of end-users and the corresponding obligations on undertakings providing publicly available electronic communications networks and services. With regard to ensuring provision of universal service, this Directive defines the minimum set of services of specified quality to which all end-users have access, at an affordable price in the light of specific national conditions, without distorting competition' (Article 1.2). The Directive also establishes a set of end-users' interests and rights for consumer protection and empowerment in the field of electronic communications including specific provisions on inter alia contract, quality of services, facilitating change of provider and transparency and publication of information measures (Chapter IV). To this end, the Directive requires Member States to ensure that the National Regulatory Authorities are able to require undertakings to publish transparent, comparable, adequate and up-to-date information available to consumers on applicable prices and tariffs, and on standard terms and conditions, in respect of access to and use of public electronic communications networks and publicly available telephone services. Such information shall be published in a clear, comprehensive and easily accessible form. National regulatory authorities may specify additional requirements regarding the form in which such information is to be published [Article 21(1)]. The National Regulatory Authorities should also encourage the provision of information to enable consumers to make an independent evaluation of the cost of alternative usage patterns, by means of, for instance, interactive guides. Where such facilities are not available on the market free of charge or at a reasonable price, Member States shall ensure that national regulatory authorities are able to make such guides or techniques available themselves or through third party procurement. Third parties shall have a right to use, free of charge, the information published by undertakings providing electronic communications networks and/or publicly available electronic communications services for the purposes of selling or making available such interactive guides or similar techniques (Article 21(2)).
- **TRAVEL AND TRANSPORT:** The Air Services Regulation¹⁸² requires that in addition to the final price of the flight (which must include all taxes, charges, surcharges and fees) the air carriers must also publish a breakdown of the final price (Article 23). In respect of other information provided in this area (including other details concerning prices) the Unfair Commercial Practices Directive applies. The Guidance to the UCP Directive (1.9.3) specifies that the Directive's provisions become relevant 'to prohibit commercial practices which are likely to deceive the average consumer (such as advertising and marketing of air fares). Furthermore, the Directive's provisions also complement the provisions of the Air Services Regulation in relation to the information on prices, and require, for example, the disclosure of postal charges, where applicable (see Article 7(4)(c) of the UCP Directive).'
- **ENERGY:** the Directive¹⁸³ on the internal market in electricity and the Directive¹⁸⁴ on the internal market in natural gas contain requirements for suppliers regarding information on costs, actual

¹⁸¹ Directive 2002/22/EC of the European Parliament and of the Council of 7 March 2002 on universal service and users' rights relating to electronic communications networks and services (Universal Service Directive) (OJ L 108 of 24 April 2002), as amended by Directive 2009/136/EC of the European Parliament and of the Council of 25 November 2009 (Citizens' Rights Directive)

¹⁸² Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules on the operation of air services in the Community (Air Services Regulation).

¹⁸³ Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC.

¹⁸⁴ Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC.

electricity consumption, prices, tariffs and methods of payment. Billing and price information ought to be transparent.¹⁸⁵

- **CONSUMER CREDIT:** the Consumer Credit Directive¹⁸⁶ contains provisions on advertising of credit agreements. If the advertising includes interest rates or other figures relating to the cost of the credit it must also include ‘standard information’. The advertising must specify in a clear, concise and prominent manner through a representative example: the borrowing rate, the total amount of credit, the annual percentage rate, the total amount payable by the consumer and the amount of the instalments (if applicable), and the duration of the credit agreement (Article 4). The Directive also contains a list of standardised pre-contractual information to be provided to consumers to enable them to compare different offers and to make a final decision regarding the credit agreement (Article 5). This list is much more comprehensive than the list of ‘standard information’ in Article 4. It includes for instance the type of credit, the identity and geographical address of the creditor, the duration of credit agreement, the total cost of credit, the annual percentage of charge, the borrowing rate, the total amount to be paid, the amount, number and frequency of payments, if applicable – the amount payable to a notary, a warning regarding consequences of non-payments, the right of early repayment, and existence or absence of the right of withdrawal. As explained in Recital 24 to the Directive, these information requirements apply whether or not an intermediary is involved in the marketing of the credit agreement. Thus, the requirements apply to an intermediary unless he is a supplier of goods and services and acts as an intermediary in an ancillary capacity. The Guidance to the UCP Directive specify that the Directive complements these specific requirements (1.5). For instance, it will apply if the information is advertised in a misleading way.
- **PAYMENT SERVICES:** the Payment Services Directive (Directive 2007/64/EC) contains pre-contractual information requirements in the field of payment services offered to consumers (Articles 37-39, 42) as well as requirements on how this information should be conveyed (Articles 36 and 41). The requirements specified by the Directive are more detailed than the information requirements contained in Article 7.4 of the UCP Directive. However, the UCP Directive will continue to apply to advertising of payment services.
- **DISTANCE MARKETING OF CONSUMER FINANCIAL SERVICES:** the Directive on distance marketing of consumer financial services contains a list of information requirements which must be fulfilled by suppliers (any natural or legal person, public or private, who, acting in his commercial or professional capacity, is the contractual provider of services subject to distance contracts – Article 2.c) of financial services (any service of a banking, credit, insurance, personal pension, investment or payment nature – Article 2.b) to consumers prior to the conclusion of the distance contract. The list (Article 3) is very comprehensive and has been divided into four categories:
 - information concerning the supplier (the identity and geographical address of the supplier, his representative, or any other professional with whom the consumer has dealings),
 - information relating to the financial service (the characteristics of the service, the total cost inclusive of all taxes, fees and charges, as well as the possibility of incurring further taxes and charges, if applicable a notice indicating that the financial service is related to instruments involving special risks related to their specific features or the

¹⁸⁵ See the MSDCT Report for analysis, pp. 16, 17.

¹⁸⁶ Directive 2008/48/EC of the European Parliament and of the Council Of 23 April 2008 On Credit Agreements For Consumers And Repealing Council Directive 87/102/EEC the European Parliament and the Council of the European Union

operations to be executed or whose price depends on fluctuations in the financial markets outside the supplier's control and that historical performances are no indicators for future performances, arrangements for payment and performance)

- information concerning the distance contract (the presence or absence of the right of withdrawal, procedure for withdrawal, the duration of the contract), and
- redress (whether there is an out-of-court dispute resolution mechanism the consumer has access to, and means of accessing it).

This information, the commercial purpose of which must be made clear, must be provided in a clear and comprehensible manner in any way appropriate to the means of distance communication used, with due regard, in particular, to the principles of good faith in commercial transactions (Article 3.2).

7.5 Summary

The existing European Consumer Legal Framework offers a lot of protection to consumers regarding Comparison Tools, however it is not fully comprehensive

As can be seen from the analysis above, there is a broad amount of protection available for consumers under the existing European legislation. Some of the specific concerns related to Comparison Tools may be addressed by the application of the existing EU consumer protection laws (in particular the Unfair Commercial Practices Directive and Consumer Rights Directive). In particular, the provision of greater information regarding the background and business relationships of the Comparison Tool are important, as well as the distinction between Comparison Tools being offered for social purposes and those which are a commercial undertaking.

Further, not all concerns transpiring from the use of CTs and identified by this Report are addressed. There is a need for a more comprehensive review of the legal position when a specific CT or a specific concern is covered by the legislation and when it is not.

Due to the multiplicity of legal instruments, it may be that both consumers and CT operators are not fully aware of their respective rights and obligations under the existing legal framework

With 14 different EU legal instruments to be taken into account, in addition to prevailing national legislation, the legal framework pertaining to Comparison Tools is complex to say the least, and it stands to reason that both consumers and Comparison Tool operators are unlikely to be fully familiar with their respective rights and obligations. On the commercial side, this is likely to be compounded by the absence of a specific industry body which is positioned to give guidance to the sector on an ongoing basis.

An awareness campaign conducted across the EU would go some way to assist consumers to better understand their rights in relation to Comparison Tools, as well as informing them of the dynamic of the Comparison Tool sector. This would go some distance to assist consumers to make informed choices regarding their use CTs and should help mitigate any potential detriment for areas which are not currently covered by existing legislation.

At the same time, further guidance from the Commission for commercial undertakings would hopefully spur greater provision of information from Comparison Tool operators at a time when consumers are benefiting from an awareness campaign, thereby achieving a synergy.

Considering that this Report found consumers often reluctant to take action to remedy a problem encountered when using a Comparison Tool, consumer awareness campaigns which the Report advocates should no doubt also include enforcement potential: both at the EU and the Member State level (see below).

Enforcement of existing legal instruments appears to be first a priority

Most of the consumer law instruments mentioned above contain distinct provisions concerning enforcement, obliging Member States to set up adequate mechanisms for enforcement by public regulators or before judicial authorities. In addition, for instance the UCP Directive also encourages self-regulation through codes of conduct which may contain internal monitoring and enforcement mechanisms (Article 10). While some instruments include the obligation to inform consumers of their rights, any complaints procedures available, as well as any out-of-court dispute resolution mechanisms, others do not have such an obligation. In the context of Comparison Tools such an obligation seems very important.

The Consumer Cooperation Regulation¹⁸⁷ facilitates greater cooperation between national public enforcement bodies. The Regulation established an EU-wide network of these bodies (CPC network) for the purposes of better enforcement of a wide range of EU consumer laws across borders. This network has the potential to have a significant impact on proper enforcement of all the consumer protection measures applicable to Comparison Tools: through exchange of information and experience, and cooperation in dealing with potentially unfair or illegal practices.

EU law also contains independent measures aimed at private enforcement of substantive consumer laws: the key examples are the Small Claims Regulation,¹⁸⁸ the Injunctions Directive,¹⁸⁹ and the recent Consumer ADR Directive¹⁹⁰ and ODR Regulation.¹⁹¹ The latter two measures may be particularly relevant in the context of Comparison Tools. The aim of the Consumer ADR Directive is making sure that, in disputes covered by it, consumers have access to an ADR mechanism meeting the criteria established by it (the mechanism could be located in another Member State). Member States are not required to establish new ADR mechanisms and may well rely on those already existing (even if they entail complaints handled by a public body). However, a ‘residual’ ADR body must be in existence for all those types of disputes not covered by any other ADR mechanism available.¹⁹² The Consumer ADR Directive introduces quality criteria for all ADR bodies so that consumers can rely on having access to high-quality, transparent, effective and fair mechanisms. The ODR Regulation is a complementary mechanism to the Consumer ADR Directive. It sets up an online platform which consumers and traders can use as a single point of entry for dispute resolution. The platform is to be linking to the ADR bodies operating according to the principles established by the Consumer ADR Directive.

Enforcement of consumer law is also receiving considerable attention on the Member State level, with reforms of public enforcement, reforms of civil justice systems including introduction of various forms of collective redress procedures, and development of ADR mechanisms.

¹⁸⁷ Regulation (EC) 2006/2004 of the European Parliament and of the Council of 27 October 2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws, OJ L 364/1.

¹⁸⁸ Regulation (EC) 861/2007 of the European Parliament and of the Council of 11 July 2007 establishing a European small claims procedure.

¹⁸⁹ Directive 2009/22/EC of the European Parliament and of the Council of 23 April 2009 on injunctions for the protection of consumer interests.

¹⁹⁰ Directive 2013/11/EU of the European Parliament and of the Council of 21 May 2013 on alternative dispute resolution for consumer disputes and amending Regulation (EC) 2006/2004 and Directive 2009/22/EC.

¹⁹¹ Regulation (EU) 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) 2006/2004 and Directive 2009/22/EC.

¹⁹² Recital 24 and Article 5.3.

8 Study conclusions and recommendations

To give proper context to our study's findings, we are presenting our conclusions and recommendations in two sections. The first of these sections examines our data with reference to the principles developed by the Multi-Stakeholder Dialogue on Comparison tools, while the second section gives our global findings which are intended to advise policy.

8.1 Comparison of findings with MSDCT recommendations

In order to build on the work contained in the report from the Multi-Stakeholder Dialogue on Comparison Tools¹⁹³, we have created a number of tables corresponding to the recommendations put forward by the stakeholders in that report. Alongside each recommendation, we have given the findings of our research (either the specific evidence, or the analysis based on our understanding of the market, taking into account all stakeholder opinions). In most cases we have found that the principles and proposals put forward by the MSDCT are worthwhile and in keeping with the legal framework of consumer protection at EU level, as well as addressing certain principles which are recognised as best practices in the sector.

In addition to the approaches proposed by the MSDCT findings, our own legal analysis has established that there is, in fact, already a large amount of consumer protection afforded to consumers under the existing framework of EU consumer legal instruments. This actually strengthens many of the approaches suggested by the MSDCT report, but does not by itself deal with the ultimate question of enforcement. Our research has shown the CT market is widely non-compliant with many of the most basic aspects related to information provision to consumers, and therefore a number of specific policy efforts must be mounted to address these shortcomings.

The MSDCT report recommendations were clustered as follows:

Table 111: Multi-stakeholder dialogue on comparison tools report recommendations

Core Principles:

- Transparency and Impartiality of Comparison
- Quality of Information
- Compliance and Redress

Elements enhancing the consumer experience:

- Comprehensiveness
- User friendliness

Recommended future actions:

- Awareness raising
- Enhanced enforcement coordination

¹⁹³ Report from the Multi-Stakeholder Dialogue on Comparison Tools, March 2013
http://ec.europa.eu/consumers/archive/documents/consumer-summit-2013-msdct-report_en.pdf

Core principles

Transparency and impartiality of comparison

MSDCT Recommendation	Study Findings/Conclusions
<ul style="list-style-type: none"> ○ Transparency of the business model and financing model, including shareholders and relationship with suppliers, any sort of advertising should be marked as such. 	<ul style="list-style-type: none"> ○ The mapping exercise showed that less than 50% of comparison tools examined were willing to disclose details on their supplier relationship, description of business model or the sourcing of their price and product data. Only 12% to 18% of websites disclosed information on the market coverage they enjoyed, their primary revenue or the frequency by which their data was updated. Similar results were found in the mystery shopping exercise. ○ 23% of consumers surveyed indicated that they did not believe that CTs were transparent about their relationship with featured retailers. ○ Many of these characteristics, however, were not considered very important by comparison tool users; for example, just 4% attached importance to the way the comparison tool is funded and 1% looked for information on redress. By far the most valued characteristic of comparison tools was the price comparison aspect (mentioned by 79% of comparison tool users). ○ Such disclosures are required under the various EU Directives dealing with consumer protection, but consumers may not be aware of this
<ul style="list-style-type: none"> ○ Comparisons should be impartial 	<ul style="list-style-type: none"> ○ The consumer survey showed that 79% of users rely on CTs for price comparison, a far greater percentage than for any other reason, while 34% surveyed said that they used CTs to find ‘unbiased information’. Another 37% agreed with the statement that ‘I do not trust CTs, they are not independent and impartial’. ○ 20% of consumers surveyed answered that impartiality of comparisons is one of the most important characteristic of comparison tools; this characteristics was considered as important as accuracy of prices (21%). ○ Less than 50% of comparison tools examined were willing to disclose details on their supplier relationship, description of business model. 77% of CT operators who responded to the consultation do not offer paid-for premium ranking. 24% of responding CT operators who do offer paid-for premium ranking reported that they do indicate clearly that the ranking was paid ○ A number of third party verification schemes specifically examine the ranking methods to ensure impartiality, however membership of these schemes is low (usually below 10 in most countries). ○ The Unfair Commercial Practices Directive expressly prohibits activities that materially distort the consumer’s economic behaviour to the point where their ability to make an informed decision is impaired.
<ul style="list-style-type: none"> ○ Methodology and scope of comparisons: CTs should explain the way in which they source data, the frequency with which it is updated, the criteria applied for the comparison and the methodology for ranking the results. They should specify the coverage of the comparison in terms of sectors, number of sellers and geographical scope. 	<ul style="list-style-type: none"> ○ Less than 50% of comparison tools examined were disclosing details on the sourcing of their price and product data. Only 12% to 18% of websites disclosed information on the market coverage they enjoyed, their primary revenue or the frequency by which their data was updated. ○ Such disclosures are required under the various EU Directives dealing with consumer protection, but consumers may not be aware of this ○ Only 18% of CTs disclosed on their websites the frequency of data updates. ○ Mystery shopping found that only 15% of comparison tools contained price updating information on the site.

	<ul style="list-style-type: none"> ○ Of the Comparison Tool Operators who responded to the consultation, the majority of Comparison Tools operators update their data sources more than daily (51%), while a minority update their data daily (29%) or less than daily (20%). ○ It was not possible for this study to establish what the appropriate frequency of data updates should be as this would vary on a sector by sector basis. ○ The mystery shopping exercise found that 38% of price comparison websites identified the number of providers compared. Not all CT sectors can give accurate information on coverage, especially if there is a large number of products or services on offer in the market, or if they operate cross border. ○ Mystery Shopping found that while CTs offering hotel rooms had 96% cross border offers, less than 30% of all the other products were offered cross-border. ○ None of the markets studied in the mystery shopping were particularly good at explaining how the initial list of quotes had been ranked; 52% of search results were initially presented in price order. ○ Ranking methodology impacts consumer choice of CT as found in the behavioural experiment. CTs that offer multiple ranking options are generally preferred by consumers. The mystery shopping exercise found that, on average, 2.2 ranking parameters could be used at the same time to reorder the initial list of quotes. ○ Ranking method used by individual CTs has a strong impact on consumer choice of product as found in the experiment. The effect of a given characteristic is found to be larger if deals are sorted according to that characteristic. For example, when electricity deals are ranked by annual cost then annual cost has a larger effect on first deal choice compared to when deals are ranked according to alternative methods (customer service, rate type, energy type or randomly).
<ul style="list-style-type: none"> ○ Ranking. Criteria for rankings should be clearly and prominently indicated 	<ul style="list-style-type: none"> ○ 77% of CT operators who responded to the consultation do not offer paid-for premium ranking. ○ 24% of responding CT operators who do offer paid-for premium ranking reported that they do indicate clearly that the ranking was paid ○ A number of third party verification schemes specifically examine the ranking methods to ensure impartiality; however, membership of these schemes is low (usually below 10 in most countries). ○ The Unfair Commercial Practices Directive expressly prohibits activities that materially distort the consumer’s economic behaviour to the point where their ability to make an informed decision is impaired. The observations from the behavioural experiment find that the number of available ranking options (single or multiple) impact consumer choice of comparison tool. With respondents generally preferring tools with more ranking options. The type of ranking option (by price, customer service etc.) did not significantly impact choice of CT, however the experiment findings indicate that ranking methodology used by CTs should be clear for consumers.
<ul style="list-style-type: none"> ○ User reviews and ratings. CT should take measures to ensure the authenticity of user reviews and ratings, and disclose the methodology used, and should display both positive and negative reviews if valid. 	<ul style="list-style-type: none"> ○ 77% of CTs evaluated by mystery shoppers used a system of customer reviews and 55% a system of ratings (e.g. star ratings or satisfaction scores); a minority of these CTs explicitly mentioned that customer reviews were controlled and few CTs explained how ratings were calculated. ○ The behavioural experiment found that the presence of reviews at the initial online search stage increased the likelihood a given CT will be selected. ○ 30% of mystery shoppers reported that the comparison tool they evaluated contained advertising; among CTs that contained advertising, 27%

	<p>displayed advertising on the page with search results.</p> <ul style="list-style-type: none"> ○ If a CT is presented as an advert at the initial search stage this reduces the likelihood of selection, however, adverts were still selected a substantial number of times in the experiment. This illustrates the importance of ensuring consumers can differentiate between links that are adverts and those that are natural links; and, understand what the difference is (i.e. based on objective search criteria or a commercial relationship between supplier and the comparison tool) ○ A number of solutions exist to address the issue of authenticity in user reviews and ratings. However, this study did not examine these in detail as this issue is applicable to all e-commerce and not just CTs
<ul style="list-style-type: none"> ○ Accreditation. CTs which are members of schemes should declare the affiliation and display a logo, including a link to conditions of membership 	<ul style="list-style-type: none"> ○ We found only 9 Third Party Verification schemes across the 30 countries covered by the study, of which 5 were in the UK, 1 in France and 1 each in Belgium, Ireland and Italy. ○ Most accreditation schemes do not have many members (in some cases only 1), although in one case at least there is a substantial leveraging effect as the minimal number of accredited CTs allow their engines to be reused by the wider market. ○ Compliance with accredited Third Party Verification schemes was seen as time consuming and complicated. ○ The majority of responding stakeholders endorsed an EU level approach to accreditation. ○ 68% of respondents to the stakeholder consultation who were in favour of Third Party Verification believed an accreditation or trustmark to be the most appropriate scheme. ○ 27% of consumers strongly agreed, and 48% somewhat agreed, that they trusted comparison tools more when they were affiliated with a third-party verification scheme. ○ The experiment observations indicate that third party verification increases the likelihood that a comparison tool is selected by consumers. Respondents in the experiment tend to prefer verification provided by public authorities and consumer groups over industry provided verification. The more stringent the verification requirement, the more likely the site is selected. ○ Accredited websites (to an e-commerce scheme) generally scored better than non-accredited ones on most of the indicators measured; for example, a shopper of an accredited site was more likely than one on a non-accredited site to find information on the owner of the site (77% vs. 69%), how the site generates income (37% vs. 27%) or how to file a complaint (45% vs. 29%).
<ul style="list-style-type: none"> ○ Contact details. CTs should display contact details for consumers, including telephone number, address and email. 	<ul style="list-style-type: none"> ○ Over 50% of mapped comparison tools fail to supply both an email and a postal address on their website, which is the minimum requirement for traders under the Consumer Rights Directive ○ Mystery shoppers reported that 75% of comparison tools provided a postal address, 68% a contact e-mail address and 60% a telephone number. Fewer comparison websites contained a trade register number (51%) and/or a VAT number (42%) ○ Non-compliant CTs can be in breach of the Consumer Rights Directive, Unfair Commercial Practices Directive and E-commerce Directive.

Quality of information

MSDCT Recommendation	Study Findings/Conclusions
<ul style="list-style-type: none"> ○ Relevance and clarity. Information provided by CTs should be relevant for assessing and comparing offers from a consumer perspective. It should be written in simple language, avoiding complex legal and technical terms. This information should be layered 	<ul style="list-style-type: none"> ○ Our study found that the vast majority (89%) of CTs communicated in plain language. ○ 87% of consumers found CTs easy to use. ○ 30% of mystery shoppers reported that the website they evaluated contained a glossary to explain the main words and phrases.
<ul style="list-style-type: none"> ○ Comparability. CTs should display the same information in a uniform manner to ensure comparability 	<ul style="list-style-type: none"> ○ 85% of mapped CTs displayed the same information for all products ○ The Unfair Commercial Practices Directive expressly prohibits activities that materially distort the consumer’s economic behaviour to the point where their ability to make an informed decision is impaired.
<ul style="list-style-type: none"> ○ Accuracy. CTs should ensure that prices displayed are exact, and that data is updated frequently and that errors are rectified immediately. 	<ul style="list-style-type: none"> ○ Only 18% of CTs disclosed on their websites the frequency of data updates. ○ Mystery shopping found that only 15% of comparison tools contained price updating information on the site. ○ Of the Comparison Tool operators who responded to the consultation, the majority update their data sources more than daily (51%), while a minority update their data daily (29%) or less than daily (20%). ○ It was not possible for this study to establish what the appropriate frequency of data updates should be as this would vary on a sector by sector basis. ○ In the mystery shopping exercise, 58% of comparisons showed no price difference between the supplier website and the comparison tool, 15% of shoppers reported that the product/booking was offered at a higher price on the supplier and 10% found a lower price on the supplier site. ○ The top five preferred criteria within the stakeholder consultation which were to be considered as mandatory criteria for Third Party Verification were 1) Accuracy of offers; 2) Transparency of business model; 3) Guarantee of impartiality in comparison; 4) Full price publication; and 5) Explanation of ranking methodology.
<ul style="list-style-type: none"> ○ Full price. CTs should publish the full and final purchase price including any applicable charges, taxes etc. 	<ul style="list-style-type: none"> ○ The top five preferred criteria within the stakeholder consultation which were to be considered as mandatory criteria for Third Party Verification were 1) Accuracy of offers; 2) Transparency of business model; 3) Guarantee of impartiality in comparison; 4) Full price publication; and 5) Explanation of ranking methodology. ○ When starting the application process for services found via CTs, 22% of mystery shoppers were confronted with additional limitations and restrictions, while 30% found additional costs (not previously mentioned on the PCW). ○ The behavioural experiment found that the effect of a given characteristic is found to be larger if deals are sorted according to that characteristic. For example, when electricity deals are ranked by annual cost then annual cost has a larger effect on first deal choice compared to when deals are ranked according to alternative methods (customer service, rate type, energy type or randomly). This indicates that prices should be accurate and comprehensive upfront, such that consumer choice is not influenced by unseen charges revealed only later in the transaction.

<ul style="list-style-type: none"> ○ Verifiability. CTs should allow consumers to easily verify information via a contact number or direct link to the seller. 	<ul style="list-style-type: none"> ○ When starting the application process, 31% of the mystery shoppers stayed with the comparison tool, while 64% of them were directed to the supplier website.
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Compliance and redress

MSDCT Recommendation	Study Findings/Conclusions
<ul style="list-style-type: none"> ○ Complaint handling. CTs should have a complaint handling policy in place 	<ul style="list-style-type: none"> ○ Only 31% of mapped CTs had a link to a complaint/redress procedure, while only 3% of mobile apps had such a link. In the mystery shopping exercise, 34% of shoppers found information on the site on how to file a complaint. ○ Comments in the consultation revealed that Complaint handling by CTs depends on the CTs business model. For some CTs, the relationship with the consumer is extremely important – e.g. when the CT is a direct vendor or service provider. For other CTs, the most important relationship is with the vendors and not the consumers, as it is the vendor that pays for the CTs service
<ul style="list-style-type: none"> ○ Redress. CTs should provide consumers with information on redress mechanisms 	<ul style="list-style-type: none"> ○ Only 31% of mapped CTs had a link to a complaint/redress procedure, while only 3% of mobile apps had such a link. In the mystery shopping exercise, 34% of shoppers found information on the site on how to file a complaint.
<ul style="list-style-type: none"> ○ Data Protection. CTs should operation in full respect of data protection legislation 	<ul style="list-style-type: none"> ○ This is mandatory under EU directives
<ul style="list-style-type: none"> ○ Reporting. Upon request, CTs should provide sellers and public authorities with reports on comparisons conducted to facilitate enforcement of applicable legislation. 	<ul style="list-style-type: none"> ○ 5 of the 9 national Third Party Verification schemes involve audits ○ Only one Regulator responding to the consultation had undertaken an enforcement action against a CT
<ul style="list-style-type: none"> ○ Enforcement. MS enforcement authorities should ensure compliance of CTs with existing legislation. 	<ul style="list-style-type: none"> ○ Only one Regulator responding to the consultation had undertaken an enforcement action against a CT ○ However, large numbers of CTs are in breach of basic provisions of various directives regulating e-commerce and consumer rights in relation to failure to display full contact details, while additional costs and restrictions on services offered via CTs (see above)

Elements enhancing the consumer experience

Comprehensiveness

MSDCT Recommendation	Study Findings/Conclusions
<ul style="list-style-type: none"> ○ Reference Price. CTs should offer a reference price which will offer a 'benchmark' value to consumers ○ Average Price. CTs should offer an average price over a time period. 	<ul style="list-style-type: none"> ○ This did not find widespread support within the consultation and appeared to be low down on the list of priorities. Options which did not find favour with respondents were average price, reference price and personalisation of searches, receiving support from between 9 and 13 respondents each out of 42 respondents.
<ul style="list-style-type: none"> ○ Terms of purchase. Terms of purchase should be specified in detail, including delivery time, main contract terms and special clauses etc. 	<ul style="list-style-type: none"> ○ Both the UPCD and the Consumer Rights Directive cover a number of these aspects. ○ Across all markets, 60% of mystery shoppers reported that the terms and conditions for the selected quote were clearly stated.
<ul style="list-style-type: none"> ○ Comparison Parameters. CTs should aim at including multiple evaluation criteria to allow for a comprehensive comparison of products and services. 	<ul style="list-style-type: none"> ○ In order to obtain a list of quotes, almost all mystery shoppers could enter a range of details and a consistently high proportion of initial search results were based on all the criteria entered by the mystery shopper. 74% of mystery shoppers reported that a summary of the search criteria was visible on the page with results.
<ul style="list-style-type: none"> ○ Coverage. CTs should aim at including the broadest possible range of offers to give a representative view of the market. Limitations should be clearly communicated to consumers. 	<ul style="list-style-type: none"> ○ The mystery shopping exercise found that 38% of price comparison websites identified the number of providers compared. 69% of comparison sites did not explain why some suppliers or products might not be included. ○ CTs seldom operate cross-border. Mystery Shopping found that while CTs offering hotel rooms had 96% cross border offers, less than 30% of all the other products were offered cross-border

User-friendliness

MSDCT Recommendation	Study Findings/Conclusions
<ul style="list-style-type: none"> ○ Display and user interface. CTs should employ a user-friendly and simple to use interface. Comparison results should be displayed on a single page if permissible. 	<ul style="list-style-type: none"> ○ Our study found that the vast majority (89%) of CTs communicated in plain language. ○ 87% of comparison tool users agreed that price comparison websites are easy to use; 37% 'strongly' agreed with this statement. ○ Apps need greater development for information provision. Background information for Comparison Tool apps is even less well developed than is the case for CT websites. None of the identified apps displayed market coverage, supplier relationship details or frequency of data updates. Only 1 displayed details on the source of primary revenue.
<ul style="list-style-type: none"> ○ Personalisation. CTs should integrate modifiable settings as well as search, filtering and simulation functions so consumers can satisfy personal preferences. 	<ul style="list-style-type: none"> ○ The mystery shopping exercise found that 69% of CTs offered consumers the opportunity to reorder the initial search results and 66% allowed them to shorten the list by filtering out some of the products.
<ul style="list-style-type: none"> ○ Accessibility. CTs should incorporate features that make them more accessible to the vulnerable, the disabled and the elderly. 	<ul style="list-style-type: none"> ○ 87% of consumers agreed that price comparison websites are easy to use (87%) ○ However, mapping found that only 4% of CT websites and 2% of CT apps had specific references to disabled users.

Awareness raising

MSDCT Recommendation	Study Findings/Conclusions
<ul style="list-style-type: none"> ○ The Commission, Member States, Regulators and Consumer organisations should work together to raise awareness on the existence and functioning of CTs so consumers can use them with confidence. 	<ul style="list-style-type: none"> ○ At least 14 European legal instruments have an impact on the consumer rights in relation to Comparison Tools; however the multiplicity of instruments may mean that both consumers and CT operators are unaware of their rights and obligations. ○ Most of the consumer law instruments relevant to CTs contain distinct provisions concerning enforcement, set up adequate mechanisms for enforcement by public regulators or before judicial authorities. ○ In addition, for instance the UCP Directive also encourages self-regulation through codes of conduct which may contain internal monitoring and enforcement mechanisms (Article 10).

Enhanced enforcement coordination

MSDCT Recommendation	Study Findings/Conclusions
<ul style="list-style-type: none"> ○ The Commission and Member States should work together to ensure effective enforcement of consumer protection legislation in the field of CTs. 	<ul style="list-style-type: none"> ○ Most of the consumer law instruments relevant to CTs contain distinct provisions concerning enforcement, obliging Member States to set up adequate mechanisms for enforcement by public regulators or before judicial authorities. ○ The Consumer Protection Cooperation (CPC) regulation, lays down the general conditions and a framework for cooperation between national enforcement authorities. It covers situations when the collective interests of consumers are at stake and allows authorities to stop breaches of consumer rules when the trader and the consumer are established in different countries. It can therefore be a useful tool to activate in relation to comparison tools. ○ In addition, for instance the UCP Directive also encourages self-regulation through codes of conduct which may contain internal monitoring and enforcement mechanisms (Article 10). ○ The CT market is sufficiently well developed and populated to justify its own representative body

8.2 Overall study recommendations

In reaching our overall study recommendations we have tried to strike a balance between consumer welfare without excessive burden on the comparison tool sector.

What we have found in many cases is that shortfalls in the CT market relating to the lack of transparency can be rectified with simple information provision, which for the most part is cheap and easy to implement. While we give our specific recommendations at the end of this section, basic examples include transparency on the business model (and coverage where reasonable to establish), contact details, details of accreditation, terms and conditions applicable in transactions as well as consumer rights, methodologies for rankings or calculations, clear indication of when a link is an advert on search engines and frequency of data updates. The provision of some of this information is even compulsory under the existing legislation. All of these can be explained on a single page of a website at negligible cost to a CT. The best area to share such information would be in an intuitive area of the website where consumers will look for background information (e.g. pages under headings such as 'About us', 'How we work', 'FAQs', 'Important information' etc.). Additionally, it must be clear to the consumers on which criteria the default search results is based. The indication of sponsored links on a search engine should be clearly shown by using a different colour and a heading indicating ads.

There are also areas which will require more investment by the industry. Beyond transparency on their business model, comparison tools need to ensure that the results they are displaying are impartial. Fake consumer reviews are also widely recognised as one of the most market distorting issues in the overall ecommerce sector, but are particularly important for CTs to deal with as reviews (as well as popularity ratings) are a major ranking criteria, and influence consumer choice of products. Commercial solutions such as those mentioned in this study are available, or CTs can alternatively implement their own review moderation and quality control methods if they prefer. Improving the accessibility of CTs to the disabled is not a legal requirement or an area which may bring commercial return, but is an important aspect of ethical development for CTs, and therefore also appropriate for serious consideration. CT operators must also invest in appraising themselves of their various obligations under the existing framework of EU directives and national legislation so that they can put their activity in line with the legislation.

Both the cost and success of these endeavours would be greatly improved if the CT sector were to establish a common voice via their own trade association. CT operators have not been a strong voice in this study, primarily due to the fact that the market is highly fragmented, with most CTs based or focussed within a single national market. Although they were the largest stakeholder group to respond to the consultation, they were also reluctant to engage with important aspects, such as proposals for Third-Party Verification. However, those CTs that did respond to this area were generally positive.

There are well over 1000 Comparison Tools in the European market, and many more globally, all developing specific tools and services for consumer use and in effect, constituting a coherent market sector of their own. If the industry established its own representative body this would assist in policy development at the EU level, as well as the organic dissemination of best practices and industry standards that will benefit consumers. Such a body would provide constructive input in relation to implementation to existing legislation. There is also the potential for such an association to foster additional best practices in the CT sector, such as the implementation of basic levels of accessibility solutions for disabled and/or disadvantaged consumers.

In addition to providing input, such an association of CTs could also potentially design and operate Third Party Verification schemes, preferably in cooperation with other stakeholders.

There are also important roles to be undertaken in the overall governance effort. Enhancing common understanding and cooperation, as well as practical enforcement, are areas of improvement which can be undertaken by the European Commission and individual Member States. For example, consumer protection legal instruments governing the CT sector are quite complex with at least 16 different EU legal instruments to be taken into account, and it stands to reason that both consumers and Comparison Tool operators are unlikely to be fully familiar with their respective rights and obligations. On the commercial side, this is likely to be compounded by the absence of a specific industry body which is positioned to give guidance to the sector on an ongoing basis. The European Commission can take a lead in this area via communicating – whether officially or unofficially – the appropriate interpretation and compliance requirements to national regulators, consumer groups and industry actors.

Member States must also follow up with visible enforcement measures, including supporting and encouraging Third Party Verification schemes and awareness campaigns (whether administrated by a regulatory, consumer or industry body) and also legal enforcement of specific directives. A coordinated enforcement action at EU level (for instance EU-wide “sweeps”) would for instance raise awareness among CT operators of their legal obligations and bring their practices in line with the legislation.

Despite there being a low number of Third-Party Verification schemes for the CT sector, they appear to be complementary to some extent. The UK has implemented three accreditation schemes in energy, communications and rail markets, while Belgium and Ireland have introduced schemes in energy, Italy in communications and France in the general area of price comparison. Cumulatively these schemes represent a battery of ‘off-the-shelf’ approaches which can be used in other member states. Working towards a standard European approach to verification schemes (even if administrated at member state level) would be preferable as the audits and spot checks can be outsourced to the private sector and should be possible to do on a cross border basis, while Comparison Tools that operate cross border would be spared the cost of multiple audits. This approach would be within the spirit of enhancing the single market, as well as being in line with the majority of stakeholder opinions in this regard. It would also be in line with initiatives by EMOTA and e-commerce Europe who are in the phase of developing a pan-European trustmark for e-commerce websites. It is also important to underline the role of comparison tools directly operated by national regulators which can serve as benchmarks for the other operators.

An awareness campaign conducted across the EU would go some way to assist consumers to better understand their rights in relation to Comparison Tools, as well as informing them of the dynamics of the Comparison Tool sector. This would also assist consumers to make informed choices regarding their use of CTs and; and, help to make consumers more aware of the legal requirements on CTs. In addition, it would provide consumers with the knowledge of Comparison Tool key practices which can influence consumer choice. That is, ranking methods, use of accreditation schemes, reviews and star ratings, and sponsored links.

Below we set out the specific recommendations which we believe are appropriate to improve the CT sector for consumers.

Recommendations for comparison tools

Based on the findings of this study, the following list of recommendations for comparison tools has been drawn up. These recommendations encompass criteria that comparison tools should respect to improve their transparency, reliability and user-friendliness towards consumers. The recommendations are intended for all CT operators regardless of technology, platform or primary business model (e.g. including search engines, multi-trader platforms, and apps as well as traditional CT websites).

Transparency and impartiality:

1. *Transparency about the business model:* CTs should be transparent about their business and financing models, including owners, shareholders and relationship with manufacturers, sellers or providers of the goods and services featured
2. *Impartiality of the comparisons:* Comparison should be impartial and not be affected by any contractual relationship with the sellers, manufacturers or providers. Where links are sponsored this should be clearly indicated to the consumer.
3. *Sourcing of the data:* CTs should clearly explain the way in which they source data as well as the frequency with which it is updated. The time of the last update should be specified.
4. *Criteria for ranking:* Criteria used for the rankings should be clearly and prominently indicated, as well as, where relevant, any specific methodology used.
5. *Information on coverage:* Where realistic and practical, CTs should specify the coverage of the comparison in terms of sectors, number of sellers and geographical scope, particularly in the case of markets such as energy and communications which are often highly concentrated. However, this may not be practical for CTs who sell goods which are widely available or in highly diverse markets.
6. *Authenticity of user reviews and user ratings:* CTs should take measures to ensure the authenticity of user reviews and ratings, and disclose the methodology used. Sellers should have the possibility to react to reviews and authors should be asked their consent before any review which does not violate the law or the CT terms of use is removed.
7. *Distinction of advertising:* Any form of advertising should be explicitly marked as such and separated visually from the results. This includes sponsored user reviews and paid-for ranking.
8. *Affiliation to verification schemes:* CTs which are members of schemes should declare the affiliation and display a logo, including a link to conditions of membership

Type, quality and display of the information:

9. *Relevance of the information:* Information provided by CTs should be relevant for assessing and comparing offers from a consumer perspective. It should be written in simple language, avoiding complex legal and technical terms. This information should be layered.

10. *Comparability*: CTs should display the same information in a uniform manner to ensure comparability. When the products or services are not identical, differences in their characteristics should be clearly mentioned.
11. *Accuracy of the information*: CTs should ensure that the information displayed is exact, and that data is updated frequently and that errors are rectified immediately, to the extent possible.
12. *Information on prices*: CTs should publish the full and final purchase price including any applicable charges, taxes etc. in accordance with existing legal obligations – and where such obligations do not apply, to the extent possible. Full prices, particularly those which may enter into force for services after any discounts, should also be clearly stated with full prominence.
13. *Terms of purchase*: Main terms of purchase should be specified, including availability, delivery time, main contract terms and special clauses etc.
14. *Personalisation of the comparison*: CTs should always give the consumers the option to switch to view a ranking of offers in order of ascending price if this is not the default ranking. CTs should aim at including multiple evaluation criteria to allow for a comprehensive comparison of products and services. They should integrate modifiable settings as well as search, filtering and simulation functions so consumers can satisfy personal preferences.
15. *User-friendliness*: CTs should strive to employ a user-friendly and simple to use interface. Comparison results should be displayed on a single page if permissible.
16. *Accessibility to the most vulnerable*: CTs should incorporate features that make them more accessible to the vulnerable, the disabled and the elderly, for instance by following existing international guidelines or standards on accessibility.

Compliance and redress:

17. *Display of contact details*: CTs should display contact details for consumers, including telephone number, address and email.
18. *Compliance with existing legislation*: CTs should comply with existing consumer protection legislation, including those specific to the sectors they cover, as well as data protection legislation.
19. *Complaint handling*: CTs should have a complaint handling policy in place.
20. *Access to redress mechanisms*: CTs should provide consumers with information on available redress mechanisms.

Recommendations for the Commission and Member State Authorities

The following recommendations concern the creation of sustainable enforcement framework across the EU.

Enforcement of existing legislation

21. An increase in coordinated enforcement of the relevant pieces of legislation on CTs, both at national and EU level, is required. This recommendation is also relevant in relation to the broader e-commerce issues highlighted in the study as they can already be covered by existing legislation (CRD, UCPD, E-commerce Directive etc.). To achieve a sustainable impact the objective of more and better enforcement, the issues pertaining to comparison tools should be put on the radar of enforcers, complaints of consumers should be collected, and “sweeps” (including at EU level in a coordinated way) on comparison tools should be undertaken.
22. To facilitate enforcement of existing legislation as well as fairness in application, the Commission should communicate how the existing legislation applies to CTs. The focus should notably be on:
 - The Guidance on the Unfair Commercial Practices Directive (one of the most relevant directives for CTs) which should be updated in particular in relation to comparison tools.
 - The application of other instruments may also need to be clarified (for instance the Consumer Rights Directive, the E-commerce Directive in relation the liability of intermediaries/platforms, as well as other sector-specific legislation).
23. To complement the existing legislative framework and highlight best practices, other guidance as necessary should be developed at EU level regarding CTs based on the criteria listed in our first set of recommendations to the CT sector. This guidance should be developed on a round-table basis, involving all stakeholders including the CT industry.

Promoting adoption of best practices

In order to support the adoption of best practices in the CT sector, and to avoid excessive reliance on more formal enforcement measures, the following recommendations can be considered:

24. Co-regulation, facilitated by the European Commission, between the CT sector, consumer organisations, retailers, manufacturers and enforcers to develop a memorandum of understanding (MoU) or a Code of Conduct which formally develops, enshrines and adopts best practices in the CT sector.
25. Development of verification schemes and benchmarks for CTs based on the above MoU or Code of Conduct:
 - On a voluntary basis at EU level for specific sectors (be it e-commerce of goods, services or travel) CT operators should agree to develop EU-wide verification schemes, drawing on agreed best practices and in particular dovetailing with the work

of organisations currently involved in similar pan-European initiatives (such as EMOTA and e-commerce Europe).

- This verification approach should also recognise the value of schemes that already exist at national level. All stakeholders should work together to see that such schemes and new initiatives develop in line with the recommendations in the report and any action developed at EU level. The verification approach should also remain abreast of any parallel initiatives which occur in key sectors. This includes the provisions in the proposed Telecom Single Market regulation as well as the recently adopted Payment Accounts Directive¹⁹⁴ which concern comparison tools for the communications and financial services markets.
- Where public authorities decide to establish their own CTs (whether to catalyse competition in a market or to serve as a benchmark), these CTs should be at the forefront of best practices adoption and promotion.

Involvement of the CT sector in discussions at EU level

Recognising that Comparison Tool operators have yet to establish a common voice for their industry, we recommend that:

26. The private CT industry should organise itself at EU level in order to fully engage with stakeholders and policy makers and work with these groups to shape the standards for the CT industry as well as assist in their refinement and adoption. The European Commission, working with national regulators, could assist in starting this process.
27. The CT representative group, so formed, begin immediately to work with stakeholders (e.g. consumer organisations, regulators, private operators, industry associations and the European Commission) in any follow-up to the MSDCT and/or co-regulation activities.

Awareness-raising

To assist consumers to have the best possible experience with CTs, we propose the following:

28. An awareness raising campaign on CTs should be conducted to inform consumers of how to best engage with CTs, what they should understand and what rights they have in relation to their transactions with CTs. It would be highly beneficial to highlight in this campaign who consumers should contact if they have a grievance in relation to CTs. Consumer Groups, Regulators, Trade Associations and CTs should be involved in this campaign, and feedback from the campaign should be used to guide future policy in relation to CTs.
29. The same awareness campaign can also be used to inform CTs of their legal obligations, as well as best practices for their sector.

¹⁹⁴ See respectively COM(2013) 627 final and Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features

Related issues worthy of further investigation:

In addition to the above recommendations, we also draw attention to the below issues which we believe merit further study:

30. Personalised pricing should be subject to further study. Although low evidence was found that personalised pricing was employed frequently in the CT sector, the technology to employ personalised pricing exists and it is not always easy to detect when personalised pricing is actually occurring.
31. Consider studying the structural and other barriers which impede cross-border activity in the CT market, given the value and dynamic competition that the sector offers to the spectrum of goods and services markets across the EU.
32. We noted that many respondents to the consumer survey referred to social media, blogs and other 'non-traditional' intermediaries prior to making an upcoming purchase. We believe this non-standard sector is also appropriate for further research to fully comprehend the extent to which these non-traditional sources may influence consumer purchasing.
33. We noted with interest the apparent re-use of CT 'engines' in the energy sector. This suggests that a common methodology dealing with consumption calculation may be appropriate to the certain sectors. There is alternatively an open question on whether such methodologies for calculation could be skewed in order to favour certain suppliers. We believe this subject merits further investigation, particularly whether a common methodology can be established for the EU market in certain sectors.

Annex 1 Consumer survey - Sample profile

AUSTRIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	425	53%	426	53%
Woman	375	47%	376	47%
AGE				
18-24	149	19%	149	19%
25-34	170	21%	170	21%
35-44	172	22%	172	21%
45-54	173	22%	173	22%
55-65	91	11%	91	11%
65+	45	6%	47	6%
REGION				
Ostösterreich	355	44%	355	44%
Südösterreich	158	20%	158	20%
Westösterreich	287	36%	289	36%
Total	800	100%	802	100%

BELGIUM				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	414	52%	391	49%
Woman	386	48%	409	51%
AGE				
18-24	142	18%	140	18%
25-34	166	21%	166	21%
35-44	168	21%	165	21%
45-54	164	21%	166	21%
55+	113	14%	116	15%
65+	47	6%	47	6%
REGION				
Center (Bruxelles)	82	10%	80	10%
North (Flandre)	473	59%	479	60%
South (Wallonie)	245	31%	241	30%
Total	800	100%	800	100%

BULGARIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	400	50%	404	50%
Woman	400	50%	396	49%
AGE				
18-24	175	22%	174	22%
25-34	204	26%	205	26%
35-44	199	25%	199	25%
45-54	128	16%	128	16%
55+	94	12%	94	12%
REGION				
Severozapaden	80	10%	75	9%
Severen tsentralen	88	11%	87	11%
Severoiztochen	80	10%	112	14%
Yugoiztochen	112	14%	136	17%
Yugozapaden	296	37%	269	34%
Yuzhen tsentralen	144	18%	121	15%
Total	800	100%	800	100%

CROATIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	271	54%	270	54%
Woman	229	46%	230	46%
AGE				
18-24	115	23%	110	22%
25-34	137	27%	138	28%
35-44	110	22%	112	22%
45-54	85	17%	85	17%
55+	53	11%	55	11%
REGION				
Sjeverozapadna Hrvatska	153	31%	153	31%
Sredisnja i Istocna (Panonska) Hrvatska	166	33%	167	33%
Jadranska Hrvatska	181	36%	180	36%
Total	500	100%	500	100%

CYPRUS				
Quota on gender and age defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012). Quota on region based on offline population 18+ as no statistics available on Eurostat.				
Description	Quota		Achieved	
GENDER				
Man	253	51%	253	50%
Woman	247	49%	248	50%
AGE				
18-24	140	28%	139	28%
25-34	144	29%	144	29%
35-44	103	21%	104	21%
45-54	69	14%	69	14%
55-64	31	6%	32	6%
65+	13	3%	13	3%
REGION				
Nicosia	194	39%	194	39%
Limassol	140	28%	142	28%
Larnaca	86	17%	86	17%
Paphos	53	11%	52	10%
Famagusta	28	6%	27	5%
Total	500	100%	501	100%

CZECH REPUBLIC				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	410	51%	419	52%
Woman	390	49%	394	48%
AGE				
18-24	148	19%	149	18%
25-34	196	24%	200	25%
35-44	188	23%	188	23%
45-54	137	17%	142	17%
55+	131	16%	134	16%
REGION				
Center	209	26%	213	26%
South-West	88	11%	88	11%
North-West	79	10%	78	10%
North-East	120	15%	124	15%
South-East	127	16%	133	16%
East	177	22%	177	22%
Total	800	100%	813	100%

DENMARK				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
Description	Targeted		Achieved	
GENDER				
Man	254	51%	259	50%
Woman	246	49%	262	50%
AGE				
18-24	86	17%	101	19%
25-34	87	17%	94	18%
35-44	101	20%	93	18%
45-54	99	20%	107	21%
55-64	79	16%	79	15%
65+	47	9%	47	9%
REGION				
Jylland	166	33%	169	32%
Syddanmark	104	21%	111	21%
København	159	32%	169	32%
Sjælland	71	14%	72	14%
Total	500	100%	521	100%

ESTONIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012). Quota on region based on offline population 18+ as no statistics available on Eurostat.				
Description	Quota		Achieved	
GENDER				
Man	237	47%	236	47%
Woman	263	53%	264	53%
AGE				
18-24	102	20%	103	21%
25-34	125	25%	126	25%
35-44	107	21%	107	21%
45-54	88	18%	88	18%
55-64	59	12%	57	11%
65+	19	4%	19	4%
REGION				
Põhja-Eesti	238	48%	194	39%
Lääne-Eesti	56	11%	68	14%
Kirde-Eesti	58	12%	31	6%
Lõuna-Eesti	111	22%	148	30%
Kesk-Eesti	37	7%	59	12%
Total	500	100%	500	100%

FINLAND				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	250	50%	250	50%
Woman	250	50%	253	50%
AGE				
18-24	84	17%	85	17%
25-34	97	19%	98	19%
35-44	91	18%	94	19%
45-54	99	20%	99	20%
55-64	87	17%	85	17%
65+	42	8%	42	8%
REGION				
Etelä-Suomi, Åland	259	52%	261	52%
Itä-Suomi	58	12%	58	12%
Länsi-Suomi	124	25%	124	25%
Pohjois-Suomi	59	12%	60	12%
Total	500	100%	503	100%

FRANCE				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
Man	500	50%	506	51%
Woman	500	50%	494	49%
AGE				
18-24	193	19%	193	19%
25-34	203	20%	206	21%
35-44	207	21%	209	21%
45-54	192	19%	194	19%
55-64	146	15%	147	15%
65+	59	6%	51	5%
REGION				
Bassin Parisien	157	16%	157	16%
Est	86	9%	86	9%
Méditerranée	124	12%	123	12%
Nord - Pas-de-Calais	61	6%	60	6%
Ouest	127	13%	127	13%
Île de France	209	21%	212	21%
Centre-Est	119	12%	122	12%
Sud-Ouest	117	12%	113	11%
Total	1000	100%	1000	100%

GERMANY				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
Man	526	53%	487	49%
Woman	474	47%	515	51%
AGE				
18-24	164	16%	166	17%
25-34	194	19%	189	19%
35-44	208	21%	208	21%
45-54	225	23%	227	23%
55-64	137	14%	140	14%
65+	72	7%	72	7%
REGION				
Region (1) I	165	16%	161	16%
Region (2) II	223	22%	225	22%
Region (3) IIIa	139	14%	139	14%
Region (4) IIIb	128	13%	133	13%
Region (5) IV	156	16%	153	15%
Region (6) V(a&b)	44	4%	43	4%
Region (7) VI	72	7%	72	7%
Region (8) VII	73	7%	76	8%
Total	1000	100%	1002	100%

GREECE				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
Man	416	52%	419	51%
Woman	384	48%	397	49%
AGE				
18-24	172	21%	172	21%
25-34	226	28%	237	29%
35-44	211	26%	215	26%
45+	191	24%	192	24%
REGION				
Kentriki Ellada	136	17%	132	16%
Voreia Ellada	240	30%	236	29%
Nisia Aigaiou, Kriti	72	9%	69	8%
Attica	352	44%	379	46%
Total	800	100%	816	100%

HUNGARY				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	395	49%	396	50%
Woman	405	51%	404	51%
AGE				
18-24	153	19%	153	19%
25-34	194	24%	197	25%
35-44	185	23%	186	23%
45-54	132	16%	132	17%
55+	135	17%	132	17%
REGION				
Central Hungary	273	34%	278	35%
Transdanubia	236	30%	237	30%
North and The Great Plain	291	36%	285	36%
Total	800	100%	803	100%

ICELAND				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	254	51%	254	51%
Woman	246	49%	247	49%
AGE				
18-24	98	20%	96	19%
25-34	101	20%	101	20%
35-44	95	19%	97	19%
45-54	96	19%	96	19%
55+	110	22%	111	22%
Total	500	100%	501	100%

IRELAND				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	247	49%	247	49%
Woman	253	51%	253	51%
AGE				
18-24	93	19%	90	18%
25-34	135	27%	135	27%
35-44	120	24%	114	23%
45-54	84	17%	84	17%
55+	68	14%	77	15%
REGION				
Border, Midland and Western	123	25%	123	25%
Southern and Eastern	377	75%	377	75%
Total	500	100%	500	100%

ITALY				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	543	54%	557	56%
Woman	457	46%	444	44%
AGE				
18-24	187	19%	179	18%
25-34	227	23%	232	23%
35-44	248	25%	250	25%
45-54	198	20%	199	20%
55-65	104	10%	105	10%
65+	37	4%	36	4%
REGION				
Nord-Ovest	290	29%	284	28%
Nord-Est	206	21%	212	21%
Centro (I)	210	21%	217	22%
Sud	193	19%	194	19%
Isole	92	9%	94	9%
Total	1000	100%	1001	100%

LATVIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012). Quota on region based on offline population 18+ as no statistics available on Eurostat.				
Description	Quota		Achieved	
Description	Targeted		Achieved	
GENDER				
Man	238	48%	257	47%
Woman	262	52%	289	53%
AGE				
18-24	107	21%	120	22%
25-34	119	24%	136	25%
35-44	110	22%	126	23%
45-54	91	18%	95	17%
55-65	55	11%	51	9%
65+	18	4%	18	3%
REGION				
Kurzeme	67	13%	62	11%
Latgale	70	14%	46	8%
Rīga	165	33%	194	36%
Pierīga	90	18%	113	21%
Vidzeme	50	10%	62	11%
Zemgale	60	12%	69	13%
Total	500	100%	546	100%

LITHUANIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012). Quota on region based on offline population 18+ as no statistics available on Eurostat.				
Description	Quota		Achieved	
GENDER				
Man	234	47%	231	46%
Woman	266	53%	270	54%
AGE				
18-24	127	25%	128	26%
25-34	112	22%	112	22%
35-44	110	22%	110	22%
45-54	96	19%	97	19%
55-65	42	8%	41	8%
65+	13	3%	13	3%
REGION				
Alytaus county	25	5%	19	4%
Kauno county	99	20%	88	18%
Klaipėdos county	56	11%	32	6%
Marijampolės county	26	5%	14	3%
Panevėžio county	39	8%	30	6%
Šiaulių county	48	10%	36	7%
Tauragės county	17	3%	19	4%
Telšių county	24	5%	21	4%
Utenos county	23	5%	24	5%
Vilniaus county	142	28%	218	44%
Total	500	100%	501	100%

LUXEMBOURG				
Quota on gender and age defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012). Quota on region based on offline population 18+ as no statistics available on Eurostat.				
Description	Quota		Achieved	
GENDER				
Man	264	53%	269	53%
Woman	236	47%	242	47%
AGE				
18-24	80	16%	82	16%
25-34	105	21%	105	21%
35-44	113	23%	116	23%
45-54	101	20%	106	21%
55-65	66	13%	66	13%
65+	36	7%	36	7%
REGION				
Sud	187	37%	189	37%
Lux-Ville	60	12%	63	12%
Reste du Centre	76	15%	77	15%
Nord	95	19%	96	19%
Est	81	16%	86	17%
Total	500	100%	511	100%

MALTA				
Quota on gender and age defined on internet users in the past 3 months on population aged 16-74 (National Statistics Office – Malta, 2012).				
Description	Quota		Achieved	
GENDER				
Man	259	52%	258	52%
Woman	242	48%	242	48%
AGE				
18-24	113	23%	109	22%
25-34	121	24%	114	23%
35-44	105	21%	105	21%
45-54	82	16%	82	16%
55-65	54	11%	54	11%
65+	26	5%	36	7%
REGION				
Southern Harbour	95	19%	96	19%
Northern Harbour	156	31%	156	31%
South Eastern	72	14%	72	14%
Western	71	14%	71	14%
Northern	75	15%	75	15%
Gozo & Comino	31	6%	30	6%
Total	500	100%	500	100%

NETHERLANDS				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
Man	408	51%	408	51%
Woman	392	49%	392	49%
AGE				
18-24	131	16%	128	16%
25-34	141	18%	141	18%
35-44	162	20%	162	20%
45-54	167	21%	169	21%
55-65	127	16%	128	16%
65+	72	9%	72	9%
REGION				
North & East & Center	248	31%	246	31%
West	382	48%	383	48%
South	170	21%	171	21%
Total	800	100%	800	100%

NORWAY				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	259	52%	269	52%
Woman	241	48%	247	48%
AGE				
18-24	87	17%	90	17%
25-34	95	19%	97	19%
35-44	106	21%	108	21%
45-54	94	19%	99	19%
55+	118	24%	122	24%
REGION				
Nord-Norge, Trøndelag	93	19%	99	19%
Sør-Østlandet	94	19%	97	19%
Oslo, Akershus, Hedmark og Oppland	157	31%	165	32%
Agder og Rogaland	71	14%	69	13%
Vestlandet	85	17%	86	17%
Total	500	100%	516	100%

POLAND				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	500	50%	500	50%
Woman	500	50%	502	50%
AGE				
18-24	237	24%	237	24%
25-34	300	30%	298	30%
35-44	214	21%	215	21%
45-54	142	14%	143	14%
55-65	87	9%	88	9%
65+	21	2%	21	2%
REGION				
Central Region	214	21%	216	22%
Southern Region	211	21%	213	21%
Eastern Region	154	15%	153	15%
North-west Region	162	16%	161	16%
South-West Region	110	11%	111	11%
North Region	148	15%	148	15%
Total	1000	100%	1002	100%

PORTUGAL				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	415	52%	414	52%
Woman	385	48%	386	48%
AGE				
18-24	174	22%	172	22%
25-34	209	26%	209	26%
35-44	194	24%	194	24%
45-54	125	16%	126	16%
55+	98	12%	99	12%
REGION				
Continente	765	96%	768	96%
Região Autónoma dos Açores	17	2%	17	2%
Região Autónoma da Madeira	18	2%	15	2%
Total	800	100%	800	100%

ROMANIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	508	51%	508	51%
Woman	492	49%	490	49%
AGE				
18-24	267	27%	259	26%
25-34	281	28%	285	29%
35-44	243	24%	243	24%
45-55	129	13%	131	13%
55+	80	8%	80	8%
REGION				
Macroregiunea unu	229	23%	229	23%
Macroregiunea doi	279	28%	281	28%
Macroregiunea trei	299	30%	299	30%
Macroregiunea patru	193	19%	189	19%
Total	1000	100%	998	100%

SLOVAKIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	255	51%	253	51%
Woman	245	49%	247	49%
AGE				
18-24	104	21%	102	20%
25-34	131	26%	131	26%
35-44	109	22%	110	22%
45-54	90	18%	90	18%
55-65	52	10%	53	11%
65+	14	3%	14	3%
REGION				
Bratislavský kraj	64	13%	64	13%
Západné Slovensko	174	35%	172	34%
Stredné Slovensko	121	24%	122	24%
Východné Slovensko	141	28%	142	28%
Total	500	100%	500	100%

SLOVENIA				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	264	53%	250	50%
Woman	236	47%	254	50%
AGE				
18-24	97	19%	100	20%
25-34	131	26%	125	25%
35-44	118	24%	121	24%
45-54	91	18%	94	19%
55-65	50	10%	51	10%
65+	13	3%	13	3%
REGION				
Vzhodna Slovenija	265	53%	279	55%
Zahodna Slovenija	235	47%	225	45%
Total	500	100%	504	100%

SPAIN				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	524	52%	525	53%
Woman	476	48%	475	48%
AGE				
18-24	177	18%	177	18%
25-34	252	25%	251	25%
35-44	270	27%	270	27%
45-54	184	18%	185	19%
55-65	90	9%	90	9%
65+	27	3%	27	3%
REGION				
North	185	19%	189	19%
Center & West	271	27%	271	27%
East	297	30%	292	29%
South	247	25%	248	25%
Total	1000	100%	1000	100%

SWEDEN				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
GENDER				
Man	414	52%	424	53%
Woman	386	48%	378	47%
AGE				
18-24	144	18%	139	17%
25-34	141	18%	141	18%
35-44	156	19%	157	20%
45-54	149	19%	152	19%
55-65	127	16%	130	16%
65+	83	10%	83	10%
REGION				
Norrland	73	9%	75	9%
Mellansverige	204	25%	207	26%
Stockholm	182	23%	183	23%
Västsverige	155	19%	154	19%
Södra Sverige	186	23%	183	23%
Total	800	100%	802	100%

UNITED KINGDOM				
Quota defined on internet users in the past 3 months on population aged 16-74 (Eurostat 2012).				
Description	Quota		Achieved	
Man	499	50%	504	49%
Woman	501	50%	517	51%
AGE				
18-24	184	18%	185	18%
25-34	208	21%	210	21%
35-44	205	20%	208	20%
45-54	184	18%	193	19%
55-64	138	14%	143	14%
65+	81	8%	82	8%
REGION				
NORTH & YORKSHIRE	117	12%	122	12%
NORTH WEST	112	11%	114	11%
MIDLANDS	158	16%	151	15%
SOUTH WEST & WALES	133	13%	140	14%
SOUTH EAST & ANGLIA	235	24%	240	24%
LONDON	135	14%	138	14%
SCOTLAND	83	8%	88	9%
NORTHERN IRELAND	28	3%	28	3%
Total	1000	100%	1021	100%

Annex 2 Behavioural experiment

A2.1 Experiment 1

A2.1.1 Electricity sector

Base counts

A summary of the number of times that links with and without review information, with 4 or 5 stars, and with 100 or 500 reviews, were shown to participants in each position is given in the table below. This table illustrates that links of different types were relatively evenly spread across each position.

Table 112: Frequency that links were shown to participants, electricity sector

Link position (a)	Total (b)	Without review (c)	With review				
			(d)	(e)	(f)	(g)	(h)
1 (Ad)	12,126	9,111	3,015	1,511	1,504	1,462	1,553
2 (Ad)	12,126	9,104	3,022	1,513	1,509	1,470	1,552
3 (Ad)	12,126	9,119	3,007	1,498	1,509	1,495	1,512
4	12,126	9,044	3,082	1,542	1,540	1,584	1,498
5	12,126	9,111	3,015	1,504	1,511	1,553	1,462
6	12,126	9,104	3,022	1,509	1,513	1,552	1,470
7	12,126	9,119	3,007	1,509	1,498	1,512	1,495
8	12,126	9,044	3,082	1,540	1,542	1,498	1,584
1 (Ad)	12,126	9,111	3,015	1,511	1,504	1,462	1,553

Frequency that links were chosen

The frequencies that participants chose links in different positions, with and without review information, are shown in the table below. The shares presented in Chapter 2 of the report above are calculated by dividing each value in the table below by the corresponding value in preceding table.

Table 113: Frequency that links were chosen, electricity sector

Link position (a)	Total (b)	Without review (c)	With review				
			Total (d)	5 stars (e)	4 stars (f)	500 reviews (g)	100 reviews (h)
1 (Ad)	2,362	1,532	830	452	378	452	378
2 (Ad)	1,582	933	649	340	309	334	315
3 (Ad)	1,244	654	590	318	272	326	264
4	2,758	1,661	1,097	584	513	589	508
5	1,456	816	640	349	291	375	265
6	1,027	527	500	269	231	271	229
7	837	440	397	223	174	230	167
8	860	518	342	214	128	201	141

Correlations

The correlation matrix presented in the table below illustrates that the various link characteristics are not correlated in the dataset (except where intended in the experiment design), meaning the shares of participants that chose different link types (e.g. with or without a review) may be compared without concern that an observed effect of a given characteristic is in fact due to another (correlated) factor.

Table 114: Correlations between links attributes, electricity sector

	Link position	Ad	Reviews	5 stars	500 reviews
Link position	1				
Advert	-0.85	1			
Reviews	0.00	0.00	1		
5 stars	0.00	0.00	0.65	1	
500 reviews	0.00	-0.01	0.65	0.43	1

Country group-level analysis

Experiment 1 regression analysis for the EU15

Table 115: Results of conditional logit regression of first choice link, electricity sector, EU15 countries

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.347	0.012	-29.84	0.000	-0.370	-0.324
Advert	-1.364	0.080	-16.96	0.000	-1.522	-1.207
Link position* Advert	0.034	0.027	1.24	0.213	-0.020	0.088
Review	0.646	0.038	17.07	0.000	0.571	0.720
5 stars	0.144	0.038	3.81	0.000	0.070	0.217
500 reviews	0.210	0.038	5.56	0.000	0.136	0.284

Table 116: Results of logit regression of first or second choice link, electricity sector, EU15 countries

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.259	0.009	-28.97	0.000	-0.277	-0.242
Advert	-1.507	0.069	-21.69	0.000	-1.643	-1.371
Link position* Advert	0.069	0.023	2.97	0.003	0.023	0.114
Review	0.912	0.033	27.70	0.000	0.848	0.977
5 stars	0.089	0.035	2.53	0.011	0.020	0.158
500 reviews	0.081	0.035	2.30	0.022	0.012	0.150
Constant	0.261	0.053	4.90	0.000	0.156	0.365

Figure 95: Predicted likelihood that a link is chosen, electricity sector, EU15 countries (predicted probabilities from conditional logit regression)

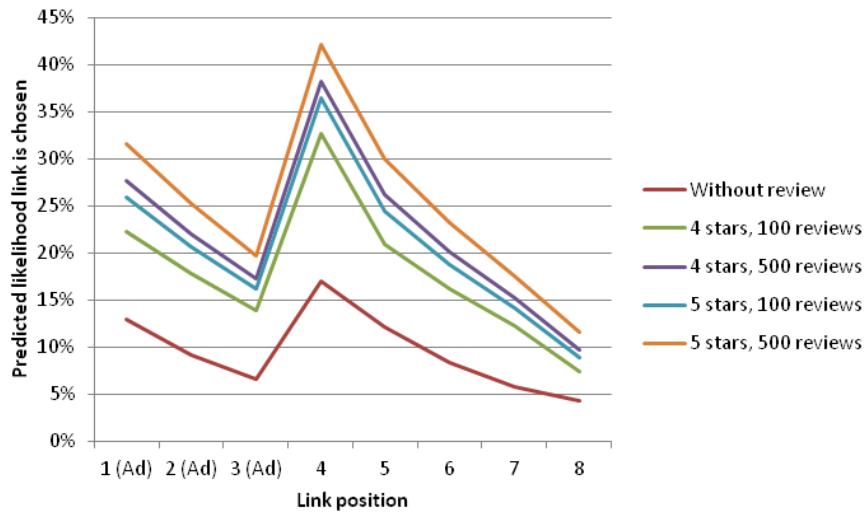
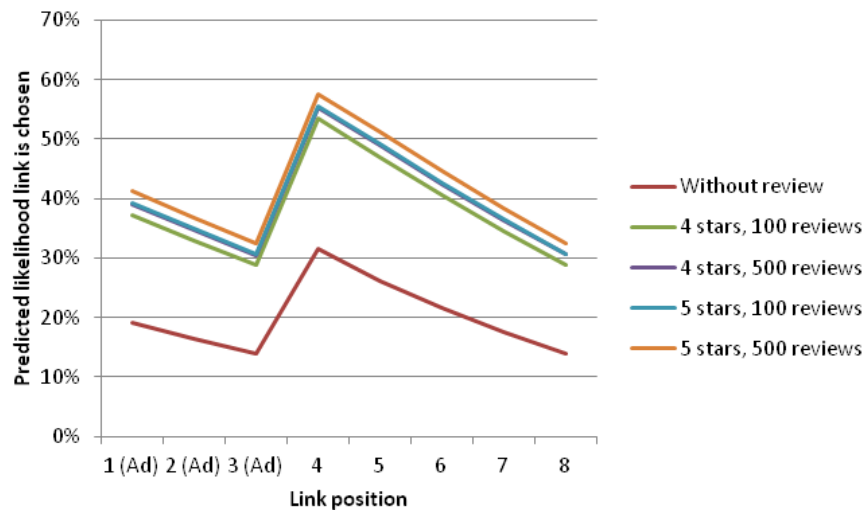


Figure 96: Predicted likelihood that a link is chosen as first or second choice, electricity sector, EU15 countries (Predicted probabilities from logit regression)



Experiment 1 regression analysis for the EU13**Table 117: Results of conditional logit regression of first choice link, electricity sector, EU13 countries**

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.319	0.015	-21.55	0.000	-0.349	-0.290
Advert	-0.591	0.096	-6.18	0.000	-0.779	-0.404
Link position* Advert	-0.062	0.029	-2.11	0.035	-0.119	-0.004
Review	0.455	0.046	9.84	0.000	0.364	0.545
5 stars	0.258	0.046	5.64	0.000	0.168	0.348
500 reviews	0.220	0.046	4.81	0.000	0.130	0.309

Table 118: Results of logit regression of first or second choice link, electricity sector, EU13 countries

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.227	0.011	-21.06	0.000	-0.249	-0.206
Advert	-0.676	0.080	-8.49	0.000	-0.832	-0.520
Link position* Advert	0.008	0.025	0.31	0.753	-0.041	0.057
Review	0.751	0.039	19.49	0.000	0.676	0.827
5 stars	0.098	0.041	2.38	0.017	0.017	0.178
500 reviews	0.086	0.041	2.09	0.036	0.005	0.167
Constant	-0.092	0.064	-1.43	0.151	-0.218	0.034

Figure 97: Predicted likelihood that a link is chosen as first choice, electricity sector, EU13 countries

(Predicted probabilities from conditional logit regression)

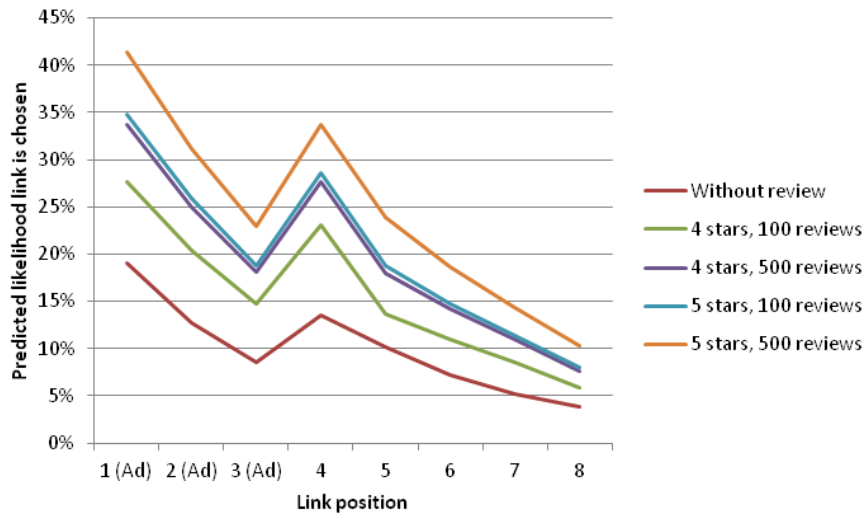
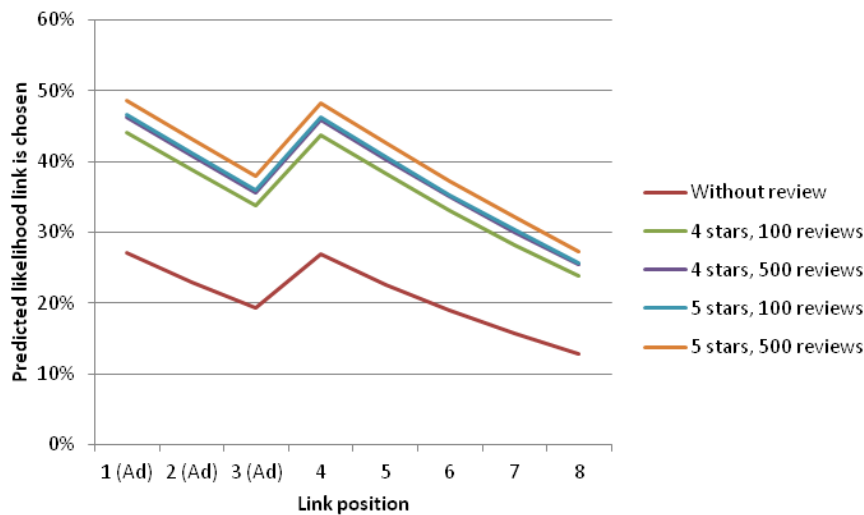


Figure 98: Predicted likelihood that a link is chosen as first or second choice, electricity sector, EU13 countries (Predicted probabilities from logit regression)



A2.1.2 Travel sector

Base counts

A summary of the number of times that links with and without review information, with 4 or 5 stars, and with 100 or 500 reviews, were shown to participants in each position is given in the table below. This table illustrates that links of different types were relatively evenly spread across each position.

Table 119: Frequency that links were shown to participants, hotel sector

Link position (a)	Total (b)	Without review (c)	With review				
			(d)	(e)	(f)	(g)	(h)
1 (Ad)	12,126	9,037	3,089	1,511	1,610	1,655	1,434
2 (Ad)	12,126	9,111	3,015	1,513	1,504	1,529	1,486
3 (Ad)	12,126	9,067	3,059	1,498	1,533	1,540	1,519
4	12,126	9,163	2,963	1,542	1,483	1,430	1,533
5	12,126	9,037	3,089	1,504	1,479	1,434	1,655
6	12,126	9,111	3,015	1,509	1,511	1,486	1,529
7	12,126	9,067	3,059	1,509	1,526	1,519	1,540
8	12,126	9,163	2,963	1,540	1,480	1,533	1,430
1 (Ad)	12,126	9,037	3,089	1,511	1,610	1,655	1,434

Frequency that links were chosen

The frequencies that participants chose links in different positions, with and without review information, are shown in the following table. The shares presented in chapter 2 are calculated by dividing each value in the table below by the corresponding value in preceding table.

Table 120: Frequency that links were chosen, hotel sector

Link position (a)	Total (b)	Without review (c)	With review				
			Total (d)	5 stars (e)	4 stars (f)	500 reviews (g)	100 reviews (h)
1 (Ad)	2,557	1,570	987	534	464	552	435
2 (Ad)	1,686	924	762	437	326	414	348
3 (Ad)	1,376	687	689	384	298	349	340
4	2,376	1,381	995	550	467	507	488
5	1,339	687	652	361	266	331	321
6	1,032	492	540	311	230	308	232
7	892	420	472	263	205	255	217
8	868	464	404	248	165	239	165

Correlations

The correlation matrix presented in table E1_22 illustrates that the various link characteristics are not correlated in the dataset (except where intended in the experiment design), meaning the shares of participants that chose different link types (e.g. with or without a review) may be compared without concern that an observed effect of a given characteristic is in fact due to another (correlated) factor.

Table 121: Correlations between links attributes, hotel sector

	Link position	Ad	Reviews	5 stars	500 reviews
Link position	1				
Advert	-0.85	1			
Reviews	0.00	0.00	1		
5 stars	0.00	0.00	0.65	1	
500 reviews	-0.01	0.01	0.65	0.42	1

Experiment 1 regression analysis for the EU15**Table 122: Results of conditional logit regression of first choice link, hotel sector, EU15 countries**

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.291	0.012	-24.48	0.000	-0.314	-0.267
Advert	-0.807	0.081	-9.99	0.000	-0.966	-0.649
Link position* Advert	-0.053	0.026	-1.99	0.046	-0.104	-0.001
Review	0.780	0.037	20.94	0.000	0.707	0.853
5 stars	0.255	0.036	7.10	0.000	0.185	0.326
500 reviews	0.153	0.036	4.26	0.000	0.083	0.223

Table 123: Results of logit regression of first or second choice link, hotel sector, EU15 countries

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.245	0.009	-26.53	0.000	-0.263	-0.227
Advert	-1.088	0.070	-15.61	0.000	-1.225	-0.951
Link position* Advert	0.039	0.022	1.73	0.084	-0.005	0.083
Review	1.094	0.033	33.23	0.000	1.030	1.159
5 stars	0.162	0.035	4.67	0.000	0.094	0.230
500 reviews	0.042	0.035	1.22	0.223	-0.026	0.110
Constant	0.002	0.055	0.04	0.967	-0.105	0.110

Figure 99: Predicted likelihood that a link is chosen as first choice, hotel sector, EU15 countries
 (Predicted probabilities from conditional logit regression)

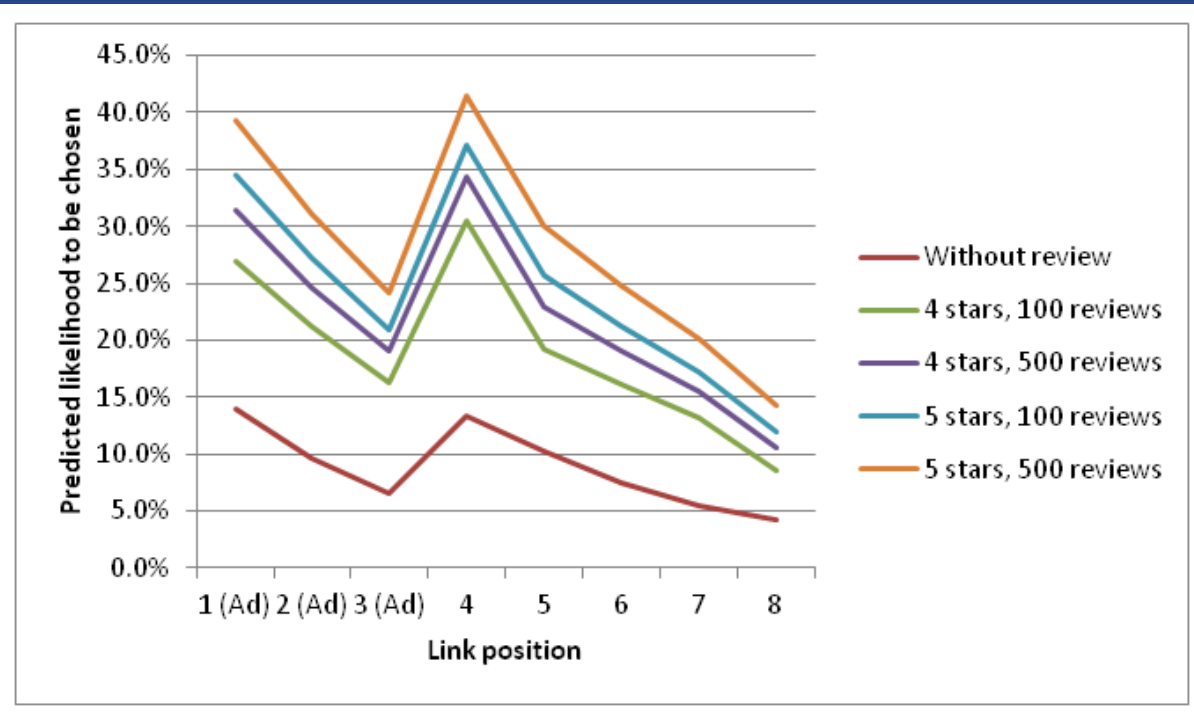
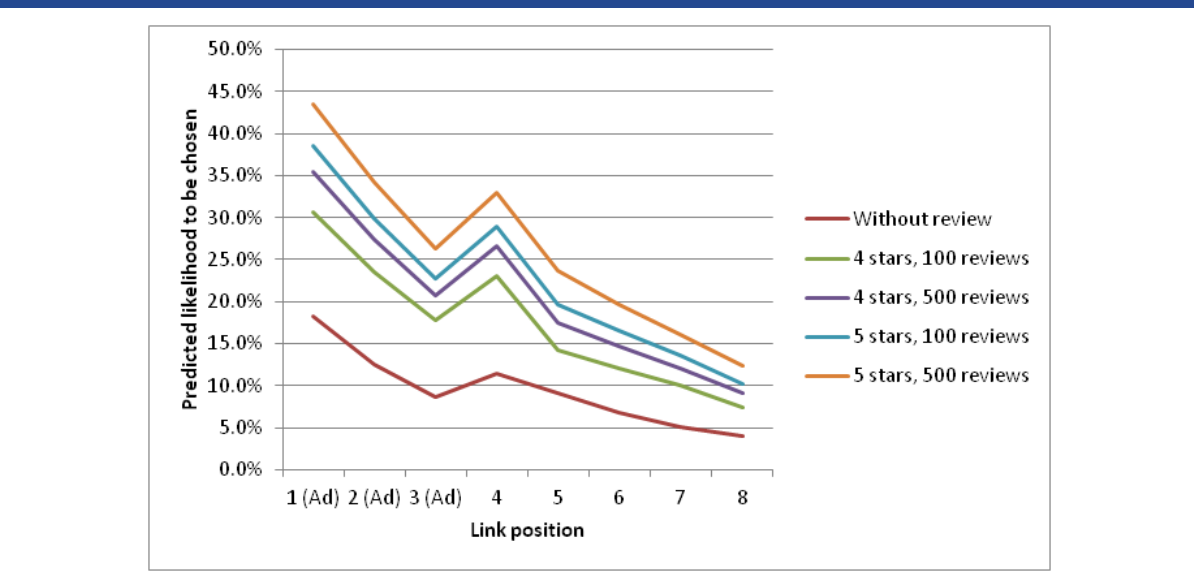


Figure 100: Predicted likelihood that a link is chosen, hotel sector, EU13 countries
 (Predicted probabilities from conditional logit regression)



Experiment 1 regression analysis for the EU13**Table 124: Results of conditional logit regression of first choice link, hotel sector, EU13 countries**

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.265	0.015	-17.89	0.000	-0.294	-0.236
Advert	-0.292	0.097	-3.02	0.003	-0.481	-0.102
Link position* Advert	-0.079	0.029	-2.75	0.006	-0.136	-0.023
Review	0.620	0.044	13.93	0.000	0.532	0.707
5 stars	0.267	0.044	6.08	0.000	0.181	0.353
500 reviews	0.164	0.044	3.75	0.000	0.078	0.250

Table 125: Results of logit regression of first or second choice link, hotel sector, EU13 countries

	Coefficient	Standard Error	z	P> z	[95% Confidence Interval]	
Link position	-0.201	0.011	-18.35	0.000	-0.222	-0.179
Advert	-0.523	0.081	-6.48	0.000	-0.681	-0.365
Link position* Advert	0.026	0.025	1.03	0.305	-0.023	0.074
Review	0.943	0.038	24.75	0.000	0.868	1.018
5 stars	0.154	0.040	3.80	0.000	0.075	0.233
500 reviews	0.058	0.040	1.43	0.152	-0.021	0.137
Constant	-0.350	0.065	-5.34	0.000	-0.478	-0.221

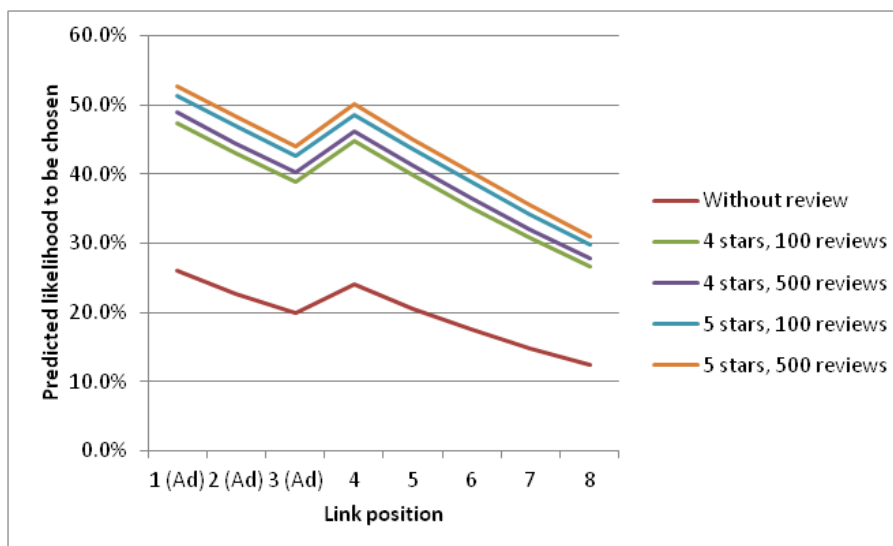
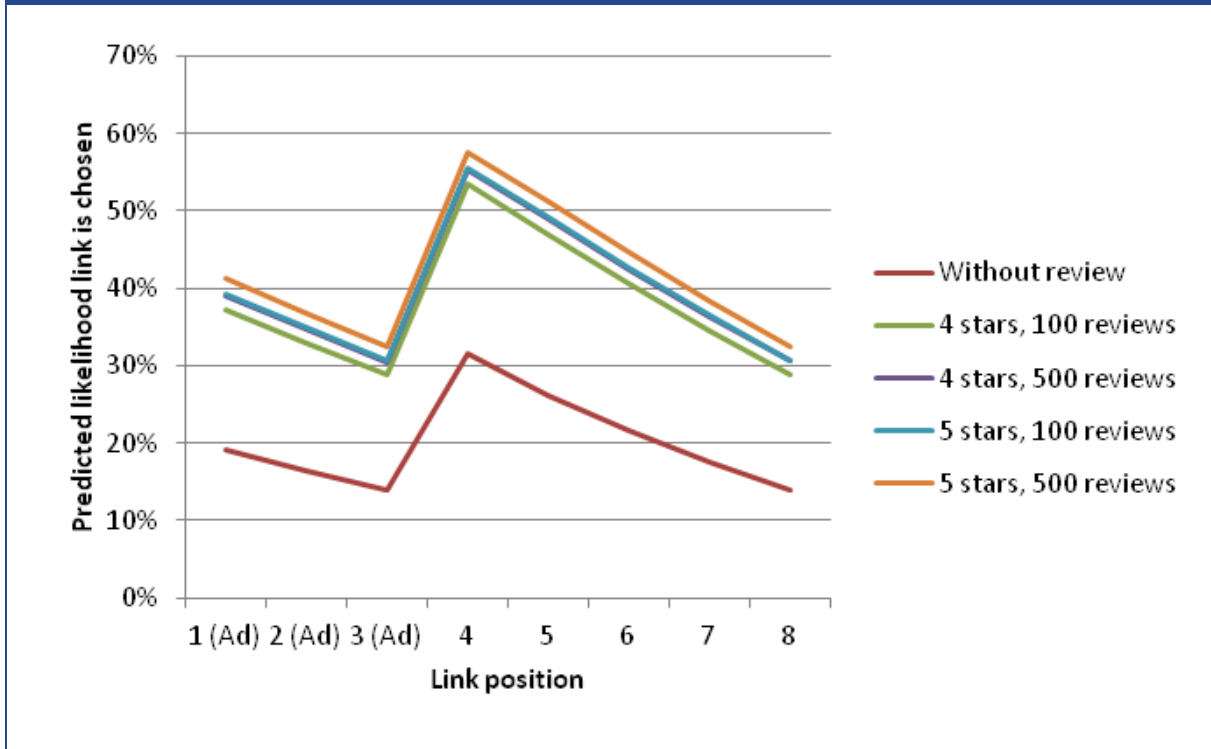
Figure 101: Predicted likelihood that a link is chosen as first or second choice, hotel sector, EU13 countries (Predicted probabilities from logit regression)

Figure 102: Predicted likelihood that a link is chosen as first or second choice, hotel sector, EU13 countries (Predicted probabilities from logit regression)



A2.2 Experiment 2

The table below shows the allocation of respondents across the third party verification combinations in experiment 2.

Table 126: Number of participants to encounter third party verification options, electricity sector

	Public T.P.V.	Consumer T.P.V.	Industry T.P.V.
Light Verification	1,815	1,666	1,667
Heavy Verification	1,997	1,854	1,649

Table 127: Number of participants to encounter third party verification options, hotel sector

	Public T.P.V.	Consumer T.P.V.	Industry T.P.V.
Light Verification	1,678	1,673	1,630
Heavy Verification	1,660	1,855	1,818

A2.3 Experiment 3

The tables below show the allocation of respondents across the different deal sets presented in experiment 3. There was some misallocation of respondents between deal sets, with some sets having a smaller allocation of respondents than planned at design stage. We investigated this issue at preliminary data analysis stage, and concluded that despite this issue the data was fit for purpose for full analysis.

Table 128: Number of participants per sort method/deal set, electricity sector

Deal set	Sort method				
	Annual cost	Customer Service	Rate type	Sustainable Energy	Random
Set 1	516	657	170	310	62
Set 2	568	687	194	353	60
Set 3	591	112	247	356	412
Set 4	616	118	250	401	492

Table 129: Number of participants per sort method/hotel set, travel sector

Deal set	Sort method				
	Annual cost	Customer Service	Rate type	Sustainable Energy	Random
Set 1	73	43	621	607	73
Set 2	561	532	484	475	561
Set 3	209	162	133	110	209
Set 4	420	378	367	323	420

Annex 3 Consumer survey - Tables

Q2. Which products/services have you bought online over the last 12 months? – 1st part (Base: Respondents who bought a product at least once in the last 12 months)

Country	Clothes, shoes and jewellery	Electric and electronic appliances (incl. computer, phone, camera, electrical household appliance)	Music, film, books	Travel (plane tickets, train tickets etc..)	Tickets to cinema, concerts, events
Total EU28	57%	53%	45%	43%	36%
Average EU15	58%	53%	48%	47%	38%
Average EU13	52%	53%	30%	24%	27%
AT	60%	53%	50%	42%	35%
BE	49%	33%	33%	39%	34%
BG	57%	43%	15%	21%	23%
HR	52%	44%	24%	28%	35%
CY	53%	37%	26%	64%	21%
CZ	49%	61%	25%	27%	37%
DK	50%	44%	41%	43%	47%
EE	55%	46%	19%	27%	40%
FI	46%	46%	42%	47%	35%
FR	59%	47%	47%	48%	33%
DE	68%	64%	58%	39%	37%
EL	48%	55%	22%	41%	28%
HU	35%	41%	22%	14%	18%
IS	40%	23%	31%	62%	62%
IE	58%	43%	45%	64%	48%
IT	48%	58%	46%	54%	37%
LV	41%	54%	13%	20%	27%
LT	44%	48%	18%	26%	38%
LU	53%	44%	66%	49%	47%
MT	63%	43%	35%	31%	17%
NL	55%	44%	37%	36%	32%
NO	39%	43%	40%	61%	39%
PL	62%	54%	41%	26%	29%
PT	35%	40%	29%	29%	25%
RO	41%	59%	24%	21%	16%
SK	55%	58%	32%	21%	23%
SI	42%	46%	15%	22%	23%
ES	45%	41%	26%	48%	35%
SE	48%	42%	44%	59%	43%
UK	68%	56%	63%	57%	49%

Q2. Which products/services have you bought online over the last 12 months? – 2nd part <i>(Base: Respondents who bought a product at least once in the last 12 months)</i>					
Country	Hotel rooms	Cosmetics	Electronic communications (landline, mobile, internet)	Children's products/toys	Food and drinks
Total EU28	34%	27%	24%	21%	21%
Average EU15	37%	25%	24%	21%	22%
Average EU13	19%	35%	24%	23%	12%
AT	35%	20%	19%	18%	15%
BE	29%	16%	15%	16%	9%
BG	20%	26%	23%	17%	15%
HR	22%	32%	30%	19%	12%
CY	46%	17%	35%	19%	6%
CZ	21%	35%	19%	25%	18%
DK	30%	19%	24%	15%	14%
EE	17%	24%	26%	17%	10%
FI	30%	18%	17%	11%	9%
FR	34%	29%	22%	22%	23%
DE	30%	30%	30%	22%	23%
EL	33%	24%	23%	16%	10%
HU	14%	17%	17%	17%	10%
IS	37%	7%	20%	11%	12%
IE	58%	21%	25%	19%	25%
IT	39%	26%	29%	21%	18%
LV	13%	19%	32%	17%	15%
LT	19%	30%	29%	14%	10%
LU	56%	14%	15%	23%	14%
MT	23%	18%	19%	17%	3%
NL	24%	15%	15%	19%	13%
NO	37%	22%	23%	12%	10%
PL	19%	48%	29%	30%	13%
PT	29%	19%	16%	11%	14%
RO	14%	32%	22%	18%	8%
SK	25%	32%	18%	22%	11%
SI	18%	20%	15%	14%	10%
ES	41%	24%	20%	13%	16%
SE	36%	20%	19%	11%	9%
UK	50%	25%	26%	30%	39%

Q2. Which products/services have you bought online over the last 12 months? – 3rd part
(Base: Respondents who bought a product at least once in the last 12 months)

Country	Sports and outdoor equipment	Home furnishing	Financial services	Energy (gas, electricity)	Car parts, motor vehicle parts	Tools and do-it-yourself supplies
Total EU28	19%	18%	17%	16%	15%	14%
Average EU15	19%	17%	16%	17%	14%	14%
Average EU13	18%	22%	20%	13%	21%	11%
AT	25%	14%	13%	14%	13%	14%
BE	6%	5%	10%	9%	5%	4%
BG	13%	9%	14%	14%	15%	11%
HR	18%	19%	20%	13%	14%	14%
CY	10%	2%	19%	13%	17%	11%
CZ	22%	33%	14%	6%	16%	14%
DK	17%	11%	8%	6%	11%	10%
EE	22%	6%	16%	18%	18%	10%
FI	16%	19%	5%	14%	12%	8%
FR	11%	8%	10%	7%	16%	11%
DE	30%	22%	17%	22%	18%	20%
EL	9%	3%	11%	3%	10%	7%
HU	11%	8%	20%	8%	10%	7%
IS	14%	1%	6%	3%	10%	9%
IE	18%	9%	16%	18%	14%	12%
IT	18%	18%	15%	16%	13%	18%
LV	11%	13%	22%	20%	11%	7%
LT	9%	16%	23%	13%	12%	7%
LU	25%	26%	17%	4%	10%	11%
MT	11%	10%	9%	8%	11%	8%
NL	9%	2%	11%	14%	7%	12%
NO	15%	12%	13%	12%	10%	9%
PL	22%	37%	26%	15%	30%	13%
PT	6%	10%	10%	10%	7%	4%
RO	10%	4%	16%	19%	15%	7%
SK	21%	15%	15%	7%	19%	10%
SI	25%	5%	10%	4%	18%	9%
ES	16%	22%	13%	7%	10%	9%
SE	14%	14%	14%	6%	10%	7%
UK	21%	27%	30%	32%	14%	17%

Q2. Which products/services have you bought online over the last 12 months? – 4th part <i>(Base: Respondents who bought a product at least once in the last 12 months)</i>					
Country	Furniture	Gardening supplies	Child care articles	Car, motor vehicle	Other
Total EU28	11%	11%	5%	4%	13%
Average EU15	12%	11%	5%	4%	13%
Average EU13	9%	10%	7%	4%	14%
AT	9%	15%	3%	5%	11%
BE	4%	5%	3%	2%	16%
BG	8%	4%	7%	4%	17%
HR	6%	4%	4%	2%	19%
CY	2%	1%	3%	2%	5%
CZ	9%	12%	8%	2%	14%
DK	6%	8%	2%	2%	14%
EE	14%	5%	4%	7%	18%
FI	7%	5%	2%	2%	16%
FR	11%	7%	4%	2%	12%
DE	18%	18%	6%	5%	15%
EL	5%	3%	5%	2%	12%
HU	4%	6%	4%	2%	17%
IS	6%	0%	4%	2%	15%
IE	9%	8%	2%	7%	8%
IT	7%	10%	7%	4%	14%
LV	6%	6%	5%	3%	11%
LT	5%	6%	5%	4%	17%
LU	6%	7%	2%	2%	11%
MT	2%	2%	1%	1%	5%
NL	8%	9%	3%	2%	18%
NO	5%	2%	3%	3%	11%
PL	13%	15%	10%	4%	12%
PT	3%	1%	3%	2%	14%
RO	6%	6%	5%	4%	15%
SK	8%	10%	8%	4%	9%
SI	5%	6%	4%	4%	15%
ES	6%	4%	4%	2%	15%
SE	5%	5%	2%	1%	15%
UK	17%	17%	4%	5%	7%

Q9. What are the 3 most important characteristics you look for in comparison tools in general?) – 1st part

(Base: Those who have used comparison tools at least once in the last 12 months)

Country	Price comparison	Easiness to navigate	The use of user ratings/ peer messaging	Information about the product/ service	Accuracy of the price	Clarity of the site's presentation
Total EU28	79%	29%	21%	21%	21%	20%
Average EU15	78%	29%	21%	21%	21%	19%
Average EU13	81%	28%	22%	22%	19%	26%
AT	88%	25%	24%	27%	17%	6%
BE	85%	21%	20%	28%	24%	18%
BG	80%	21%	17%	38%	14%	13%
HR	83%	39%	22%	13%	38%	17%
CY	78%	42%	28%	22%	4%	32%
CZ	84%	38%	36%	19%	15%	9%
DK	79%	28%	29%	12%	21%	16%
EE	84%	18%	31%	32%	12%	17%
FI	84%	22%	11%	25%	18%	39%
FR	75%	28%	11%	25%	24%	27%
DE	82%	29%	23%	20%	21%	11%
EL	87%	35%	35%	25%	11%	18%
HU	78%	27%	5%	25%	27%	39%
IS	79%	36%	14%	38%	12%	18%
IE	82%	37%	11%	20%	24%	11%
IT	74%	27%	29%	19%	13%	27%
LV	80%	41%	17%	15%	25%	20%
LT	79%	22%	7%	22%	19%	10%
LU	81%	22%	11%	28%	12%	24%
MT	61%	30%	18%	24%	6%	18%
NL	83%	11%	30%	18%	30%	17%
NO	87%	18%	12%	21%	17%	6%
PL	82%	28%	14%	15%	19%	36%
PT	89%	23%	9%	36%	18%	17%
RO	76%	29%	33%	28%	17%	24%
SK	90%	10%	43%	40%	7%	10%
SI	83%	24%	20%	17%	21%	21%
ES	79%	25%	27%	25%	18%	17%
SE	84%	33%	14%	24%	13%	11%
UK	74%	38%	18%	15%	26%	18%

Q9. What are the 3 most important characteristics you look for in comparison tools in general? – 2nd part

(Base: Those who have used comparison tools at least once in the last 12 months)

Country	Impartial comparison	Clear information on the way the offers are ranked	The use of 'star' systems	Possibility to personalise the search/ rank the offers by different criteria	Information about price range	Affiliation to a third-party verification scheme
Total EU28	20%	13%	13%	12%	10%	8%
Average EU15	20%	13%	13%	12%	9%	9%
Average EU13	17%	11%	11%	13%	11%	6%
AT	28%	8%	10%	7%	7%	5%
BE	30%	7%	6%	8%	13%	5%
BG	13%	10%	8%	12%	11%	2%
HR	26%	6%	11%	13%	8%	3%
CY	6%	11%	18%	4%	7%	6%
CZ	14%	8%	13%	19%	7%	5%
DK	13%	11%	10%	12%	17%	11%
EE	22%	4%	5%	9%	11%	8%
FI	23%	7%	5%	9%	7%	4%
FR	20%	13%	16%	14%	11%	11%
DE	22%	14%	16%	10%	7%	12%
EL	13%	7%	14%	11%	10%	6%
HU	25%	24%	6%	18%	4%	5%
IS	27%	4%	6%	15%	5%	5%
IE	18%	14%	7%	5%	18%	5%
IT	15%	14%	14%	18%	12%	6%
LV	16%	15%	11%	12%	9%	5%
LT	22%	11%	12%	20%	23%	3%
LU	19%	6%	20%	8%	10%	9%
MT	5%	6%	24%	4%	11%	3%
NL	27%	10%	8%	11%	10%	10%
NO	20%	9%	6%	17%	14%	3%
PL	22%	12%	12%	12%	11%	7%
PT	21%	6%	6%	11%	14%	7%
RO	4%	10%	9%	14%	11%	10%
SK	13%	8%	14%	3%	24%	3%
SI	21%	15%	11%	13%	9%	5%
ES	11%	7%	4%	14%	8%	5%
SE	30%	13%	8%	21%	6%	6%
UK	21%	20%	16%	10%	10%	8%

Q9. What are the 3 most important characteristics you look for in comparison tools in general? – 3rd part

(Base: Those who have used comparison tools at least once in the last 12 months)

Country	Information on special offers	Information about retailer	Information about the way the comparison tool is funded (fees for sellers, commission, advertising, sponsored links, data sales etc..).	Listing of offers in other countries	Information on redress mechanisms	Other
Total EU28	7%	6%	4%	1%	1%	1%
Average EU15	7%	6%	4%	1%	1%	1%
Average EU13	6%	9%	3%	1%	2%	0%
AT	13%	7%	3%	4%	0%	1%
BE	8%	4%	4%	4%	0%	1%
BG	10%	12%	4%	2%	8%	0%
HR	4%	1%	2%	1%	1%	0%
CY	4%	3%	2%	7%	3%	1%
CZ	5%	13%	1%	1%	2%	0%
DK	3%	7%	4%	1%	1%	1%
EE	17%	12%	2%	1%	1%	2%
FI	6%	17%	1%	2%	0%	2%
FR	3%	4%	4%	1%	1%	0%
DE	7%	5%	5%	1%	0%	1%
EL	11%	2%	3%	1%	0%	0%
HU	2%	2%	3%	1%	2%	0%
IS	9%	11%	2%	5%	0%	2%
IE	9%	9%	3%	2%	0%	0%
IT	6%	6%	4%	1%	0%	0%
LV	7%	3%	3%	2%	2%	1%
LT	12%	4%	3%	4%	1%	1%
LU	7%	16%	1%	5%	1%	0%
MT	6%	7%	1%	4%	3%	6%
NL	8%	2%	3%	1%	1%	2%
NO	10%	7%	2%	1%	0%	3%
PL	4%	10%	2%	1%	2%	0%
PT	9%	4%	2%	3%	1%	2%
RO	9%	9%	5%	3%	2%	1%
SK	5%	5%	2%	1%	1%	1%
SI	6%	14%	2%	3%	1%	0%
ES	15%	8%	4%	2%	1%	0%
SE	4%	8%	3%	1%	1%	2%
UK	5%	6%	3%	1%	1%	1%

Q18. Thinking about your last online purchase, which of the following did you do to RESEARCH THIS ONLINE PURCHASE? – 1st part
(Base: Respondents who have used comparison tools at least once in the last 12 months)

Country	Searched using a general search engine (for example Google, Bing, Yahoo)	Searched using a price comparison website	Read customer reviews online	Visited online market places for new products (for example Amazon marketplace, e-Bay, etc.)	Visited manufacturer/ brand websites
Total EU28	63%	48%	42%	37%	29%
Average EU15	62%	46%	41%	39%	28%
Average EU13	67%	57%	48%	27%	34%
AT	60%	50%	47%	48%	24%
BE	62%	43%	37%	23%	36%
BG	68%	44%	44%	31%	32%
HR	82%	51%	53%	46%	33%
CY	63%	47%	46%	56%	35%
CZ	68%	68%	55%	22%	40%
DK	61%	44%	24%	17%	30%
EE	74%	53%	49%	36%	49%
FI	64%	49%	32%	14%	34%
FR	66%	39%	39%	39%	33%
DE	63%	50%	44%	44%	24%
EL	69%	55%	38%	41%	32%
HU	70%	65%	44%	28%	32%
IS	65%	41%	43%	43%	35%
IE	61%	37%	38%	30%	24%
IT	64%	51%	44%	47%	31%
LV	60%	55%	37%	25%	27%
LT	78%	47%	51%	28%	47%
LU	69%	37%	54%	47%	47%
MT	52%	32%	32%	51%	28%
NL	56%	49%	33%	7%	27%
NO	42%	43%	23%	16%	27%
PL	59%	58%	47%	29%	32%
PT	58%	42%	29%	23%	29%
RO	80%	55%	52%	25%	39%
SK	66%	54%	48%	10%	31%
SI	67%	45%	46%	33%	35%
ES	62%	49%	41%	44%	30%
SE	51%	48%	29%	11%	25%
UK	57%	42%	46%	42%	26%

Q18. Thinking about your last online purchase, which of the following did you do to RESEARCH THIS ONLINE PURCHASE? – 2nd part

(Base: Respondents who have used comparison tools at least once in the last 12 months)

Country	Discussed with friends, colleagues	Visited shops in person	Visited a retailer website (different to the manufacturer/ brand websites)	Read, heard or viewed reports online	Visited social networking sites (for example Facebook, MySpace)
Total EU28	18%	17%	17%	13%	6%
Average EU15	17%	17%	16%	13%	5%
Average EU13	23%	20%	23%	13%	9%
AT	19%	13%	10%	24%	6%
BE	12%	14%	19%	10%	3%
BG	25%	19%	19%	5%	12%
HR	29%	21%	24%	24%	19%
CY	37%	28%	24%	46%	30%
CZ	24%	17%	33%	13%	7%
DK	11%	9%	23%	10%	3%
EE	24%	17%	25%	17%	9%
FI	18%	13%	21%	10%	5%
FR	14%	15%	11%	7%	3%
DE	21%	20%	11%	19%	6%
EL	18%	20%	16%	17%	10%
HU	22%	10%	16%	26%	8%
IS	28%	17%	38%	34%	12%
IE	16%	14%	19%	14%	4%
IT	14%	21%	18%	15%	8%
LV	24%	26%	18%	11%	8%
LT	24%	25%	20%	13%	16%
LU	24%	21%	23%	26%	7%
MT	29%	16%	17%	15%	21%
NL	12%	14%	11%	5%	3%
NO	10%	12%	25%	9%	4%
PL	21%	20%	24%	10%	6%
PT	12%	16%	16%	6%	9%
RO	29%	31%	26%	13%	16%
SK	22%	18%	16%	8%	7%
SI	22%	14%	19%	14%	9%
ES	20%	17%	14%	8%	11%
SE	12%	11%	25%	15%	2%
UK	16%	14%	23%	13%	2%

Q18. Thinking about your last online purchase, which of the following did you do to RESEARCH THIS ONLINE PURCHASE? – 3rd part

(Base: Respondents who have used comparison tools at least once in the last 12 months)

Country	Read independent consumer or testing magazine in print (for example published by a consumer organization or governmental body)	Read, heard or viewed online advertisements	Reviewed mail order catalogue in print	Contacted online or phone customer service
Total EU28	6%	6%	5%	4%
Average EU15	6%	5%	5%	4%
Average EU13	7%	8%	6%	8%
AT	8%	9%	7%	3%
BE	4%	5%	5%	2%
BG	4%	10%	4%	9%
HR	4%	8%	10%	7%
CY	5%	32%	12%	12%
CZ	12%	4%	6%	5%
DK	6%	5%	3%	3%
EE	3%	14%	7%	6%
FI	3%	3%	4%	7%
FR	5%	4%	5%	2%
DE	10%	7%	9%	4%
EL	2%	7%	5%	10%
HU	2%	14%	5%	5%
IS	1%	15%	4%	4%
IE	4%	4%	2%	5%
IT	5%	6%	6%	5%
LV	5%	7%	7%	9%
LT	3%	12%	12%	12%
LU	7%	8%	10%	3%
MT	4%	13%	9%	7%
NL	5%	6%	3%	3%
NO	3%	4%	4%	4%
PL	5%	6%	4%	9%
PT	7%	4%	4%	2%
RO	16%	10%	8%	9%
SK	3%	5%	7%	5%
SI	5%	9%	9%	4%
ES	3%	6%	7%	5%
SE	2%	3%	4%	3%
UK	5%	3%	2%	4%

Q18. Thinking about your last online purchase, which of the following did you do to RESEARCH THIS ONLINE PURCHASE? – 4th part

(Base: Respondents who have used comparison tools at least once in the last 12 months)

Country	Read, heard or viewed reports in print/radio/TV	Read, heard or viewed advertisements in print/radio/TV	Other	I did not do any research before making this online purchase
Total EU28	4%	3%	2%	5%
Average EU15	4%	3%	2%	6%
Average EU13	4%	4%	2%	2%
AT	4%	4%	2%	5%
BE	2%	3%	2%	7%
BG	4%	4%	1%	1%
HR	4%	4%	3%	0%
CY	18%	16%	0%	3%
CZ	2%	2%	2%	2%
DK	1%	2%	3%	7%
EE	3%	4%	5%	3%
FI	2%	2%	3%	4%
FR	3%	2%	2%	5%
DE	6%	5%	3%	5%
EL	4%	4%	1%	1%
HU	2%	4%	3%	1%
IS	1%	4%	2%	4%
IE	5%	4%	1%	4%
IT	4%	4%	2%	2%
LV	5%	3%	5%	1%
LT	6%	5%	3%	2%
LU	9%	8%	1%	2%
MT	9%	9%	0%	3%
NL	3%	4%	2%	13%
NO	3%	3%	3%	11%
PL	3%	4%	1%	3%
PT	1%	2%	2%	6%
RO	6%	7%	4%	1%
SK	2%	3%	1%	2%
SI	4%	4%	3%	0%
ES	3%	3%	2%	3%
SE	1%	2%	4%	9%
UK	3%	2%	1%	8%

