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## Insurance

### **Consumers Increasingly Use Internet to Price Auto Insurance**

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A new survey finds that consumers are increasingly relying on the Internet to price and purchase auto insurance.

The data show that 68% of consumers obtain auto-insurance quotes online, compared with 55% who use the phone. The survey, conducted in March and April, comes from Keynote Systems, a San Mateo, Calif., provider of electronic-business performance-management services. It also found that 87% of Web surfers in the market for auto insurance now go online for quotes, and that more than half are willing to purchase their policies on the Web.

#### **Insurance Online**

Keynote surveyed 2,000 consumers interacting with what it calls the 10 leading online insurance Web sites -- [American International Group](#) Inc., [Allstate](#) Corp, [American Express](#) Co., [White Mountains Insurance Group Ltd.'s](#) Esurance Inc., [Berkshire Hathaway](#) Inc.'s Geico, [Liberty Mutual Group](#), [MetLife](#) Inc., [Nationwide Financial Services](#) Inc., [Progressive Casualty Insurance](#) Co. and [State Farm Insurance](#) Cos.

The survey illustrates "the shift in how people are purchasing auto insurance," says Bonny Brown, director of research and public services at Keynote. It also illustrates what consumers don't want -- namely Web sites that take in a bunch of information and then announce "an agent will contact you shortly."

Instead, online shoppers seek instant gratification -- that is why they go online to begin with. If a Web site doesn't provide that, or if it suffers from reliability problems, the customer leaves with a poor impression, and not just of the online experience. Keynote has found that when consumers get angry at a Web site, for whatever reason, they take it out on

the brand globally, downgrading the overall brand and rating it poorly.

Many consumers feel that they should be able to do just about everything related to auto-insurance online -- as they can with so many other financial services -- skipping the insurance agent entirely. Moreover, because of the Internet's reputation as a bargain bazaar, online shoppers are predisposed to think that they're getting the best deals because they avoid the middleman and because they can comparison shop far more easily than they can over the phone.

### **Price Comparisons**

For that reason, ProgressiveDirect.com rated highest among auto-insurance consumers. Consumers, the survey found, are particularly fond of the site, run by Mayfield Village, Ohio-based Progressive, because it offers a detailed price-comparison chart showing not just the cost of a Progressive policy, but the costs of policies from other insurers as well -- even if they're cheaper.

Progressive, Allstate and State Farm led the overall customer-experience rankings because of what consumers viewed as "superior online quote and research processes," the Keynote survey found.

Geico received the highest marks from consumers for overall service, edging State Farm and Liberty Mutual. The Web site for Geico, famous for its talking-gecko advertising campaign, appealed to consumers visually.

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