

# **MoneySuperMarket.com Response to the Informal Consultation on the proposed draft Order in connection with the Private Motor Insurance (PMI) Market Investigation**

**January 2015**

## Introduction

MoneySuperMarket.com supports the aims of the Competition and Markets Authority in connection with its PMI Market Investigation and in particular, its findings in connection with “wide” most favoured nation clauses and its desire to increase transparency to consumers in connection with NCB Protection.

We provide our response in relation to the consultation below.

## NCB Protection

- We agree that when a PCW provides access to an NCB Protection Offer, the PCW should at the same time provide the NCB Protection Statement clearly and prominently.
- The draft Order states that ‘prominently’ for a PCW is a ‘prominent link’ to the information (Article 3.4(b)). We believe that PCW can clearly and prominently provide the NCB Protection Statement in a number of ways, only one of which is a ‘prominent link’. We do not believe it is appropriate for the CMA to be prescriptive about what ‘prominent’ means and that it should not be restricted only to a ‘prominent link’. There are a number of ways that the information can be provided ‘prominently’ and PCW’s should be allowed to identify themselves what ‘prominent’ means in the context of their customer journey and how customers use their services.

## ‘Wide’ Most Favoured Nation Clauses

In connection with the proposals of the CMA contained in the draft Order with respect Wide MFN Clauses, MoneySuperMarket.com makes the following observations:

- We agree that there does not need to be any material delay between the Order coming into force and the prohibition on Wide MFN Clauses coming into force. We agree that one month is an appropriate period of time. We do not believe any negotiation is required between a PMI provider and a PCW and that the clause containing any restriction which is to be prohibited by the Order can simply be struck out of any agreement.
- We believe that the prohibition on Equivalent Behaviour contained in Article 5.1 should apply to all PCW’s and not just Designated PCW’s.
- We believe that the CMA should be more prescriptive about what would in the CMA’s view be ‘Equivalent Behaviour’ by including illustrative examples in the Order of what would be ‘Equivalent Behaviour’, for example a [X] PCW threatening to delist a provider if the provider offered a cheaper price [X] through a competitor PCW.
- We believe that the obligation to provide PCW Compliance Statements should continue for a period beyond 31 December 2018 to ensure PCW’s do not attempt to re-introduce Wide MFN Clauses or Equivalent Behaviours. We do not believe that the period to 31 December 2018 is sufficiently long.

- We believe that the reporting requirements contain sufficient and appropriate information to monitor compliance. We believe it should be made explicitly clear that the delisting or concealing of a PMI product can include the use of filters by the PCW that limits the occasions when the PMI Product is surfaced to consumers. We believe that the important requirement is the obligation on the Chief Executive Officer to confirm compliance with the Order.
- We believe that the information provided by PCW's in their Compliance Statements should be kept confidential by the CMA and should not be capable of being published by the CMA.
- We believe the definition of PCW should be extended to cover all price comparison activities whichever media type is used rather than being limited solely to websites.