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## Retail PPI Qualitative Research Findings

Report prepared for the  
Competition Commission



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## Table of Contents

<b>1</b>	<b>Introduction.....</b>	<b>3</b>
1.1	Background and Objectives .....	3
1.2	Research Methodology and sample .....	4
1.2.1	FRS .....	4
1.2.2	Qualitative research .....	4
<b>2</b>	<b>FRS Context .....</b>	<b>5</b>
2.1	Mail Order Loan holders .....	5
<b>3</b>	<b>Research findings .....</b>	<b>6</b>
3.1	Home shopping behaviour .....	6
3.1.1	Mindset of managing finances and credit account .....	7
3.2	Attitude towards insurance .....	7
3.3	Retail PPI .....	8
3.3.1	Purchasing Retail PPI .....	8
3.3.2	Knowledge of Retail PPI .....	9
3.3.3	Areas of confusion .....	10
3.3.4	Prompted understanding of Retail PPI .....	11
3.4	Reactions to proposed remedies .....	11
3.4.1	Shopping around .....	12
3.4.2	Stand-alone policy .....	13
3.4.3	Fixed or variable balance-related payments .....	14
3.4.4	Purchasing prohibition.....	15
3.4.5	Personal PPI quote and annual review.....	16
<b>4</b>	<b>Conclusions.....</b>	<b>18</b>
<b>5</b>	<b>Appendix.....</b>	<b>19</b>
5.1	PPI purchasers .....	19



## 1 Introduction

### 1.1 Background and Objectives

The Competition Commission (CC) is conducting an ongoing investigation into the market for Payment Protection Insurance (PPI). The retail PPI market is a small part of the overall PPI market, which relates to protection taken out on repayments for shopping through home catalogues. In January 2009, the Competition Commission suggested that improvements were needed in the broad PPI market. A number of remedies have been suggested to increase competition in the retail PPI sector, and research was required to examine the potential impact on retail PPI customers.

Specifically, the research aimed to:

- Understand how retail PPI customers are likely to respond to the remedies set out by the Competition Commission
- Explore the level of interest in stand-alone PPI policies
  - To what extent would these be considered as an alternative to current retail PPI offered by distributors
- Explore the likelihood of current retail PPI customers searching for alternative PPI policies
  - At the point of retail PPI purchase
  - At a subsequent time
- Investigate views around purchasing retail PPI at the credit point-of-sale
- Identify the benefits and drawbacks to purchasing at the credit point of sale

To provide context to this, some data was required to:

- Establish what proportion of the UK adult population have a mail order loan;
- Identify demographic characteristics of those who purchase a mail order loan; and
- Identify demographic characteristics of those who purchase PPI on other financial products.

Data collected from GfK NOP's Financial Research Survey was also used to refine the sample for the qualitative research.



## 1.2 Research Methodology and sample

The research consisted of a series of qualitative in-depth interviews, and an analysis of data from GfK NOP's Financial Research Survey (FRS).

### 1.2.1 FRS

The FRS conducts 60,000 interviews per year among adults over 16. A random location methodology is employed, which has a three stage process. The sample is drawn from a representative number of the 641 parliamentary constituencies' results in 540 sampling points covering the registrar general's ten regions and a mix of rural and urban areas.

Within each constituency an Enumeration District (ED) is selected at random (with controls to ensure it is representative of the constituency and that the entire sample is representative of GB as a whole). The postal address file is then used to provide a sample of households within which the interview could take place. The interviewers then fulfil interlocking quotas of age, sex and working status. Quotas are different for each ED in order to reflect the demographic profile of that area.

The sample is then, if necessary, weighted in order to ensure that it is representative in terms of known population data on age, sex, social class and region.

### 1.2.2 Qualitative research

Qualitative research was carried out to fully explore experiences and attitudes towards retail PPI. Qualitative research provides a forum where participants can describe their experiences and views in their own words and explain rationale for these attitudes.

The qualitative research consisted of a series of 20 in-depth interviews amongst those who had purchased PPI on their mail order loan. The in-depth interviews each lasted one hour, and showcards and scenarios were used to describe the various remedies. Interviews were audio recorded for analysis purposes.

Participants for the qualitative research were selected from customer lists provided by JD Williams and SDGFS, both catalogue companies who offer PPI on their mail order shopping accounts. All customers on the lists provided had taken out a PPI policy.

A recruitment screening questionnaire was administered to ensure that participants in the qualitative research reflected the profile of mail order loan PPI customers identified in the FRS. The sample included:

- Customer type
  - 8 x SDGFS (SDGFS customers are offered PPI at credit point of sale)
  - 12 x JD Williams (JD Williams customers are not offered PPI at credit point of sale)
- Gender



- 16 x female
  - 4 x male
- Age
  - 12 x 20-44 years
  - 8 x 45+ years
- SEG
  - Spread of BC1C2DE
- Employment
  - 9 x in employment
  - 11 x unemployed

The fieldwork took place in Glasgow, Manchester and London during March 2010 and was carried out by GfK NOP Social Research moderators.

## 2 FRS Context

This section includes some key findings from the FRS analysis of mail order loan holders.

### 2.1 Mail Order Loan holders

The FRS data shows that less than 1% of the UK adult population (0.6%) have a mail order loan, where 10% have a mainstream loan, 49% have a credit card, and 30% have a mortgage.

Mail order loan holders are 82% female, and are most likely to be aged between 25 and 64. The age-group most over-represented amongst mail order loan holders compared with the rest of the population is the 35-44 age-group. Mail order loan holders are more likely to be in social classes D or E, are less likely to be working, and have a lower than average personal income. 39% have a personal income of £4,500 - £9,499 per annum.

Mail order loan holders are also less likely to have other financial products, such as savings, investments, pensions and insurance. They are also less likely to have a mortgage, credit card or a mainstream loan. Of those who *do* have a mortgage, loan or credit card, they are more likely than average to take out PPI on the other product.

FRS data was also used to identify characteristics of those who purchase PPI on other financial products. This detail is included in the appendix.



### 3 Research findings

This section of the report details findings from the qualitative depth interviews.

#### 3.1 Home shopping behaviour

Participants regularly bought from home shopping catalogues and often held credit accounts with a number of different catalogues. Across the research participants tended to use catalogues to buy the following types of items:

- Clothing/ jewellery/ shoes
- Electrical goods
- Soft furnishings/ furniture

Home shopping was seen as a financially achievable way of purchasing a range of items. The key benefit of home shopping was being able to spread the cost of items and make small monthly payments. This made items affordable when participants did not have much money and were unable to buy an item outright.

*"I might not have the money immediately but when I have the money I can pay it off any time I want, which will reduce my interest. So the advantage is if I don't have the money I can still have what I want." (London, Female, 38, C2)*

A further benefit of home shopping was convenience, with many observing that shopping from the comfort of their own home was preferable to shopping in a busy high street.

Participants also commented on the range of items available in catalogues. They felt that they had a good level of choice in what they could buy. Some participants used catalogues for purchasing specialist items such as plus size clothing.

For the majority of participants, catalogue shopping was a typical way of shopping among friends and family in their networks and local community. For these participants, catalogue shopping had a social aspect. Friends and family would often discuss their latest purchases or share recommendations for catalogues and products. A small number of participants bought items on their own credit account on behalf of friends or family. One participant described how she purchased items on behalf of disabled people within her local community as a way of helping them to shop. She collected money from them on a weekly or monthly basis.



### 3.1.1 Mindset of managing finances and credit account

Whilst all participants appreciated the ability to spread the cost of items over a period of time, two overall mindsets regarding how this was managed emerged.

#### 1. Overall view of finances

Some participants tended to view their finances from a long-term point of view. They tended to focus on the total amount they owed on credit accounts. These participants tended to avoid making multiple large purchases including electrical goods and furniture. They preferred to complete payments for a large purchase before making another one although during this time they would make multiple smaller purchases.

#### 2. Monthly view of finances

The majority of participants had a short term view of their finances and focused on the amount of their minimum monthly payments. These participants tended to budget their finances on a monthly basis and made multiple small and large purchases on their credit account as long as they felt they were able to meet the monthly payments.

*"I find them [catalogues] okay; they're manageable. You see something and as long as you have enough credit, you can always get it and manage the payments afterwards." (Manchester, Female, 50, C1)*

This monthly view of finances had some impact when participants were asked for their views regarding fixed or variable balance-related payments. This is discussed in section 3.4.3.

### 3.2 Attitude towards insurance

As a context for attitudes towards retail PPI it is important to understand general attitudes towards insurance exhibited by participants. Across the research three overall approaches to insurance emerged.

#### 1. Insurance unconcerned

These participants did not proactively think about insurance. They were unlikely to hold many insurance policies often citing that they had few possessions of value and resultantly felt that insurance was not relevant to them. A small number of participants across the research expressed this view.

#### 2. Insurance minded

These participants tended to be more proactive about insurance and noted that the insurance policies they held had been carefully considered to reflect their possessions.



These participants often commented that they had read insurance policy details and terms when they had taken out their insurance.

### **3. Insurance enthusiasts**

These participants had a “just in case” mindset and were often attracted to insurance because they sought peace of mind. This desire for peace of mind was often heightened by getting older, and having responsibilities such as children. These participants were typically not engaged by the detail of insurance policies and noted that they did not often read policy details and terms. They often held multiple policies for a range of eventualities such as contents insurance, building insurance, health insurance and car insurance. During the research it emerged that they were sometimes covered for specific events or possessions more than once. With regards to retail PPI, some participants noted that they had a policy on more than one catalogue. Further to this they commented that they were likely to be covered for events such as burglary or fire as part of their shopping insurance as well as their contents insurance. At a prompted level, some participants observed that they were already covered by life insurance purchased as part of mortgage or loan insurance, meaning that the life cover they had taken out as part of their shopping insurance duplicated this cover.

The majority of participants across the research expressed an insurance enthusiast view towards insurance.

### **3.3 Retail PPI**

#### **3.3.1 Purchasing Retail PPI**

None of the participants across the research had proactively asked their catalogue provider about retail PPI. All had been offered the insurance via the telephone. A couple of participants had registered an interest in the insurance when they had been accessing their credit account online. They recalled ticking a box to agree to being given more information about the insurance. However, the majority of participants had received a cold telephone call asking them if they were interested in the insurance.

Participants decided whether to take out the insurance over the telephone. A couple of participants admitted that they had agreed to take out the insurance based on three free months, and a couple commented that they had agreed to take out the insurance because it sounded like a good idea, or they were keen to end the telephone conversation.

*“Sometimes when they call you on the phone you just want to get them off the phone so you say ok yes.” (London, Female, 38, C2)*



After verbally agreeing to take out the insurance policy participants recalled that they had been sent the policy details in the post. At most, participants had opened the post, scanned the information and filed it away. Scanning often involved reading the covering letter and glancing through the remaining literature. Most participants assumed that the policy detail would be "small print" and envisaged that it would be lengthy and include jargon. Resultantly they preferred to scan the information only. A small number of participants noted that they had not opened the documentation. Some commented that they had seen that it was the insurance policy information and had directly filed it without reading the content. A couple of participants had not initially realised that the post was insurance related. They observed that it did not look any different from typical catalogue bills or 'junk mail'.

*"I thought it was a bill and didn't open it." (Glasgow, Female, 27, B)*

### 3.3.2 Knowledge of Retail PPI

Participants' knowledge and recall of their policy tended to focus on the elements that they had found motivating at the time of purchasing the policy. All participants associated the policy with reassurance, and used phrases such as "just in case" and "peace of mind" to describe their policy, and the reasoning behind taking out the policy.

*"Basically it's peace of mind knowing that there's someone out there to help you and it's only a little amount of money every week it doesn't feel that I'm giving anything and it's easy to pay they just take it out the account" (London, Female, 38, C2)*

*"I just think it was something that I thought anything could happen, and if you are not covered or insured, it is a good thing to have." (Manchester, Female, 50, C1)*

For most the desire for reassurance reflected concerns for their financial stability. This was heightened for those who had struggled with finances in the past.

When asked what their policy covered it was clear that the detail of the policy was not top of mind for participants. Many struggled to recall different elements of their policy. However, the vast majority of participants spontaneously recalled some aspect of accident, sickness and unemployment (ASU), and/ or merchandise cover.

#### A) ASU

Participants tended to recall the words 'unemployment' and 'sickness' as related to their insurance policy. Those currently in employment were most likely to mention unemployment.

*"I've got Peace of Mind insurance, just in case I come out of work, or have an accident." (Manchester, Female, 54, C1)*



*"If you're working, and then if you get made redundant, they will take over a certain amount of payments." (London, Female, 37, C2)*

This was particularly salient for those who had experienced periods of unemployment in the past. Those currently unemployed were most likely to mention sickness. There was some confusion regarding whether they would be covered for sickness whilst unemployed. This is further discussed in section 3.3.3.

#### **B) Merchandise cover**

Merchandise cover was considered most salient for large, electrical purchases such as a fridge, television or washing machine. These were considered essential in day-to-day living, costly and inconvenient to replace. Resultantly, merchandise cover was considered necessary.

*"It gives you peace of mind just in case anything breaks down; especially since I ordered a fridge." (London, Male, 48, E)*

#### **3.3.3 Areas of confusion**

When participants were asked to spontaneously recall details of their insurance policy, some areas of confusion emerged.

Some participants thought that the policy covered their payments if they became sick whilst they were unemployed. In this respect they were unclear as to whether the ASU element of their policy was relevant to their current employment status. Whilst a small number of participants recognised that this was not relevant to them, they reasoned that they were seeking employment for the future, or that the policy was still relevant to them because of the other elements (such as merchandise cover). However, others still struggled to comprehend that the ASU element of the policy was not relevant to their working status.

Other areas of confusion were mentioned by one or two participants and included:

- Assumptions that policy premiums would increase when a claim was made on the policy.
- Suggestion that the policy covered identity theft. This was mentioned by a couple of participants, one of whom had experienced identity theft in the past.
- Assumption that the policy covered any fault or delay during the monthly payment to the home shopping credit account. One participant thought that if there was a delay in their payment being processed at a bank or other pay point, this would be covered by the policy.



### 3.3.4 Prompted understanding of Retail PPI

Overall there was low recall and knowledge regarding the policy details and terms. Whilst merchandise cover and ASU were spontaneous mentioned, there was low prompted recall for the other elements of the insurance policy including:

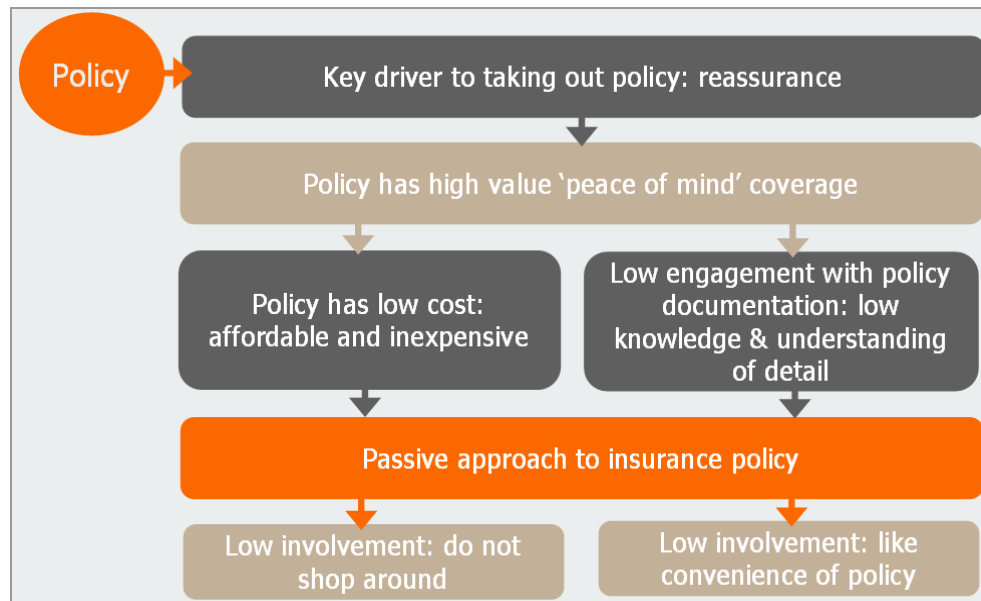
- Life cover
- Accidental death
- Hospitalisation

Recall for these elements tended to be based on how much an individual remembered and to what extent they had read the policy details and terms. Whilst recall for these elements was low, the large majority of participants were pleasantly surprised by the extent of this cover. In particular, insurance enthusiasts welcomed the range of cover included with many noting that it was good to have this cover “just in case”.

There was no prompted recall for both pet-sitting and access to Lawphone. Participants voiced a general ambivalence towards both of these elements of the policy and felt that they were not something that was relevant to them or that they envisaged needing.

## 3.4 Reactions to proposed remedies

Participants were presented with a number of proposed remedies for their consideration. To understand their response to these remedies it is important to understand participants’ overall attitudes to their insurance policy. The diagram below summarises this view, drawing on and reflecting: attitudes towards managing finances and the home shopping credit account; engagement with the policy documentation at the point of purchase; levels of knowledge regarding the policy; and rationale for taking out the policy.



The key driver for taking out the policy was reassurance that they would be covered “just in case” of any unforeseen circumstance. In this respect the policy was considered to have high value in providing participants with peace of mind that they would be covered for a number of eventualities. When prompted on the different elements of the policy, this peace of mind was reinforced, as they saw that the policy incorporated a range of cover including ASU, merchandise cover, life cover, accidental death cover and hospitalisation. In addition to the benefit of a range of cover, the policy was considered to be low cost and highly affordable. In addition to this, across the research there was low engagement with the policy documentation; at most, participants had briefly scanned the documentation and at a spontaneous level knowledge and understanding of the policy was low. A combination of the low cost and low engagement resulted in a “passive approach” to their PPI policy. This low involvement is apparent through: lack of knowledge; a liking for the range of cover provided, and therefore, the convenience of the policy; and the lack of motivation to shop around.

### 3.4.1 Shopping around

Only one participant had shopped around for their policy. On this occasion the participant had asked the provider of their home contents insurance if their home shopping credit account could be covered. They had been told that this was not possible and had taken out the insurance with the catalogue instead. However, the remaining 19 participants had not considered shopping around; they all noted that it simply had not crossed their mind. Because the policy had been offered by the catalogue and covered the home shopping credit account, participants felt that the insurance was strongly related to the catalogue. Resultantly they closely aligned the insurance with the catalogue and did not consider an alternative provider.



*"It's more simple to take out the policy with them [the catalogue]." (London, Female, 23, C1)*

Further to this, some participants reflected that catalogues were probably less expensive when compared to large high street providers.

During the research, participants were informed that a personal PPI quote or annual review could include a prompt to shop around. Whilst participants were positive towards the idea of including this prompt none suggested that they were likely to expend the effort to do this in practice unless they would benefit from a substantial cost saving.

*"I've never shopped around...probably wouldn't, probably would go with what's on offer at the time. The easy option." (Manchester, Female, 47, C1)*

As the current monthly payments on the policy were thought to be low, participants could see little value in shopping around once they had taken out the policy. A considerable cost saving was seen as key to motivate people to shop around with a view to switching provider, and participants suggested that a 50%+ saving would be required.

*"If the price seemed a bit high and if it was higher than what I normally pay, then I might shop around. But if it weren't too dear, then I might not. It wouldn't be worth the hassle of getting it transferred over." (London, Female, 37, C2)*

*"If I was paying £10 a month, then I might look for alternatives, but if it was £3 or £4 a month, then I wouldn't bother." (London, Male, 48, E)*

*"If it seemed a bit pricey, that would make me shop around. If it seemed a good deal, even if I could get one cheaper, I might sign it" (Manchester, Female, 54, C1)*

### **3.4.2 Stand-alone policy**

Across the research, there was a preference for retail PPI to be bundled with merchandise cover within a single policy so that participants could benefit from both. Further to this, participants were keen that a policy include a range of cover and favoured a policy that also included life cover, accidental death and hospitalisation. This preference greatly reflects the "just in case" mindset exhibited by participants and many commented that they would rather be covered for more than less, even if the cost of the policy would reduce if cover reduced.

*"I think it is better to have everything because you never know what can happen along the way. Even though the payment protection is the most important to me, anything can happen." (Manchester, Female, 50, C1)*

*"I'd prefer to include the [merchandise] cover because I feel I'd rather be insured for everything." (London, Female, 23, C1)*



The research indicated that, given the choice, participants would choose to include a range of cover under one policy rather than to choose from specific stand-alone elements. During the research participants were provided information detailing potential cost savings for not including merchandise cover in the policy. Thinking about merchandise cover and other elements of the policy (such as life cover and hospitalisation) participants noted that they would prefer to pay more to be covered for a range of eventualities, even if some cost saving could be made through selecting particular elements.

### 3.4.3 Fixed or variable balance-related payments

Whilst participants spontaneously identified benefits and drawbacks for both fixed and variable balance-related payments, the overall preference was for fixed payments. The research indicated that this preference was driven by the way in which their home shopping account is currently managed. As noted earlier, most participants had a monthly view of finances, and focused on the minimum monthly payment that their credit account required. This suggests that fixed payments were preferred as they allow participants to know the exact cost on a monthly basis.

#### A) Fixed payments

The main attraction of fixed payments was the ability to know the exact cost of the insurance each month. Participants noted that this would make it easier to budget their finances, and whilst only a small amount of money, it was useful to know exactly how much it would be each month.

*"You would know that it wouldn't go up and down all the time. If it was just one payment then you could keep track of it." (Glasgow, Female, 39, E)*

This was particularly salient for those managing on a tight budget.

Participants were positive towards the idea of being able to choose themselves how any payout was used.

*"[You] can choose what to do with the cash...spend it on whatever." (Glasgow, Male, 41, C2)*

However, some expressed concerns that a fixed payout might not cover the monthly catalogue payment. Some made the suggestion that monthly payments could increase or decrease flexibly to reflect personal financial circumstances.

#### B) Variable balance-related payments

The key drawback of variable balance-related payments was that the cost fluctuated each month. Participants felt that this reduced the control they had over their finances. A couple of participants commented that they were only able to purchase large items on credit, and resultantly were concerned that during periods of time



when they needed large items, they would be paying more money each month. However, participants were positive towards the fact that the cost reduced as the home shopping credit account balance reduced.

*"That's what I like about these; the lower your balance goes, the lower your payment goes." (Manchester, Female, 54, C1)*

*"I like it like that. If there's nothing on your bill you don't have anything to pay" (London, Female, 23, C1)*

Participants also liked the reassurance that the payout would cover the monthly catalogue payment.

#### **3.4.4 Purchasing prohibition**

At both the spontaneous and prompted levels there were mixed views about the best time to purchase retail PPI. Participants were prompted with a range of possible timescales for retail PPI to be offered. Overall, some participants tended to favour either purchasing the insurance immediately, while others preferred having time to consider purchasing the insurance.

##### **A) Immediately**

Participants felt that the option to buy the insurance immediately would be particularly beneficial when a large and costly purchase had been made. There was some concern that a large balance on the home shopping credit account would not be covered, and the preference was for people to be given the option to purchase the insurance at the credit point-of-sale. There was some indication that participants were thinking about a bundled policy including both retail PPI and merchandise cover when asserting the importance of being able to insure immediately, as merchandise cover for large purchases was considered important.

The option to buy the insurance immediately was also favoured by those who were most risk averse. These participants again talked of "just in case" and preferred to be covered straight away.

##### **B) Time to consider**

Participants felt that having some time to consider and take a decision upon taking out the insurance was a sensible idea.

*"Think they should give you time to think about what you are going in for." (London, Female, 38, C2)*

They felt that it made sense to be given time to consider the insurance in theory, but were quick to note that in practice they were unlikely to use this time proactively. In particular, they felt that they were unlikely to shop around during this time, and



unlikely to read the policy details. When asked to identify a length of time they felt was appropriate for thinking about and considering the insurance, most participants suggested that around one month would be appropriate.

*"It would probably be better to ask you a month after the purchase, once you've got yourself sorted out. Then they could send you the details, even on the computer. Sometimes you need time to think about it, and discuss it." (London, Female, 37, C2)*

Across the research one month was considered a good balance between having enough time to think about the insurance (with 1 week considered too short a period of time), but ensuring that people do not forget about the insurance (with 3 months considered too long a period of time).

In addition to this, some participants suggested that people should be given a reminder before the end of the cooling off period, or towards the end of any free period that had been offered.

### **3.4.5 Personal PPI quote and annual review**

Participants were provided with examples of both a personal PPI quote and annual review to ascertain their views toward this type of information provision. Across the research, participants were very positive towards the idea of information provision as they recognised that they themselves lacked knowledge regarding their insurance policy.

*"It's good. You'd be able to read it. Look at the price. Read the benefits you'd be able to make your decision." (London, Female, 38, C2)*

Both the personal PPI quote and annual review were well received, although there was some preference for the annual review. The research indicated that participants would appreciate a reminder of their policy as they currently have low engagement with it, and rarely think about it.

The content of the personal PPI quote and annual review was liked with participants particularly noting the single page, summary of the policy cover and the prompt to shop around.

*"I think this is straightforward information, it is telling you what they are going to cover you for, and it is telling you literally what is covered and what it would be." (Manchester, Female, 50, C1)*

However, they felt that the forms were unclear and that the layout, font type and size could be improved to make it easier to read.



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Further to this, a couple of participants suggested that if this type of information were to be mailed out to people, the envelope should be clearly distinguishable from usual catalogue junk mail to ensure that people opened and read the information enclosed.



#### 4 Conclusions

It is clear that the key motivation for taking out the insurance policy was reassurance and peace of mind. Whilst the reassurance associated with this is valued, the low monthly cost of the insurance combined with low knowledge of and engagement with the policy details and terms results in a passive approach to the policy.

**Level of interest in a stand-alone policy is low.** The current monthly cost of the policy is considered affordable, and resultantly there is a preference to be covered for a broad range of situations when compared to reducing this cost for reduced cover. This is symptomatic of a “just in case” mindset. There is a preference for merchandise cover to be included in the policy, typically driven by larger purchases such as electrical goods.

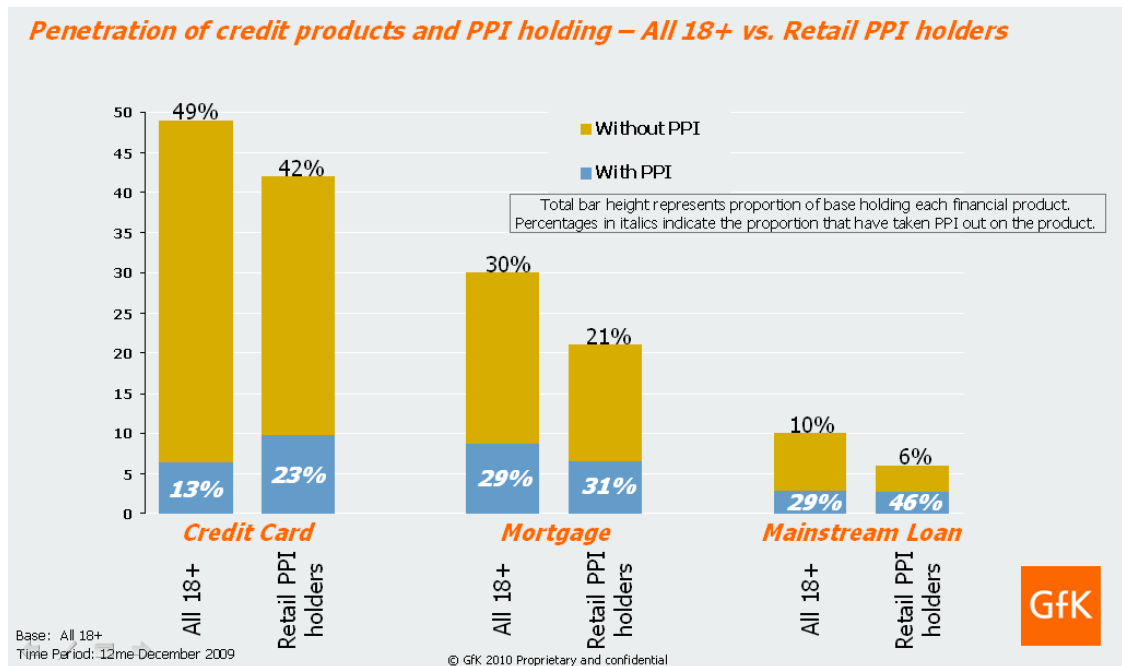
**Motivation to search for alternative PPI policies is very limited.** Currently shopping around before first buying PPI is not top of mind. The policy is associated with the catalogue and alternative providers are not considered. Only one participant across the research reported shopping around before first buying PPI, and this had involved approaching one other provider. In general, people are motivated to shop around to switch insurance providers where it is deemed it will have significant financial benefits. The perceived low monthly payments on the policy does not encourage such shopping around. Whilst prompts for alternative providers are welcomed, these are unlikely to result in active shopping around in the absence of a substantial financial saving.

**There are mixed views regarding purchasing retail PPI at the credit point-of-sale.** A preference for purchasing at the credit point-of-sale is voiced by those who are particularly risk averse and seek immediate cover. This viewpoint is often driven by a large, costly purchase. A large cost often generated a desire for merchandise cover (providing reassurance if something happened to an expensive item), as well as PPI (providing reassurance if something happens whilst there is a large outstanding balance on the credit account). Time to review policy details is seen as a ‘sensible’ option; taking time to read documentation and consider taking out the policy is typically seen as a good idea though currently few consumers read the information they are sent. One month is seen as a suitable length of time to review this information. However, in practice it seems likely that many people will not use this time to fully read documentation or to shop around.

## 5 Appendix

### 5.1 PPI purchasers

Although penetration of credit products is lower amongst those with retail PPI, they show a much greater take up of PPI amongst the other credit products they do hold, particularly on unsecured loans and credit cards.



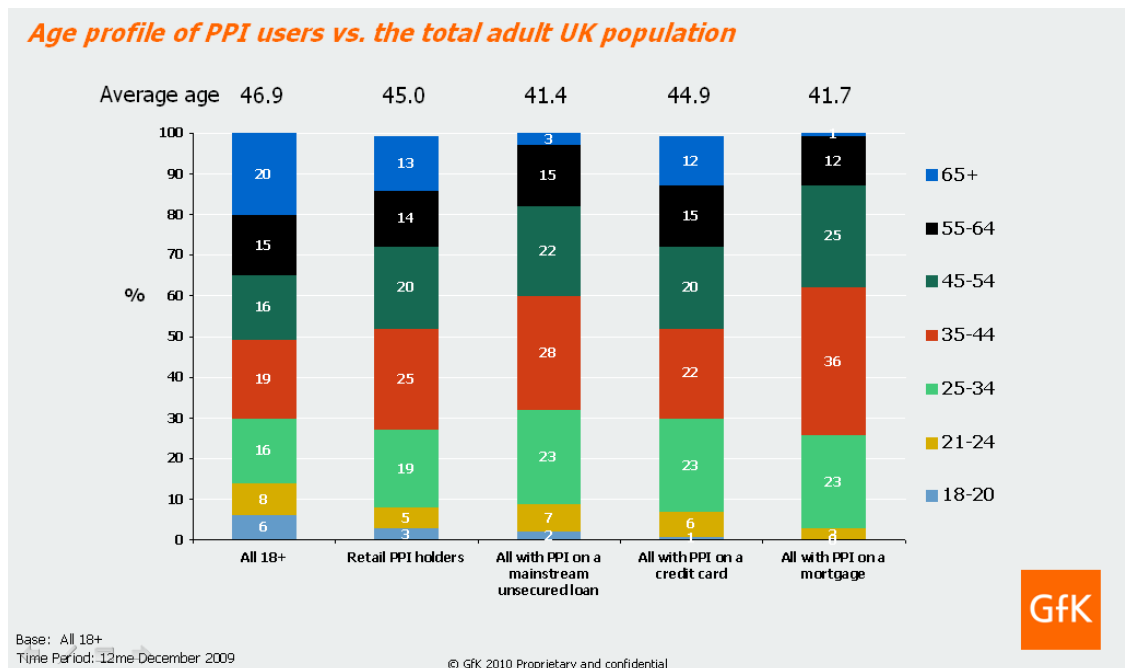
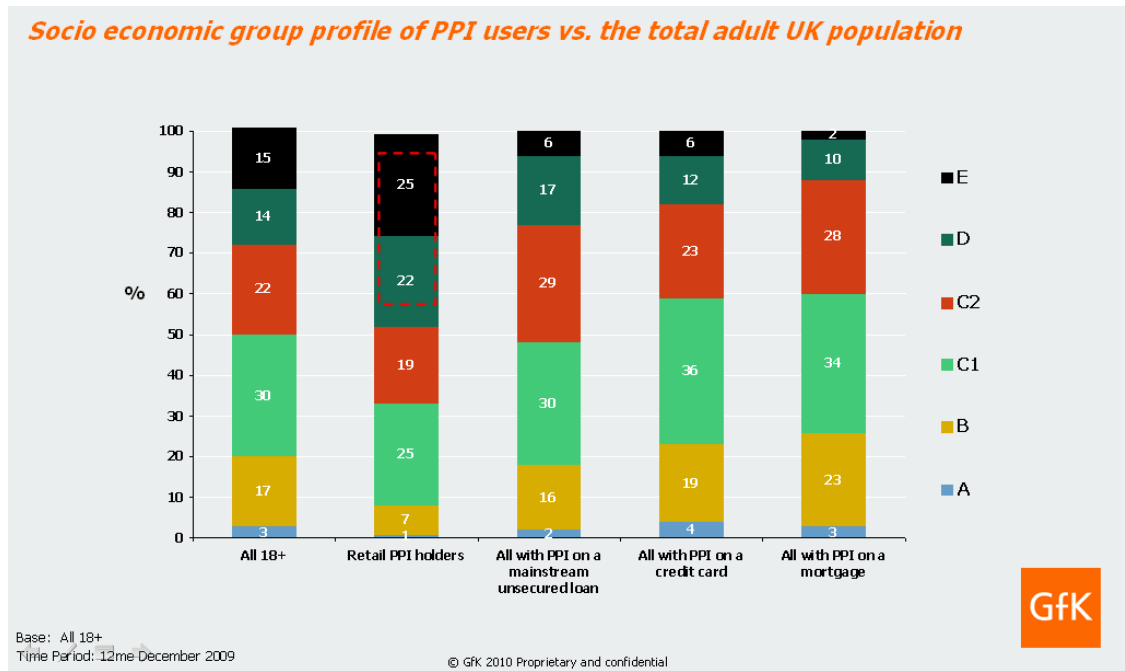
Of the 10% of the UK adult population who hold a mainstream loan, 29% have purchased PPI on the loan. Those who chose to purchase PPI on their mainstream unsecured loan were more likely to be female (49% of those who purchased PPI were female, compared with 44% of all unsecured loan holders). Unsecured loan PPI purchasers were also more likely to belong to social grades C2, D or E. They also had a lower average personal income and less incidence of holding other financial services products.

Of the 49% of the UK adult population who have a credit card, 13% have taken out PPI. Compared with those who have not purchased PPI, the PPI holders are younger: 30% are aged 18-34, compared with 22% of all credit card holders falling into the 18-34 age-group. Credit card PPI purchasers are more likely to be in social grades C2, D or E, and to have a lower than average personal income. They are more likely, however, to be working full time.

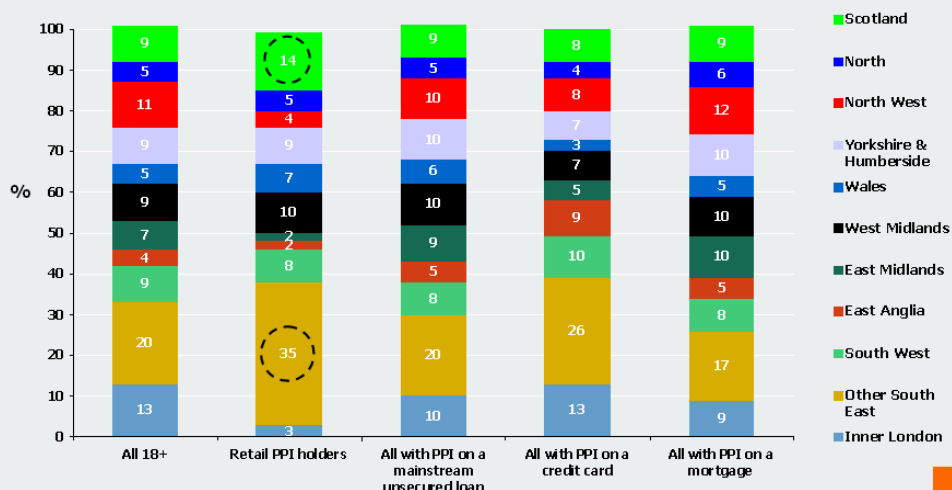
Of the 30% of the UK adult population who have a mortgage, 29% have taken out PPI on their mortgage. Compared with those who have not taken out PPI, mortgage PPI holders are younger: 62% are aged 21-44, compared with 55% of all mortgage holders falling into the 21-44 age-group. They are less likely to be in social class A or

B, and have a lower personal income. They are more likely to be working full time, and are less likely to live in London or the South East.

The charts below detail socio-economic, age and regional profiles for PPI holders.



*Regional profile of PPI users vs. the total adult UK population*



Base: All 18+  
Time Period: 12m December 2009

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