New poll finds just a fifth of people trust price comparison sites

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THE BIG DEAL press release - 12 February 2015

New poll finds just over a fifth of people think energy price comparison websites are trustworthy - down from two fifths last year

86% think the sites should automatically show lowest price tariffs regardless of whether the site receives commission or not

70% think it's a good idea that sites should publish how much money they make in commission per switch

Consumer collective The Big Deal, has today (12 February 2015) published new opinion research which shows that trust has fallen in price comparison sites and suggests the public want more honesty and transparency in their behaviour.

The polling, carried out by YouGov, found:

- Huge majority of people (86%) says price comparison sites should ensure every user sees the lowest price tariffs regardless of whether they receive a commission or not from the supplier. Just 3% disagree.

- 70% say it's a good idea for sites to publish how much money they make in commission per switch. Just 4% disagree.

- Just 22% say these sites are trustworthy when it comes to providing impartial information.

- This is down from 39% when the same question was asked by Populus in July last year.

- Almost a third of people (30%) are unaware that switching sites are paid by energy companies for each switch. Though this has gone down from 43% when asked the same question in July last year.

It comes as The Big Deal has revealed that the Big Five price comparison sites (uSwitch, Go Compare, Compare the Market, MoneySupermarket and Confused) all hid the cheapest deals online and over the phone. The Energy and Climate Change Select Committee of MPs is investigating the Big Five sites for this behaviour. This week the Big Deal created the cheapest energy on the market thank to the bargaining power of its 45,000 members and its low commission. The Big Deal's tariff is the cheapest tariff since 2010 and is not available on price comparison sites and is better than any tariff on price comparison sites.

Will Hodson, Co-founder of The Big Deal, said:

"It's no wonder that the Big Five price comparison sites are losing trust when they have been caught hiding deals online and over the phone. Ludicrously they claim they are "impartial" and "consumer champions". This poll shows that the public strongly agrees with us that these site must start acting honestly and transparently. They must stop hiding deals they don't get paid for and publish how much their commissions are."

Full questions from the YouGov poll are copied below. Results in brackets are from when the same questions were asked by Populus in July 2014.

1. In much the same way as you can use a comparison website to compare prices on insurance, financial products, and different TV and broadband offers, there are also comparison websites which compare the costs of your energy bills (e.g. gas and electricity), for example Compare the Market, uSwitch, GoCompare etc. These are also known as 'energy switching sites'. The way that energy switching sites tend to operate, is that energy companies enter into commercial contracts with these websites whereby they pay a commission fee to the energy switching site for each person who switches energy tariff on that website. Were you aware or unaware that energy switching sites make money in this way?

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Energy :: Switch :: Switching :: Save :: Gas :: Electricity :: Price Comparison ::

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Aware: 70% (57%)

Unaware: 30% (43%)

2. To what extent do you agree or disagree with the statement: Energy switching sites should automatically ensure every user sees the lowest priced tariffs whether they receive a commission fee from the supplier or not

Agree: 86%

Disagree: 3%

Neither agree or disagree: 11%

3. Currently energy switching sites do not publish how much they charge energy companies in commission. Some people argue that commission fees are private between the energy company and the energy switching site and should not be published. Others say that consumers have the right to know how much commissions are and this should be transparent and published. To what extent do you think it is a good or a bad idea that energy switching sites should clearly publish how much money they make in commission per switch from each energy provider?

Good idea: 70% (74%)

Bad idea: 4% (5%)

Neither a good or bad idea: 26% (21%)

4. To what extent would you consider energy switching sites to be trustworthy or untrustworthy with regards to providing you with impartial information about current energy deals that may be available to you?

Trustworthy: 22% (39%)

Not trustworthy: 42% (47%)

Don't know: 37% (14%)

All figures for 2015, unless otherwise stated, are from YouGov Plc. Total sample size was 2,175 adults. Fieldwork was undertaken between 6th - 9th February 2015. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+).

2014 data is from Populus who interviewed a random sample of 1002 GB adults aged 18+ from its online panel between 23-24 July 2014. Surveys were conducted across the country and the results have been weighted to the profile of all adults. Populus is a founder member of the British Polling Council and abides by its rules.

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About The Big Deal

The Big Deal is a consumer collective focused on reducing people's energy bills. We bring together tens of thousands of consumers and use our collective buying power to create market-leading exclusive deals. We also cut our commission way below industry average to ensure the cheapest possible tariff for our members.

Launched in March 2014, it now has over 40,000 members and continues to grow. 62% of our members have never or hardly ever switched before – these are the very people who have been let down by the energy market. Moreover, 60% of our members are over the age of 55 and 30% over the age of 65.

Our policy has been to cut the commission we receive in order to get the best deal for our members. The deals we create are cheaper than anything on comparison sites. Our collective switch in October 2014 saved the British public £1.5 million, with an average saving of £303 per household (higher than any other collective switch). 10% of our switchers saved over £475.

The Big Deal charges a commission to energy companies but unlike price comparison sites is entirely transparent about exactly how much. For this switch it is charging £12.50 per fuel - £25 for a dual fuel

switcher. This compares to £80 to £100 for a dual fuel switcher that it has been reported the Big Five price comparison sites charge.

Big Deal research exposes price comparison sites' dodgy behaviour online and over the phone

On 20th October 2014, The Big Deal published research that showed that the Big Five switching websites (Go Compare, Compare the Market, MoneySupermarket, uSwitch and Confused) all hide the cheapest deals from users because they don't get paid by energy companies for them. The full research including over 200 screenshots taken over 13 weeks can be found at: https://thisisthebigdeal.com/blog/research-into-price-comparison-websites

On 2nd February 2015, The Big Deal published similar research except into activity over the phone that found that all the Big Five switching websites (Go Compare, Compare the Market, MoneySupermarket, uSwitch and Confused) hid the cheapest deal when talking to customers. uSwitch subsequently apologised but the rest of the Big Five refused to do so.

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