

**Report for Ofcom**

Accreditation scheme for  
price comparison  
services: past audit  
decisions

*5 November 2013*

Mark Colville, Sara Montakhab

**Ref: 35433-405b**

# Contents

<b>1</b>	<b>Introduction</b>	<b>1</b>
<b>2</b>	<b>Examples of audit decisions made relating to accuracy</b>	<b>3</b>
<b>3</b>	<b>Examples of audit decisions made relating to transparency and independence</b>	<b>4</b>
<b>4</b>	<b>Examples of audit decisions made relating to comprehensiveness</b>	<b>6</b>
<b>5</b>	<b>Examples of audit decisions made relating to other presentational issues</b>	<b>7</b>

---

Copyright © 2013. Analysys Mason Limited has produced the information contained herein for Ofcom. The ownership, use and disclosure of this information are subject to the Commercial Terms contained in the contract between Analysys Mason Limited and Ofcom.

---

Analysys Mason Limited  
St Giles Court  
24 Castle Street  
Cambridge CB3 0AJ  
UK  
Tel: +44 (0)845 600 5244  
Fax: +44 (0)1223 460866  
[cambridge@analysysmason.com](mailto:cambridge@analysysmason.com)  
[www.analysysmason.com](http://www.analysysmason.com)  
Registered in England No. 5177472

# 1 Introduction

This document provides guidance for price comparison services seeking accreditation from Ofcom. It has been written to accompany the main audit guidance document, *'Accreditation scheme for price comparison services: audit guidance document'*, and provides further information and detail on specific decisions which have been taken during the technical audits that Analysys Mason has carried out since the accreditation scheme began in 2007. This document is not intended to be read as a stand-alone document, but rather to supplement the information provided in the main audit guidance document.

For information on the qualitative ('soft') part of the audit carried out by Ofcom and the process by which the technical audit is executed, please refer to the main audit guidance document.

To date, a total of 17 audits, including both initial audits and annual reviews, have been carried out for 9 different price comparison services. Of these 9 services, 7 were approved for Ofcom accreditation and 6 remain accredited at this time. Typically there are a number of issues which Analysys Mason raises during the course of a technical audit. If required by Ofcom, the price comparison service must address these issues in order to qualify for accreditation.

This document outlines, in general terms, some of the issues raised and the decisions taken over the course of these audits. The issues discussed in this document are generally more specific than might be included in the main audit guidance document. However, it is considered useful to provide information on these more specific issues to give additional guidance to price comparison services wishing to apply for accreditation.

The past decisions outlined in this document are based on specific examples and are designed to provide an indication of relevant precedent and what may and may not be acceptable practice for accredited price comparison services. However, nothing in this document should be considered a binding decision, nor should it be taken as having any direct relevance for any other applicant price comparison service.

As indicated in the main audit guidance document, Ofcom may make future changes to the accreditation scheme which could override the examples provided in this document. For changes of a minor nature it is likely that Ofcom will consult directly with accredited price comparison services.

Ofcom is committed to ensuring that consumers have access to the most transparent, accurate and comprehensive price comparison information, and so the decisions made as part of the technical audit aim to support this commitment. The scheme and examples in this document come from price comparison services for a wide range of communications services, including fixed and mobile telephony, broadband Internet access (fixed and mobile) and digital TV, using a website or a telephone service.

This document forms part of our attempt to ensure that the application process for accreditation is fair and transparent to candidates, and as streamlined as possible.

The remainder of this report is structured as follows:

- Section 2 provides examples relating to the accuracy of price comparison services
- Section 3 summarises previous decisions relating to the transparency and independence of the services
- Section 4 discusses examples concerning the comprehensiveness of the price comparison services, including those related to the approach taken to deal with geographical constraints
- Section 5 considers other examples relating to presentational aspects of price comparison service websites which are not directly captured by any of the other three categories.

This structure is designed to follow that used in Section 3 of the main audit guidance document, *'Accreditation scheme for price comparison services: audit guidance document'*.

## 2 Examples of audit decisions made relating to accuracy

In this section we describe examples of decisions made following the identification of issues relating to the accuracy of information provided by price comparison services. These issues also relate to the selection of results which are returned following a search.

The example issues, together with the decision taken and the action required, are set out in Figure 2.1 below.

Figure 2.1: Examples of issues related to accuracy, together with decisions and actions required [Source: Analysys Mason, 2013]

Issue	Decision taken and action required
<i>On one price comparison site, the monthly charge shown was a mixture of discounted tariffs and normal tariffs, meaning that the actual price was unclear</i>	To be recommended for accreditation, it was decided that the monthly charge column should state clearly if the price shown is not a standard monthly price (e.g. if it increases after an initial discount period)
<i>One price comparison service only displayed results which exactly met the search criteria. This resulted in some comparatively cheaper options which were very close to meeting all search criteria not being displayed</i>	This issue is not straightforward and problems could certainly arise if results are displayed which do not exactly meet the search criteria, if not handled very carefully. However, in this case we recommended that packages that were cheaper but still a very close match to the search criteria should be displayed, in order to provide the user with as much choice as possible. This reflects the fact that users may be willing to change their requirements slightly in exchange for a lower price
<i>When Sky Sports packages were searched for using one particular price comparison service, the results included some Freeview and Freesat options which did not include Sky Sports</i>	This approach has the potential to mislead customers if not properly explained. It may be valuable for users to be aware of Freesat and Freeview services which may to some extent be substitutable with Sky Sports content. However, this must not be done in a way which means users are likely to conclude that these products would include Sky Sports channels. We therefore decided that, as a minimum, this approach should be explained very clearly to users

### 3 Examples of audit decisions made relating to transparency and independence

The methodology used by a price comparison service will often make a number of inherent assumptions. This section provides examples of where these assumptions were found to be unclear to the user and might therefore pose a risk of misleading the user.

In this section we examine examples of decisions made following the identification of issues relating to the transparency of information provided by, or the independence of, price comparison services.

The example issues, together with the decision taken and the action required, are set out in Figure 3.1.

Figure 3.1: Examples of issues related to transparency and independence, together with decisions and actions required [Source: Analysys Mason, 2013]

Issue	Decision taken and action required
<p><i>A price comparison service included sponsored results at the top of the results table without sufficient differentiation from the search-driven results</i></p>	<p>To maintain impartiality and fairness, and ultimately to gain accreditation, it was felt that sponsored results should be removed from the main results table and clearly distinguished from the search-driven results. The number of sponsored results should also be limited. Users should not have to scroll through large numbers of sponsored results to reach the search-driven results, which should be visible without any scrolling following a search. Above all, any sponsored results should be clearly identifiable as separate from search-driven results</p>
<p><i>On one price comparison service, the entire row for each entry in the results table formed a hyperlink to the provider's website, with all further information available via the provider only</i></p>	<p>Although this raised no issues in terms of methodology, it was decided that for the price comparison service to be accredited, the website should provide more detailed package information, in addition to what was shown on the initial search results page. This would be more useful to users trying to decide which option is most suitable for them. Separate hyperlinks to the more detailed package information (still part of the price comparison service) should therefore be available, and the size of the main hyperlink to the provider's site should be reduced, and ideally limited to the 'go to site' button or similar</p>
<p><i>The results list on one price comparison service displayed only one tariff per ISP, limiting the options shown to the user. Another followed an approach which meant that several packages from a range of providers were unlikely to show up in results tables unless users ran very specific searches</i></p>	<p>In both cases it was felt that, ideally, users should be able to see all suitable results, perhaps across multiple pages or through a 'more results' button. The minimum requirement for accreditation of this service was that this limitation should be stated very clearly in a prominent location on the website, together with more emphasis on the advanced search options. But our strong preference in these cases was that the approaches were changed to allow users to more easily see all available options</p>

Issue	Decision taken and action required
<i>A price comparison service highlighted a number of packages as 'Editor's Choice'. No rationale was given for these choices, nor was it made clear to the user that these may be partly based on subjective opinions</i>	To maintain transparency and ensure that users are not misled, we required a statement be added to the site to explain the subjectivity of these choices
<i>Third-party delayed cashback offers were treated in the same way as discounts by one price comparison service, which may be misleading</i>	To be accredited, a price comparison service must be seen to provide a clear, informative service, and therefore the terms of the various discount deals must be explicit. In this case, it made sense for third-party delayed cashback offers to be re-named and explained on the site to avoid confusion
<i>A price comparison service that calculated individual call prices did not incorporate the notion of variable billing increments within its model</i>	Whilst we appreciate that certain details are sometimes not captured in a price comparison model due to their complexity, for the benefit of the user, and for the purposes of accreditation, this should be explained clearly on the site
<i>A price comparison service which displayed results for bundled products which included Sky TV was not clear about exactly which TV package was included</i>	It was considered that there was no significant issue with the underlying methodology in this case, but that additional clarity on which TV package was included in the bundles needed to be provided before accreditation could be recommended
<i>A price comparison service that included Freeview packages provided a link to one particular third-party retailer of Freeview boxes</i>	We considered that independence should be maintained and that the price comparison service should instead direct users to a general product information page on Freeview's own website



## 4 Examples of audit decisions made relating to comprehensiveness

In this section we set out some examples of decisions made relating to the comprehensiveness of information provided by price comparison services. These issues also relate to the accuracy of any geographical coverage information provided via a postcode checker.

The example issues, together with the decision taken and the action required, are set out in Figure 4.1.

*Figure 4.1: Examples of issues related to comprehensiveness, together with decisions and actions required [Source: Analysys Mason, 2013]*

Issue	Decision taken and action required
<i>When a user performed a search using a Hull area postcode on one price comparison site, a message was displayed informing users that the service did not cover the Hull area and referring them to the KCOM Group website</i>	To maintain impartiality and meet the requirements for accreditation, we required this message to be amended to include other potentially relevant providers. In this case these included providers of satellite broadband and digital TV services. Further details about the treatment of Hull postcodes can be found in the main audit guidance document
<i>On another price comparison site, there were some discrepancies between the site's postcode checker and individual ISP postcode checkers for geographical coverage of fibre products</i>	For accreditation purposes, the postcode-specific coverage check should be as accurate as possible. However, we note that, particularly during the early stages of availability for fibre packages, accurate geographical availability data (e.g. at a postcode level) can be difficult to obtain. We therefore took the decision that in the event of such difficulties, a statement on fibre package availability should be added to the bottom of the main search results page clarifying that users should confirm availability on the provider's website

## 5 Examples of audit decisions made relating to other presentational issues

In this section we list examples of decisions made following the identification of other presentational issues not captured in the previous sections. These issues relate both to the selection of results displayed following a search and to the level of additional information provided.

The example issues, together with the decision taken and the action required, are set out in Figure 5.1.

Figure 5.1: Examples of issues related to presentation, together with decisions and actions required [Source: Analysys Mason, 2013]

Issue	Decision taken and action required
<p><i>One price comparison service website displayed every available combination of monthly contracts, mobile phones and discount schemes as an individual search result on its results page. This led to situations where the 100 results displayed actually only showed a very small number of distinct tariff plans (sometimes as few as one or two), limiting choice for the user</i></p>	<p>This was considered to run against the aims of Ofcom's accreditation scheme, as the primary focus should be on price. The service was, in effect, more of a handset comparison service than a price comparison service and, although extremely valuable to some users, did not really encompass the aims of Ofcom's accreditation scheme. One possible alternative could, for example, have been to operate a two-layered approach, with a selection of tariff plan results presented first and a secondary choice of the available handsets for each one</p>
<p><i>The search results on one price comparison service included mobile broadband packages without the option of excluding them, which led to a limited number of fixed broadband results being displayed on the first results page</i></p>	<p>To ensure that users are able to view a wide range of options for fixed broadband packages, it was decided that there should be an option to separate fixed and mobile broadband offers. In this case, mobile broadband was removed from this part of the site altogether and instead had its own distinct price comparison function, which was considered outside the scope of the accreditation process</p>
<p><i>One price comparison service displayed business offers and residential offers for mobile broadband in the same results table, which could confuse users who were looking for just one of these types of offers</i></p>	<p>For accreditation, a straightforward and clear service must be provided. Therefore, it was decided that functionality should be introduced to allow differentiation between residential and commercial mobile broadband offers</p>
<p><i>One price comparison service did not provide sufficient information regarding VoIP packages, particularly the difference in quality between VoIP and PSTN and whether the service uses a standard phone, soft phone or a phone which must be plugged into a PC. It may be unclear to the consumer whether or not they need any additional equipment</i></p>	<p>For the user to have the best possible understanding of the package, and to meet the requirements for accreditation, information should be provided when it is possible that additional equipment may need to be purchased, or that levels of quality might vary from one service to another. It was decided that a statement should be included with further details of VoIP packages, describing whether a standard phone, soft phone or a phone which must be plugged into a PC should be used</p>