



## MoneySuperMarket | Response to Consultation on the implementation of the CMA's Whole of Market recommendation

### About MoneySuperMarket

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MoneySuperMarket is the UK's leading price comparison website. We provide free, online tools to help people manage, save and grow their money, by enabling them to compare and switch Insurance, Money and Home Services products from more than 980 providers across 44 different channels.

MoneySuperMarket is part of the Moneysupermarket Group PLC, an established member of the FTSE 250 index. In 2017, we helped nearly eight million families save an estimated £2bn on their household bills, including five million people who saved money on their insurance, two million who got a better deal on their finances and over half a million households that switched their energy supplier.

Moneysupermarket.com Limited is an appointed representative of Moneysupermarket.com Financial Group Limited, which is authorised and regulated by the Financial Conduct Authority (FCA FRN 303190) for the insurance, mortgage and consumer credit products it offers. For energy products, MoneySuperMarket is accredited under the Ofgem Confidence Code

### Executive summary

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We believe many consumers still find the energy market complicated which is reflected in low levels of consumer engagement. Increasing consumer engagement and empowerment is the most effective way to drive down energy bills, deliver savings and ensure more consumers move away from costly Standard Variable Tariffs (SVTs) or Default Tariffs. Based on our research, consumers who switch to a fixed rate deal could be saving over £250 a year.

We are supportive of the removal of the Whole of Market (WoM) requirement from the Confidence Code as it will make PCW services more seamless and therefore make switching easier for consumers.

### Consultation questions

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***Question 1: Do you agree that our minded-to option is the best means of achieving the benefits and mitigating the risks of removing the WoM requirement?***

We would prefer the Whole of Market to be removed in its entirety without the need to show a link to the Citizens Advice Bureau or prescriptive testing requirements from Ofgem. We have been actively investing in our energy proposition to increase engagement levels in the market and leveraging the tools at our disposal to encourage more consumers to participate in the market. We believe PCWs are inherently incentivised to perform significant amounts of consumer testing and have huge amounts of data and testing which would provide significant consumer insight. We already carry out extensive testing to ensure the products sold to customers are clear to understand and the customer journey improves on a continuous basis. Based on this Ofgem could require PCWs to demonstrate the effectiveness of their sites without being prescriptive over the nature and extent of testing.

In the absence of our preferred option, we agree that the minded-to option is the next best alternative. We agree that testing obligations should be removed if the Wide Results option is kept.

There's nothing to suggest that changes made to WoM requirements over the recent months has damaged customer engagement or competition – if anything it's made it better. During last year comparison sites began to transition away from the 'whole of market' view and Figures from Energy UK show that a record 5.5 million households switched their



energy supplier in 2017 and saw their bills come down. This is further proof of the ever changing face of the retail energy market, with more and more suppliers competing for customers, mostly offering competitive tariffs and excellent customer service.

The recommendation to remove the WoM view was initially made by the CMA in 2016 following a two year investigation into the retail energy market. It found that removing it would encourage greater customer engagement and competition in the market. MoneySuperMarket still remains in support of these recommendations and will continue to work with Ofgem to implement them.

***Question 2: Do you agree that our proposed drafting of the Code is the best means of achieving the benefits and mitigating the risks of removing the WoM requirement?***

We agree that the proposed drafting of the Code is appropriate.

## **Contact information**

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If Ofgem have any questions regarding this consultation response, or would like further information on the work of MoneySuperMarket, please contact: Matthew Whittle.