

# Correlation Between Ad Spend And Traffic Strengthens For Price Comparison Sites

Contributed by Nielsen  
Wednesday, 16 March 2011  
Last Updated Wednesday, 16 March 2011

Note: All audience figures are a measure of unique UK visitors from home and work computers.

The UK price-comparison sector is characterised by pure online businesses that principally use advertising to help drive consumers to their sites, so, any change in their online audience is an excellent indicator of how well their advertising is performing.

Looking at the sector as a whole, the number of unique UK visitors from home and work computers to price-comparison sites is very sensitive to ad spend. When more is spent on advertising, visitors to these sites go up, and when spend dips, the online audience quickly dips.

As newer entrants to the market have become better-established, this sensitive correlation has become even more noticeable over the last two years.

In 2008, the correlation between aggregate ad spend and unique UK visitors to price comparison sites was 54 percent. (A correlation of 100% is a perfect match, where a change in ad spend is mirrored by the exact same change in site visitors.)

In 2009 the correlation rose to 75 percent, and by 2010 it was 82 percent – statistically a very strong correlation. Audiences remain fickle and it appears to be hard to retain an audience once an ad campaign has finished.

## Advertising by business

Of the four main price-comparison sites, GoCompare has been the biggest spender on advertising over the last three years. It invested particularly heavily last year, when it spent 30 percent more on advertising than its nearest rival, MoneySupermarket.

## Online audiences

MoneySupermarket has consistently been the most-popular price-comparison site in the UK over the three years covered by the study, averaging three times more unique UK visitors from home and work computers than its nearest rival.

Due to the inherent nature of the sector, there isn't a large degree of exclusive brand loyalty for price-comparison sites – consumers will visit more than one of them in any given month.

For example, during January 2011, at least 43 percent of visitors to each of Confused.com, GoCompare and Comparethemarket also visited MoneySupermarket.

## Advertising effectiveness

Although not all visitors are driven to price-comparison sites by advertising, comparing a site's average monthly ad spend against the average monthly number of visitors it attracts gives a good proxy of how effective a business's advertising is at pulling in customers.

Aggregating these across the year, MoneySupermarket spends the least on advertising per unique UK visitor to its site. In 2010, it spent 58p per person. In 2008, the relative newcomers GoCompare and Comparethemarket were still working hard to establish their brands in the consciousness of consumers.

Since 2009 though, when they each launched ad campaigns with new characters - an opera singer and a meerkat, respectively – their cost-per-visitor has dropped dramatically. The ad-cost-per-visitor for Comparethemarket, for example, has dropped nearly fourfold, from £5.47 in 2008 to £1.45 in 2010.

## TV remains dominant

All four price-comparison players heavily concentrate their ad spend on TV. This is particularly the case for the newer entrants Comparethemarket and GoCompare, which have invested, respectively, 92 and 89 percent of their spend over the last three years on TV, as they look to establish their brands.

MoneySupermarket has taken a more varied approach, investing 14 percent of its spend in online advertising, compared to just one percent by both Confused.com and GoCompare and nothing by Comparethemarket.

#### Audience response to TV ads

Since January 2010, Comparethemarket's TV ads - starring the meerkat character Aleksandr Orlov - have by far been the most-liked in the sector. Seventy-three percent of TV viewers who remember the brand have either liked their ads "a lot" or "somewhat".

However, GoCompare has the highest "brand recall" from its TV ads. Sixty percent of viewers seeing their ads can remember the brand name the following day.

Looking at the likeability scores of the TV ads in more detail, Comparethemarket's ads are universally liked; ads for Moneysupermarket and Confused.com are regarded with more neutrality but are generally liked, while GoCompare's ads, featuring its opera singer, polarise viewers between generally liking them and disliking them a lot.

#### Audience Profile

All four of price-comparison sites covered slightly over-perform on attracting female visitors, though this bias is a little stronger for Confused.com.

Comparethemarket attracts a higher concentration of young adults (16-34 yr-olds) than any other of the others, while all four sites strongly attract the over-50s. Pensioners are particularly attracted to MoneySupermarket and Confused.com, but much less so to GoCompare.

#### Notes

The UKOM/Nielsen figures are a measure of the actual behaviour of unique individuals accessing the Internet from personal computers within home and work locations. The figures come from a fully-representative opt-in panel recruited via traditional offline as well as online methods.

2 March 2011