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Aussies missing out on multi-car insurance policy discounts

New study reveals a whopping 300,000 uninsured cars on the road

More than **three-quarters (78 per cent)** of Australian households with more than one car have each car separately insured, suggesting a lot of Australians could be paying more than they need to for car insurance.

Car insurance experts [iSelect](#) today released the results of a national Galaxy Research study which looked into Australians' car insurance behaviour.¹

The survey found that **almost half (45 per cent)** of Australian households have two or more cars, with an average of 1.5 cars per household across the country. **Twelve per cent** of all homes have 3 or more cars.

The **vast majority (82 per cent)** of households have fully comprehensive car insurance, **nine per cent** have third party fire and theft/property insurance and **six per cent** have compulsory third party insurance.

Laura Crowden, iSelect spokesperson, said the survey showed that many households were missing out on potential savings available through multi-car discounts.

"Recent entrants to the Australian car insurance market are offering generous discounts to customers who insure more than one car under the same policy. Opting for a multi-car policy could save you several hundreds of dollars a year or more on your car insurance."

Laura said the fact only 22 per cent of households have multiple cars insured under the one policy suggested low awareness of the discounts that may be available through multi-car policies.

"A lot of people are aware of multi-policy discounts, where you bundle multiple products – such as your car insurance with your home and contents – through the one insurer but fewer people are aware of the benefits of multi-car policies," Laura explained.

"Generally with multi-car policies the more cars on the one policy, the more you could save. They are especially good for households with teenagers or adult children still living at home, as bundling all cars into one policy can result in significant savings for the whole family."

Worryingly **296,000 households (four per cent)** with a car do not have it insured at all, risking significant financial liabilities in the event of an accident.

"Even if you've decided your car is not worth the yearly insurance premium, it does not mean the other car you are involved in an accident with will be similarly valued... after all, it's not uncommon for a small prang in a car park to cost thousands of dollars in repairs," said Laura.

The survey also revealed confusion about the impact moving home can have on your car insurance policy, with **23 per cent** mistakenly under the impression nothing happens if they change address and a further **17 per cent** not sure.

¹ In April 2016, iSelect commissioned a nationally representative consumer research study with Galaxy Research to assess the attitudes of over 1,100 Australian household decision makers towards household financial matters.

Laura said that while **half** of those surveyed realised they needed to update their car insurance policy with their new address, only **28 per cent** were aware that the cost of their car insurance policy could change as a result of changing address.

“For example, your car insurance premium will go up or down depending on your new neighborhood and where you leave your car overnight at your new home,” Laura said.

Laura also commented on the growing number of consumers who were reviewing their policies for so-called ‘junk’ insurance products.

“An increasing number of people are becoming aware of the extras that are sold to them when they initially buy a car,” she said. “They may have bought extras such as Consumer Credit Insurance when they purchased the car and still be paying a monthly premium for insurance products that they actually don’t need.”

Laura said it was pleasing to see that the **majority (87 per cent)** of survey respondents had updated their car insurance with their new address within three months of their last, it was worrying that **almost one in ten** (nine per cent) didn’t contact their insurer to tell them they’d moved.

“Not updating your car insurance policy with your new address could result in your policy being automatically voided in the event of you needing to make a claim,” Laura said.

“Some people might put off updating their address for fear of increasing their premium but not being upfront could end up costing you a lot more in the long-run.”

| iSelect's top 5 tips for finding the best value car insurance | |
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| 1. Regularly review | – Your renewal notice should be a reminder to review your policy and make sure it’s still the best value for your needs and budget. Policies and discounts can change year on year so it’s always worth taking the time to speak to an expert and compare your options. |
| 2. Get the maximum discount | – You may not be getting the maximum discount you are eligible for based on your driving and claims history. Your rating should move with you even if you change insurer or policy type and you may even be eligible for the maximum discount when taking out a new policy if you have a good driving history. |
| 3. Combine multiple cars under one policy | – Multi-car policies can offer great value, and the more cars on the policy, the more you could save. They are especially good for households with teenagers or adult children still living at home. |
| 4. Bundling isn’t always cheaper | – Bundling your car insurance with another product (such as home & contents) under a multi-policy isn’t always cheaper. You may find that two separate policies not only better suit your individual needs but end up cheaper. |
| 5. Look for high value, not low price: | Don’t just think about price, as opting for the cheapest policy may not cover you for everything you need and policies that offer better value inclusions and benefits aren’t always more expensive. |

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