

3 June 2020 || GoCo Group plc

AutoSave approaches half a million customers – Q2 Covid-19 update

GoCo Group plc today provides an update to the market in line with the previous commitment, as stated in the Q1 RNS update on 21 April 2020, to keep the market regularly apprised of the Group's position

- AutoSave maintains +100% annualised customer growth rate, demonstrating growing demand for a service which does the hard work for people and saves them money when they need it most
- Price Comparison behaviour across insurance, financial and online services shows signs of gradual return to pre-Covid-19 levels

AutoSave on course to exceed 460k customers by the end of June, surpassing previous guidance and maintaining +100% annualised growth

- Despite people spending more on energy while working from home, and despite 30% of people being worried about their finances, 29% fewer people switched their domestic energy provider in the UK in April 2020 compared to last year – reinforcing peoples' risk aversion and worry about switching suppliers. GoCo's AutoSave continues to demonstrate that there is a strong consumer appetite for a proposition which automatically helps people stay on a great deal
- Marketing investment year to date remains consistent with previous guidance. The team is also exploring and diversifying into new communication channels to reach a broader audience, with DRTV testing during May assisted by lower TV buying rates
- Operational metrics continue to improve with customers seeing record levels of savings
- Exploration of expanding the service through prototyping continues, focused on broadening what we can help people with, and as a consequence increasing the lifetime value of each customer

Price Comparison: people returning to previous behaviour

- GoCompare May car insurance volumes started to recover year-on-year, while brand spend and activity was adjusted in line with consumer behaviour i.e. what people wanted to see or engage with
- Behaviours impacting insurance comparison started to revert to previous patterns:
 - Car insurance search volumes in Google started to recover in May with search volume flat year-on-year having declined by c.25% on average post lockdown¹. This is reflective of more people shopping around and we expect a further increase from car sales forecourts opening on 1 June
 - In line with previous years' seasonality, searches for motorbike insurance significantly improved in May (+1% vs. 2019²), reflecting riders getting back on the road
 - Studies show that people did delay buying insurance policies during Covid-19 (6% delayed purchase³), but their intent is still to purchase post the crisis (60% plan to repurchase as the outbreak decreases³)
- Despite some return to work and increasing normalised patterns of work at home, there has been little shift back to previous behaviours relating to device, and time and day of week, suggesting that even though people are searching more, they are adopting new life behaviours⁴
- Until the UK's travel guidance is updated, travel Insurance services will remain unavailable
- TV and mass media marketing costs fell significantly in Q2, as advertisers stopped spending and people's viewing habits changed. Within this environment, the Group believes that the £250 excess initiative remains very relevant as people head back onto the roads

Matthew Crummack, Group Chief Executive Officer said:

"I'm delighted with the progress we continue to make on AutoSave with the strong growth in customer numbers through Q2. This growth continues to surpass our expectations, having beaten guidance for the 3rd successive time. It's also exciting to be nearing a key milestone of half a million AutoSave customers, with more to come.

I'm also very pleased with how the Group is performing as a whole, as the initial changes we saw in consumer behaviour return to their previous patterns. The team has continued to work incredibly hard in what is a challenging period and I'm glad the Group is exiting what is hopefully the worst of the Covid-19 crisis in good health."

Notes

1. Based on Google search data for the period from 9 May to 23 May; post lockdown is a straight (unweighted) average of first 4 weeks from 21 March to 18 April 21 to 28 May 2020 vs. comparable seven-day period in 2019
2. Google insurance insights data: % of people stating they delayed purchasing insurance because of Covid-19; % of people who plan to buy it back when the outbreak of Covid-19 begins to decrease or when it is over
3. Based on internal GoCompare data

For further information:

Nick Wrighton
Chief Financial Officer
GoCo Group
t: 01633 655 051
e: IR@gocompare.com

Chris Barrie / Jos Bieneman / Elizabeth Kittle

Citigate Dewe Rogerson
t: 0207 638 9571
e: gocompare@citigatedewerogerson.com

Alex Jessop
VP Investor Relations & Strategic Planning
GoCo Group
t: 07927 571 959
e: alex.jessop@gocompare.com

Victoria Rees
Senior Group Corporate Communications Manager
GoCo Group
t: 07702 901 247
e: victoria.rees@gocompare.com