

## **Nine tips for buying auto insurance online**

Just as more consumers are gravitating toward shopping sites like Amazon.com and Zappos.com, more auto insurance consumers are shopping online than ever before.

According to a 2011 study by J.D. Power and Associates, 54 percent of auto insurance shoppers are getting quotes online. That's up from just 3 percent in 2005, says Jeremy Bowler, senior director of the global insurance practice at J.D. Power.

Typically, online auto insurance shoppers are saving 10 percent to 15 percent on their premiums, Bowler says. But how can you make sure you're finding the best deal on the web? Here are nine shopping tips.

1. Don't limit online shopping to one or two companies.

"It doesn't take a lot of time, from the comfort of your living room couch or during lunch hour at work, to get that third or fourth quote," Bowler says.

When shopping for auto insurance online, you should obtain quotes from several insurance companies, one expert says.

Start with sites of companies you know and trust, says Amy Bach, executive director of United Policyholders, a nonprofit organization that offers insurance advice

2. Compare apples to apples.

Make sure you're getting the insurance you need beyond the state minimum liability coverage, then compare your needs among several insurers, Bach says. Use the same dollar figures for such optional coverage as comprehensive, collision and uninsured/underinsured motorist. Without comparing the same factors, the price quote you get may differ widely.

3. Fill out online forms completely.

It's basic advice, but it will save you time and money by providing complete information so that when an insurer verifies it, the rate won't go up because you forgot to report an accident. Some companies allow "prefilling" online so that basic information — your name, address, car description — can be saved and automatically used again and again.

4. Aggregate it.

Get several quotes by entering your information just one time at an insurance aggregation website, which has offerings from several auto insurance companies. InsuranceQuotes.com is an example of an

aggregation site.)

5. Hunt for discounts.

There are all kinds of discounts for belonging to various groups — AARP and credit unions, for instance. Also, discounts are available for insuring more than one car or insuring a car and a home with the same company. At Progressive, you can even save \$50 immediately on your first policy by signing your documents online.

6. Use a credit card with loyalty points.

If you can afford to pay the entire policy amount at once, Bowler recommends gaining award points by paying with a credit card. “If I as a consumer want to rack up point on my charge cards, that’s one way for the consumer to get them,” Bowler says. Just be sure to pay off the bill in full when it arrives.

7. Pay in full.

Some auto insurers, such as Allstate, Progressive, offer a discount for paying the entire amount upfront for the policy period six or 12 months, for example).

8. Don’t overlook the agent.

One benefit of shopping online is there isn’t a middleman to take a cut. Unless an insurance agent can meet or beat an online price for exactly the same coverage, you should save more by buying online and cutting out the agent’s fee, Bowler says.

Bach notes that although buying online might be cheaper, dealing with an agent directly can give you peace of mind and can make answering your questions easier.

9. Verify the company’s background.

Buying from a small insurance company you’ve never heard of isn’t a bad choice — if you are careful, according to Bach. Smaller companies can offer lower rates because their business expenses generally are low; for one thing, they don’t spend millions of dollars on advertising.

“You actually can get a better deal with small companies — if you can check them out,” Bach says.

Bach recommends verifying an insurer’s financial information before buying a policy. Look for ratings of B or better, preferably A or A+, from A.M. Best, Standard & Poor’s and Moody’s. Also, you may want to check out customer satisfaction ratings for auto insurers, such as those compiled by J.D. Power.