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VAN
insurance price index

JULY 2024

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The van insurance price index

The Consumer Intelligence Van Insurance Price Index is the independent authoritative source of price movements in the van insurance market, compiled using real customer quotes from price comparison websites (PCWs).

The data is used by the Office for National Statistics, regulators and insurance providers as the definitive benchmark of how price is changing for van drivers.

Summary

	Quoted van insurance premiums have risen by 24.7% in the past 12 months, but price rises continue to slow
	In the last three months, quoted premiums only rose 2.7%, which is the lowest quarterly rise across the last five quarters. Quoted premiums for under-25s fell in the past three months by 1.4%
	Van drivers most frequently received quotes between £750 and £999, with 16.4% of quotes falling within this range
	Direct insurers provided 37% of the top five quotes on price comparison websites in June, compared with 28% a year ago

Meet our pricing expert

Laura Vas
Senior Insight Analyst

Laura Vas is Consumer Intelligence's Senior Insight Analyst. She specialises in simplifying complex data to form cohesive narratives across the general insurance market.

With a passion for finding actionable insights within numbers, her background in mathematics offers an understanding of the real-world implications that can lead from data-related decisions, as well as a natural consideration of the consumer's perspective.

Methodology and definitions

For each risk, common to consecutive months, the variation is calculated from the average of the top five cheapest premiums returned on each PCW in the previous month to the average of the top five in the current month, regardless of which brands provided these quotes. The exercise is repeated on each PCW for each common risk.

The overall market top five monthly variation is calculated by averaging across all these risk level top five variations for common risks run in both months. The monthly figures are concatenated up to produce the trended price index from a starting point of 100% in the base month.

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The numbers

Quoted van insurance premiums rose 24.7% in the year to the end of June, but the pace of increase continues to slow.

The increase in quoted premiums in the three months to the end of June was 2.7% – the lowest quarterly increase seen across the last five quarters. Quoted premiums for drivers aged under 25 fell 1.4% in the past three months.

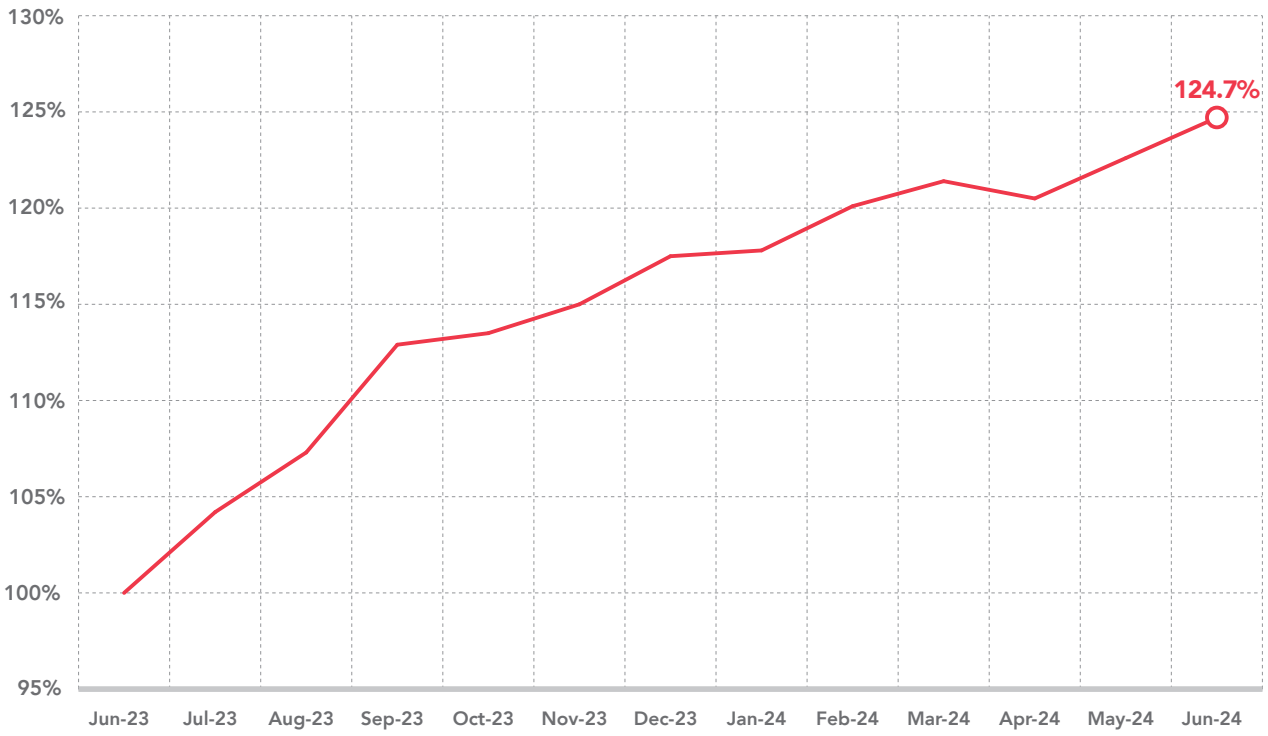
Quoted premium rises over the past 12 months were still well above inflation for the under-25s at 11.1%, but considerably lower than the 28.8% increase for the over-50s, and the 26.1% rise for those aged between 25 and 49.

Direct insurers provided 37% of the top five quotes in June this year compared with 28% last year, reflecting higher inflation among intermediaries.

> *"Across the price comparison websites, intermediaries have seen higher levels of inflation across the last twelve months than direct insurers. As a result, there has been an uplift in the presence of direct providers in the top five quotes,"* says Laura Vas, Senior Insight Analyst at Consumer Intelligence.

> *"Van drivers of all ages have seen new business quotes rise over the last year, but inflation was less extreme for younger drivers. However, premiums for the younger end of the market remain considerably higher,"* adds Vas.

One year



+24.7%

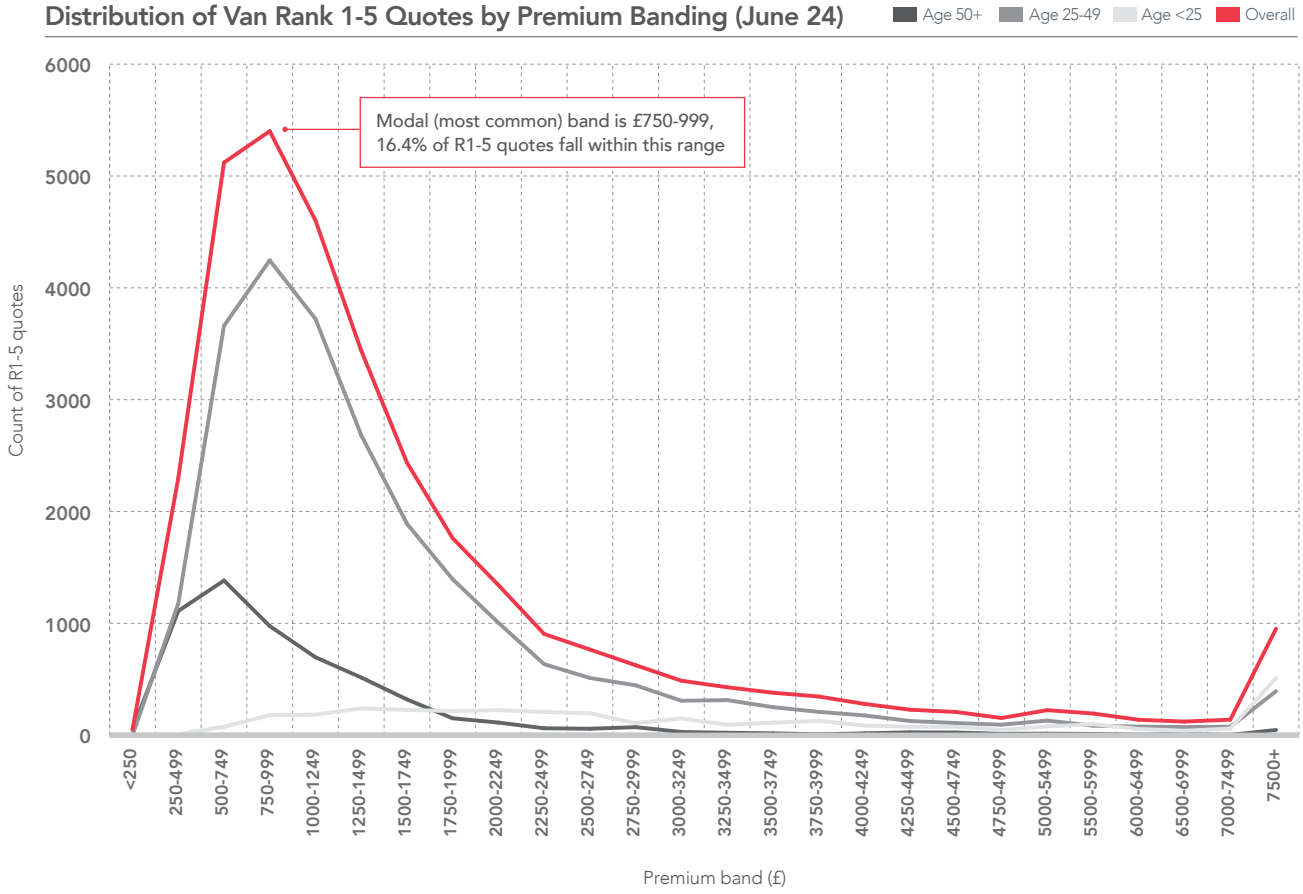
Quoted van insurance premiums rose 24.7% last year

Quoted premiums

In June 2024, the most common quotes for van drivers were between £750 and £999, accounting for 16.4% of all quotes. This was closely followed by the £500 to £749 range, which comprised 15.5% of quotes.

Around 14% of drivers received quotes between £1,000 and £1,249, while 7% received quotes between £250 and £499. Around 16% received quotes of £2,500 or more.

> *"During the last three months, quoted premiums increased 2.7% – the lowest quarterly increase seen across the last five quarters,"* Vas adds.



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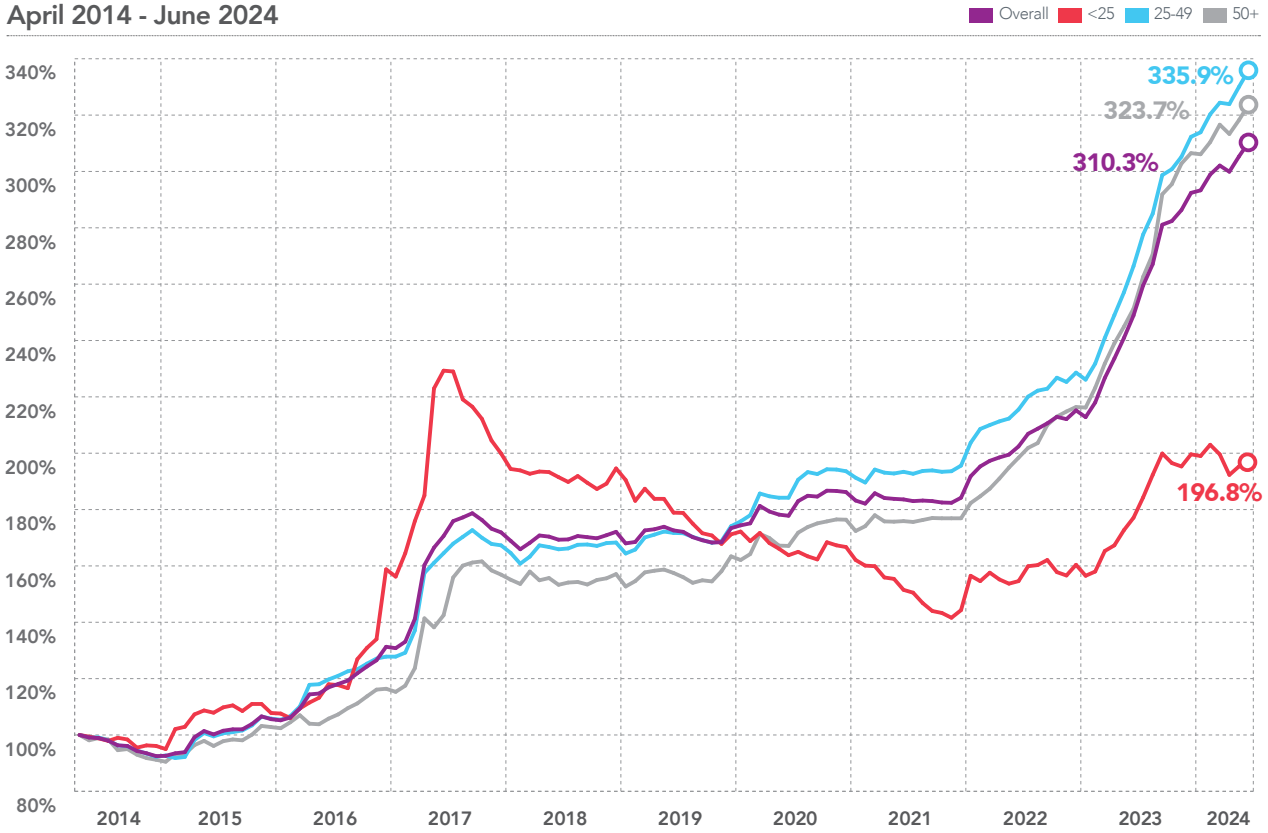
Long-term view

Since Consumer Intelligence started tracking quoted van insurance premiums in April 2014, average overall quoted van insurance premiums have increased by 210.3%.

Quoted premiums for the under-25s have nearly doubled by 96.8% since the launch of the index, compared with increases of 235.9% for those aged 25 to 49 and 223.7% for the over-50s.

April 2014 - June 2024



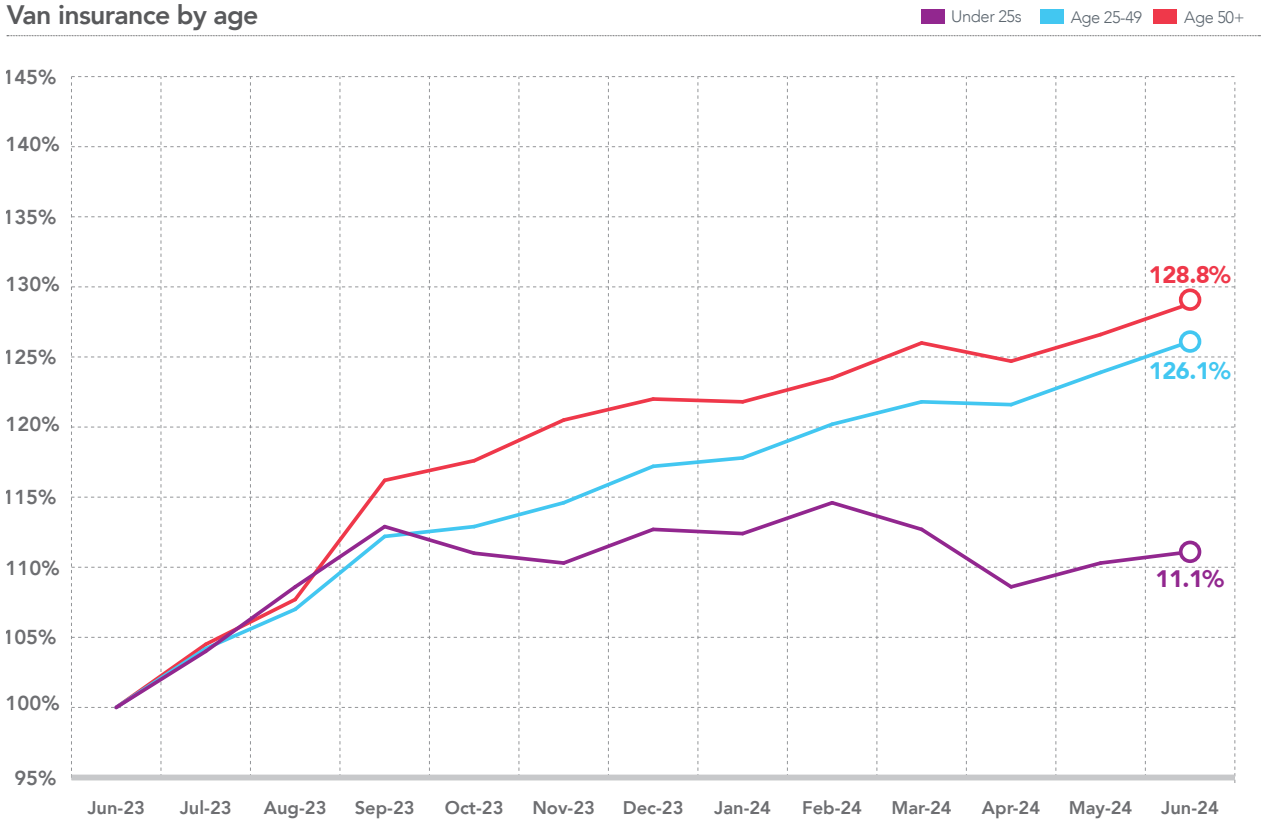
+210.3%

Average van premiums have increased 210.3% since April 2014

Age differences

The under-25s saw the lowest increases in quoted premiums at 11.1%, but just 28.5% were able to obtain quotes for less than £1,500 compared with 89.3% of those aged between 25 and 49 and 97.5% of the over-50s.

Just 5.7% of under-25s could source quotes for less than £750 in June this year compared with 35.7% of those aged between 25 and 49, and 64% of the over-50s.



11.1% Average increases for drivers under 25

26.1% Average increases for drivers 25-49

28.8% Average increases for drivers aged 50+

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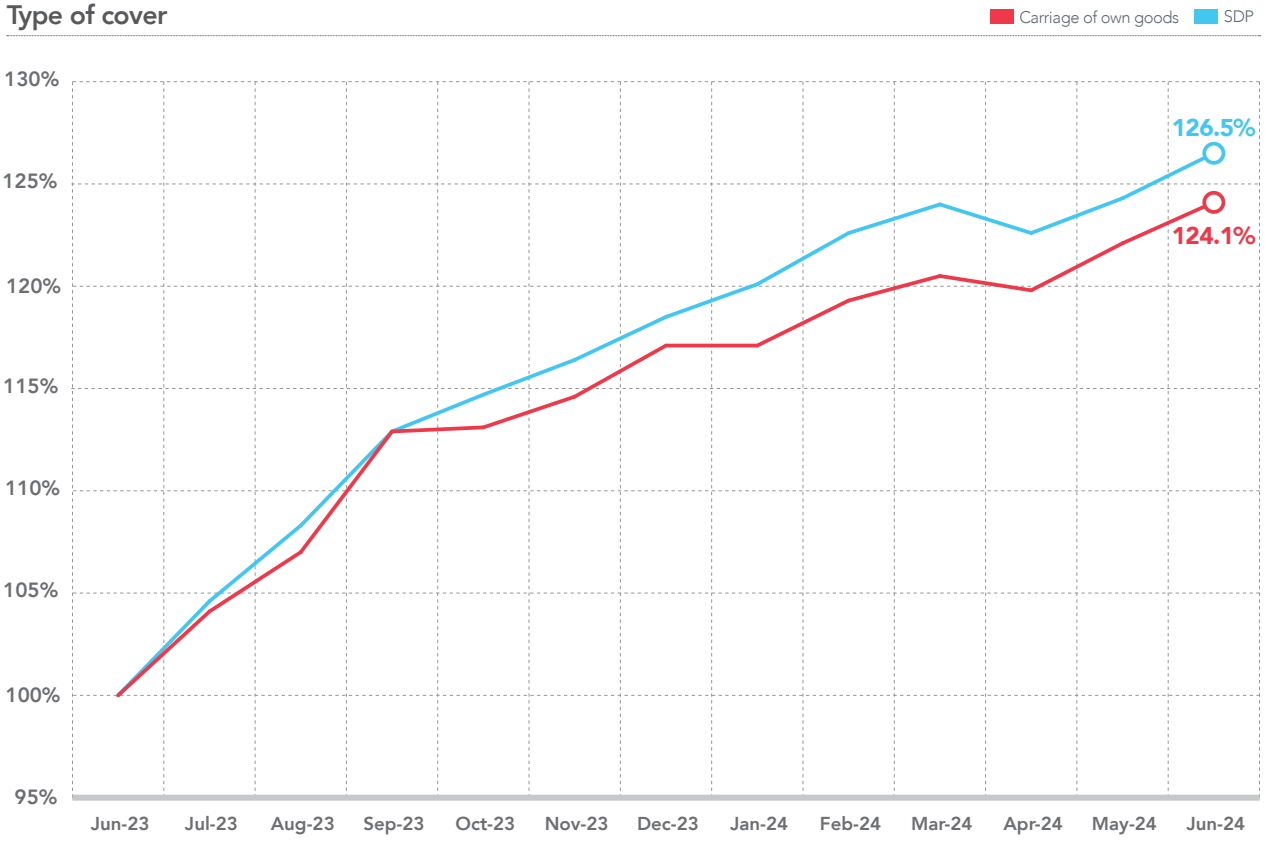
Type of cover

Increases in quoted premiums based on how van drivers use their vehicles varied slightly.

Owners using vans for social, domestic and pleasure saw increases in quoted premiums of 26.5%, while tradespeople experienced rises of 24.1%. Since Consumer Intelligence started collecting data, quoted premiums for social, domestic and pleasure have increased 266.3% while for carriage of own goods used by tradespeople, premiums have risen 187.4%.



Average SDP increase	26.5%
Average carriage of own goods increase	24.1%

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How do you compare?

Our quarterly price index shows only part of the picture, here at Consumer Intelligence we collect the granular detail that sits behind the average figures contained in this report.

To find out more about how your company ranks or if you would like help benchmarking your products and pricing across your target customer segments to inform your acquisition strategy then contact us at **insights@consumerintelligence.com**

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