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VALUE CONFIGURATIONS IN E-COMMERCE: EVIDENCE FROM COMPARISON WEBSITES

Abstract

Comparison websites have become a particularly prominent feature of e-commerce. In 2007 it was estimated that 20% of car insurance policies in the UK were obtained through such websites. Whilst some see this as a positive trend which enables greater competition, others, in contrast, question how impartial such sites actually are. However, in spite of this high profile there is no real academic research on the subject of comparison websites. This paper offers such a contribution using theoretical frameworks from the strategy literature and outlines key areas for further work in this field.

Keywords: Comparison websites, aggregators, online marketing, e-commerce

1 INTRODUCTION

Comparison websites, also known as price aggregators, have been a major growth area in e-commerce. Comparison websites enable users to specify their requirements and then be presented with a range of prices from product providers, typically with the ability to click through to make a purchase. The first comparison website was Pricewatch, specialising in computer related products, which emerged in 1995 (Resolution Foundation, 2007). Other comparison websites would soon emerge covering a broad range of areas including financial services, consumer goods, travel, and utilities. The large Internet media firms would become involved, Google entering the market in 2002 with its own product, Froogle (later renamed Google Product Search), and Yahoo purchasing the European comparison website Kelkoo in 2004.

A number of comparison websites in the United Kingdom, the focus of this paper, would become particularly high profile, for example, Moneysupermarket, uSwitch and Confused.com. These sites started by focusing on one specific area – Confused.com offering insurance, uSwitch utilities and Moneysupermarket mortgages – and then expanded across a range of products.

The size of this market was confirmed in 2007 with the flotation on the London Stock Market of Moneysupermarket. Its websites were attracting 5 million unique visitors each month and its record of consistent profitability enabled a market capitalisation of £1 Billion in October 2007 (Moneysupermarket, 2007). The success of such sites led to further entrants with the retail giant Tesco entering the market, initially with an insurance comparison service, in 2007.

1.1 Rationale

However, in spite of the high profile of these businesses, there is little academic research on comparison websites. Whilst there are a number of papers in the computing field on the technology challenges of aggregation, a literature search using the terms aggregators, comparison websites and related terms identified a narrow range of papers. Madnick and Seigel (2002) make the point that all organisations face the threat of aggregation, as it has become far easier as a result of software innovations, and can be done without the permission or knowledge of the website owner. They analyse the relationship between aggregators and what they term agregatees (the website whose information is being compared) and offer guidance to all participants. One area they analyse, not covered in this paper, is relationship aggregation, whereby an individual's separate dealings (for example various bank accounts) are viewed through one website. Wan et al (2007) analyse comparison sites using the analogy of the food chain, developing a schema to categorise sites according to the nature of the assistance and information they provide to users. This includes objective information (for example, prices), subjective numeric information (for example, customer ratings) and subjective text information (for example, customer reviews). Of the other papers retrieved Paraskevas and Kontoyianni (2005) look at user propensity to return to travel comparison sites, whilst Baye et al (2006) make use of price comparison data to analyse price differences across the Euro zone.

1.2 Objectives and structure

In such an emerging field with a lack of prior research the inductive approach is seen as appropriate (Eisenhardt 1989). This approach offers a roadmap to researchers seeking to build theory through the use of case studies. It recommends defining a research question, “in at least broad terms” to provide a sense of focus, although the question may change during the research. It is also stressed that the researcher should start with as close to a “theoretical clean slate” as possible (Eisenhardt, 1989, p536).

This paper seeks to analyse how comparison websites create value focusing on the United Kingdom market. However, the approach here differs from Eisenhardt's in that cases are not drawn upon, rather it uses examples and observations. The paper's key contribution is its adaptation of existing models to analyse comparison websites (Porter, 1985 and Stabell and Fjeldstad, 1998).

The structure is as follows. Section 2 looks at what comparison websites are, how they operate from a business and technology perspective and the criticisms they have faced. Section 3 then evaluates comparison websites using a number of theoretical perspectives from the strategy literature before the paper concludes.

2 WHAT ARE COMPARISON WEBSITES?

Comparison websites enable users to specify their requirements and then be presented with prices and information from a selection of providers. These sites have a dual appeal; to their users, through their ability to save them both time and money instead of visiting multiple websites, and to product providers who are given a supply of refined customers who are ready to buy a product (Moneysupermarket, 2007). Comparison websites have also gained a reputation for being customer champions through their regular public relations campaigns highlighting poor value in the markets they serve, something picked up eagerly by the popular media which has generated awareness and led new users to their sites.

The comparison site will present its results in the form of a table, with examples of this visible at any comparison website (for example, www.moneysupermarket.co.uk, www.fool.co.uk, and www.uswitch.com).

The key point is that the table, based on the information given by the user, tries to offer a like-for-like comparison. Typically, more information is available through clicking on the relevant parts of the table and clicking on an "Apply" button will take the user to the website of the provider. Depending on the comparison site other information may be available such as product guides and news about the industry. There has also been an emphasis on building community aspects, or so called Web 2.0 features, to such sites, with developments such as message boards – which often involve staff of the comparison websites as participants and moderators – and ratings of products by the users. The Motley Fool is an example of a site which places a heavy emphasis on its community aspect with users offered prizes for the best videos uploaded onto the site.

Comparison websites have become particularly important for products where there is an ongoing financial commitment, for example personal finance, communications and energy services. The savings here are often potentially far greater than most product purchases and providers can also be changed in contrast to the one-off purchase of a durable product. There are also many customers who remain in uncompetitive deals in these areas because of switching costs or lack of knowledge. Indeed, the name of one well known site in the list above, uSwitch, is clearly an attempt to communicate this option. uSwitch on its home page makes the potential savings clear.

"Why switch your gas and electricity suppliers? Switching gas and electricity supplier could save you up to £325 a year. Find out how with uSwitch.com."

2.1 How do comparison websites make money?

Comparison websites, as with most content based websites, do not charge their users for using their service with revenue generated from product providers. The methods differ from provider to provider but come through either fees and/or advertising.

2.1.1 Fees

Payment is made for click-throughs from comparison tables known as cost-per-click (CPC) and/or the actual results from such click-throughs (that is, for a completed insurance quote or sale) known as cost-per-action (CPA). The existence of such fees influences the coverage of the comparison website and the functionality it offers to its users.

- **Members only** – Some comparison websites only include firms that agree to pay fees. Some in the industry also charge recurring fees for inclusion in their results with Confused.com charging from £7,500 to £15,000 per month (Hussain, 2007). This can be seen as the equivalent of the storage fees charged to suppliers for access to their shelves by large retailers and is a demonstration of market power.
- **Versioning** – The industry's typical approach is to include firms that do not pay fees, but to only provide the opportunity to click through with an Apply button to *those that do pay fees* (the Motley Fool being a notable exception). This is an example of versioning as identified by Shapiro and Varian (1998) whereby a basic version of an information product is available without payment (here, the display of products in a comparison table) whilst the more enhanced product with full functionality (the ability for potential users to click through) has to be paid for.

2.1.2 Advertising

Payment can be on the basis of audience, known as cost per mille (thousand) (CPM) or may be based on CPC or CPA, as with fees. Most sites offer advertising, although uSwitch.com is an exception to this rule, having no advertising at all, generating its revenue through click-throughs from comparison tables.

2.2 Generating comparison results

2.2.1 Technology

Two key technology approaches are used to generate results for comparison tables.

Screen scraping

The "screen scraping" method was a technique from the 1980s to integrate legacy mainframe systems with PCs (Sun Microsystems, 2006). Screen scraping involves copying the information from a product provider's webpages for use on the comparison site. However, this presents major challenges as HTML provides information about the layout of a webpage but not about its meaning, meaning that each page has to be analysed and if its format changes the process has to be repeated, leading to a "tedious and error-prone" process (McGurrin, Roberts and Glassco, 2001). Screen scraping also becomes far more difficult with complex insurance products such as car and home insurance, as opposed to basic loans and credit cards, as far more information is required meaning more pages have to be scraped. This places large burdens on the web servers of the sites being scraped and the comparison site (Hadfield, 2006)

XML

An efficient alternative for organisations who wish to be included in comparison sites is to allow the use of XML to integrate data from their back-end systems with the comparison website. Software Solutions Partners, an IT consulting firm, give the example of Kwik Fit Financial Services allowing Confused.com to access information via XML which "*allows just one roundtrip to and from the server rather than repeated roundtrips for each web page. This results in a much faster overall quote time and far less load on servers at both ends.*" (Software Solutions Partners, 2007)

2.2.2 *Industry standard data feeds*

Moneyfacts and Defaqto are firms which supply financial information to financial services providers, government and the media in the form of best buy tables and magazines. In a logical extension of this role these firms became suppliers to comparison websites and also offer their own comparison services. They offer different products but the key points can be summarised using information taken from their corporate websites. Both work directly with product providers and vet organisations who appear in their comparison tables through an application process, whilst not making any charge for inclusion. Specialised researchers monitor the various product markets and use a range of methods including provider documentation, information on changes to products, website information and sales data. Product providers can also check information on the databases for accuracy.

Both firms then provide access to their databases through data feeds using XML. Thus Moneyfacts supplies uSwitch and the Motley Fool for personal financial products, with Defaqto also supplying uSwitch and MoneyExtra. Datafeeds are not available for insurance products as a standard quote cannot be retrieved and customer data has to be input into the provider's systems either through screen scraping or XML.

The challenge of presenting the data in a structured manner is affected by industry regulatory factors, for example, information on loans has to be laid out in a certain manner making acquisition and presentation in a like-for-like manner relatively easy whilst in mobile phone retailing prices and product information do not have to be presented in a set manner which presents far more challenges.

2.3 **Criticisms of comparison websites**

Comparison sites, however, have also come in for criticism. Until the launch of Tesco Compare – which is jointly owned by Tesco and the Royal Bank of Scotland (RBS) – none of RBS's insurance brands, which account for 25-30% of the market, were available on comparison websites. Even now its most prominent brand, Direct Line, will not even take part on Tesco Compare and has run advertising campaigns questioning the value and neutrality of comparison websites (Simon, 2007).

The key criticisms of comparison sites can be summarised as follows:

Neutrality – Confused.com and Comparethemarket.com (two major insurance comparison sites) are owned by the insurance firms Admiral and Budget respectively, leading to inevitable allegations of bias. Both comparison sites deny this, stating that all sites in their service are treated equally.

Disclosure – Transparency about how comparison sites are funded and clear labelling of advertising is variable across the sector. This led to calls for an industry code of practice from the Resolution Foundation to include transparent labelling of results and clear statements about the commercial relationships existing between comparison websites and product providers.

Coverage – A further point which is stressed is the lack of complete coverage by comparison sites. It should be noted that in the insurance field the refusal of the RBS's brands to be involved in comparisons plays a part in this. Indeed Direct Line has threatened legal action if they are included in any comparison tables.

One size fits all – The generic requirements form of the comparison site may not fit with the processes of the provider (Simon, 2007). One criticism made by Stone (2006) was that financial comparison websites assumed that all users had good credit records and that failure to filter out problem cases facilitated inappropriate application, leading to applicants failing credit checks which in turn worsened their credit records. Such criticisms have been responded to and some comparison sites (for example, The Fool, Money Expert and Moneysupermarket) now offer enhanced filters to weed out those likely to be rejected for certain products. Moneysupermarket also allows results to be organised according to the credit profile accepted by product providers and shows the average acceptance rate

Undue focus on price – Comparison websites have been criticised for their undue focus on price. If, for example, product A is cheaper than product B but product B offers superior levels of service, which is the better product? Attempts have been made to address this, with GoCompare (a new entrant in insurance) offering ratings of products according to how well they meet the requirements of the user. Insurance products are a particularly complex field as there are many optional add-ons and providers also have different criteria for the types of customer they wish to insure. One tactic which has emerged is the offering of basic policies at the top of the comparison in the expectation that users will upgrade their cover when they visit the insurer’s site.

3 VALUE CONFIGURATIONS FOR COMPARISON WEBSITES

3.1 The value chain and criticisms

Porter’s value chain is the standard tool used in academia to analyse value creation, with its success evidenced in the way that it has entered the lexicon of business. Value is defined as what buyers are prepared to pay for a product and superior value comes from either offering differentiated products which can justify a premium price or through being a cost leader (Porter, 1985). Porter stated “the value chain disaggregates a firm into its strategically relevant activities in order to understand the behaviour of costs and the existing and potential sources of differentiation” (p33). Firm value chains are also part of wider “value systems” as the firm requires inputs from suppliers, created through their value chains, and also provides inputs for the value chains of buyers, either other firms or consumers.

Information has long been seen as central to the value chain. Porter and Millar (1985) stated that IT is present in all activities in the value chain and is “transforming” the value chain, linkages between activities and wider environment. Rayport and Sviokla (1995) introduced the idea of the virtual value chain where information is more than “a supporting feature” and can actually become a source of value. They argue there is a virtual value chain (the marketpace) which mirrors the (physical) value chain (the marketplace) which can create new value, one example of this being access to additional material by an artist online. Rayport and Sviokla also argue that some activities can be moved from the physical value chain to the virtual value chain, giving the example of product design.

Porter’s value chain has long been seen as an effective tool in analysing manufacturing. However, it has been criticised for its failure to model interdependences, a lack of relevance to services and its sequential nature (Stabell and Fjeldstad, 1998). Nevertheless, this paper will use the value chain framework to analyse comparison websites and introduces a new term, “the click chain”.

3.2 From value chain to click chain

Figure 1 below models this process using an amended version of Porter’s internal value chain, with inbound and outbound logistics replaced by inbound and outbound clicks.

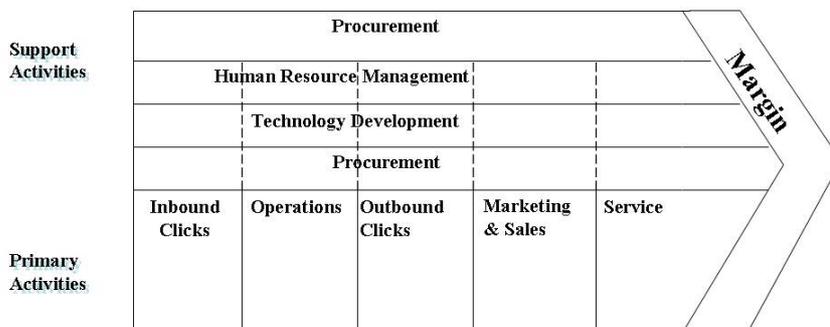


Figure 1: The click chain. Source: Amended from Porter (1985)

3.2.1 *Primary activities*

Inbound clicks – Comparison websites attract inbound clicks, the sources of which need to be identified for performance monitoring and also because some of them incur payment (for example, Google’s paid search results are charged per click). Another key issue is click fraud – providing clicks solely to generate payment.

A major emphasis of comparison websites has been to reduce the cost of inbound clicks by maximising the number of users who come directly to the website through brand building and PR campaigns.

Operations – This describes the process of efficiently searching for products which meet the requirements of various customers. The comparison website offers a product to contracted providers, namely a refined and qualified customer (a high-quality outbound click), who is ready to buy the provider’s product. Whether this is the case will depend on how well the filtering process has been carried out and how effective the matching process is with provider’s products.

Outbound clicks – When a user clicks through an Apply button from a comparison website they are taken to the provider’s site. This process should involve the user being transferred directly to the appropriate page with, for example, a loan applicant being taken directly to the loan application page, with efficient transfer of their information from the comparison site to prevent frustration.

Marketing and Sales – Comparison websites provide a service to both their users and their paying clients, the product providers. There is a network effect here, with both users and product providers being attracted by a critical mass of the other. Users are attracted by a variety of online and offline methods whilst business development managers focus on attracting and retaining the interests of providers by maximising their benefits. The recent development of exclusive products only available through certain comparison sites is an example of maximising the attractiveness of a site to users and enabling providers to increase their success through this medium.

Service – An example of service given by Porter (1985) is product adjustment, which accurately describes the introduction of enhanced filters and richer information in response to outbound clicks failing credit checks.

3.2.2 *Support Activities*

Procurement

Porter (1985, p41) states that “Procurement refers to the function of purchasing inputs used in the firm’s value chain, not to the purchased inputs themselves”. In addition to the inputs one would expect for high technology firms, procurement also involves the function of purchasing clicks to the site, which includes:

- Search engines – Paying on a cost per click basis for advertising on search engines (for example, Google AdWords)
- Affiliates – Paying usually on a cost per action basis for click-throughs from sites which promote the comparison website. These affiliates can range from media websites to specialist financial information websites to other comparison websites.

The crucial point here is that the costs are controlled so that cost per acquired customer enables the comparison website to make a margin over what it charges the product provider and its other costs.

Technology development

Technology development is also vital to comparison websites, as with all web based businesses. The ability to link more effectively with partner sites through XML or offer improved user experience on the website offer examples, as does improved ability to track users through the website.

3.3 Value systems

As noted above inbound clicks can come either directly to the site or through other websites. It is possible to model the process of clicks coming from other sites by giving examples.

1. A search engine user feeling the effects of increased cost of living may type the simple phrase: “save money”. At this stage the user has articulated nothing more than a *general desire* to achieve a vague objective. The results page and paid search listings may take them to a website which specialises in ways to save money, for example, Moneysavingexpert.com, which contains resources such as articles and discussion boards to help its users.
2. Once here our user may identify *specific ways* to save money simply through viewing the site’s content advice or clicking on to links to a number of external websites which offer further information. These links include comparison websites such as Moneysupermarket, OneCompare and uSwitch which pay Moneysavingexpert fees as an affiliate.
3. The final activity is then performed by the comparison site which refines the customer’s needs further before the final product clicks through to the contracted provider.

This chain is illustrated in figure 2 below.



Figure 2 An extended external click system.

At each stage of the click chain the cost (per click or per action) will generally rise, illustrating how value is being added as the customer becomes more likely to convert and thus more valuable. Estimates of the costs per action comparison sites charge contracted providers are typically in the range of £30-50 per converted customer (Simon, 2007). To place this in context uSwitch will pay affiliates £12 per converted energy customer, whilst the term “save money” was estimated to cost £1.54 per click on Google AdWords on November 29, 2007. This process fits the idea of the value chain well as the outputs from each stage, a gradually more refined and higher value click, become the inputs for the next stage.

Using the logic of the value chain it is thus in the interests of the comparison website to aim to shorten its external value chain to obtain traffic for a low cost per click (paid search) or no cost per click (organic search or public relations). Therefore, it follows that the longer chain will be more acceptable for new customers whilst intensive efforts should go into retention and cross selling once a customer has been acquired.

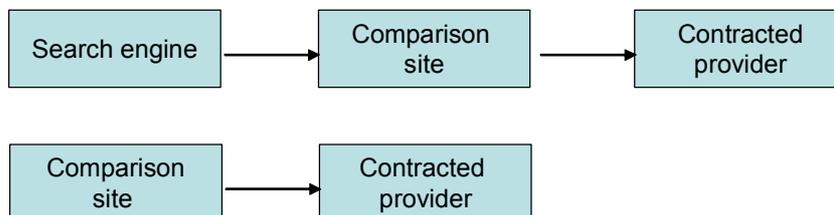


Figure 3: Shortened external click systems.

This helps to explain the expertise comparison sites have developed in both public relations which raises awareness of their site, and in search engine optimisation. All the comparison sites place great emphasis on being the customer champion and of providing news organisations with a ready supply of evidence of how poorly large organisations treat their customers, ranging from The Motley Fool’s

articles on banking charges to press releases from uSwitch on how much can be saved on energy costs by shopping around. With search engines the large comparison sites usually dominate the results for broad terms that describe their product, for example loans, credit cards, current accounts and insurance.

In terms of the virtual value chain of Rayport and Sviokla these online value chains offer the ability to target customers more effectively and then offer them products which suit their needs. Possibly the most effective aspect for online marketing in general is the information which can be collected about visitors and used to make improvements. An interesting twist on the virtual value chain concept is that comparison websites move activities back from the market space to the marketplace, that is, in the opposite direction to what Rayport and Sviokla observed. This is evident by the supply of traditional services for those who wish to speak to an advisor, in other words, the use of personal contact in the form of a telephone call within the business, and partnerships with Independent Financial Advisors who buy leads from comparison websites (Money.net.co.uk, for example, offers a prime mortgage lead for £35).

3.4 Value shops and value networks

Stabell and Fjeldstad question the relevance of Porter's value chain outside the manufacturing sector. Drawing on work from the 1960s by Thompson they introduce two further value configurations, the value shop and the value network. The value shop describes firms that solve unique problems bringing to bear high levels of expertise, with examples being professional services, whilst the value network describes firms which are intermediaries and enable connections to be made, examples being postal services and eBay.

Value shops offer a good description of personal financial advisors who are usually called on for more complex issues such as life insurance and pensions advice or for (wealthier) individuals who have more complex financial affairs. However, the main focus of comparison services is automation of standard problems, which is the only way they can operate cost effectively. It is, however, possible to see the logic of the value shop within the comparison sector as Moneyextra and Moneysupermarket offer links to financial advisors for more complex products, or for less confident Web users, as noted earlier. One other aspect of the value shop which appears to be relevant to the click chain idea above is the involvement of the user at all stages of value creation.

The value network offers a more accurate description of the comparison sector as buyers and sellers of services are brought together and the comparison website clearly fulfils the role of an intermediary. This paper will therefore explain its operation in more depth.

3.4.1 *The value network*

Stabell and Fjeldstad describe the value network as follows:

The mediator is a club manager and “admits members that complement each other, and in some cases exclude those that don't” (p427). This is an accurate description of what a comparison website should do both in terms of excluding dishonest firms and in only matching customers to products appropriate for them. Moneyfacts, in its publicity material, offers a friendly warning to firms which attempt to manipulate its comparison tables, for example offering products which are not in reality available, stating that this will lead to a provider being withdrawn. Commercial realities, however, can lessen the club manager's standards as a provider may just increase their spending on another comparison site.

Contracts enforce standards of behaviour for all parties. This is less relevant, for whilst there are contractual relationships between the comparison website and the product provider, users have no such obligations.

Strong network externalities. This is clearly relevant, given that a critical mass of users and providers is required.

Value is derived from service, service capability and service opportunity. The move to monthly or annual fees simply for access to some comparison sites plus commissions fits the description of Stabell and Fjeldstad, “Mediators typically charge customer separately for the linking opportunity and the actual use of linking services” (p428).

Mediation activities are performed simultaneously at multiple levels. Comparison sites are involved in gathering and filtering customer requirements and then providing access to comparisons taken either from product providers or industry feeds such as Moneyfacts or Defaqto. When the results are presented the user also needs to be able to click through to the appropriate page on the provider’s website.

Standardization facilitates matching and monitoring. The use of standard forms to gather customer information and of XML to access provider data enables effective matching, whilst tracking codes are used to send a customer onto the provider site.

Distinct life cycle phases of rollout and operation. Stabell and Fjeldstad make the point that for new services which require network effects to be of value it is difficult to charge premium fees, an effective description of the comparison market as in its earliest days, when the idea was new and the Internet not as well accepted, product providers were wary about even using it. Over time as network effects grew the comparison sites were able to charge higher fees.

Layered and interconnected industry structure. Stabell and Fjeldstad look at telecommunications and outline the different levels of mediating network; network operators, service provider and payment services. The comparison websites in financial services clearly place themselves within the existing layered structure of the whole industry.

More generally comparison websites’ key sources of traffic – search engines and affiliates – are mediating networks enabling users to connect with comparison websites, or other destinations.

3.4.2 Activities of the value network

The primary activities of the value network are identified as follows:

Network promotion and contract management: This concerns who can join the club, its rules and contracts. The non contractual status of users can cause problems for comparison sites as some users view information and then visit the provider site independently with a loss of revenue for the comparison site.

Service provisioning: This looks at “establishing, maintaining, and terminating links between customers and billing for value received”. This describes the operations of a comparison site although the billing is only on the provider. Stabell and Fjeldstad state billing involves measuring “customers’ use of network capacity in volume and time”, however, billing in the comparison market does not really work in this way. It is performance related although fixed charges are coming into play.

Network infrastructure: In the context of comparison websites this involves the Web and IT infrastructure of the comparison websites, their ability to connect to their data feed suppliers and providers for product information and finally their ability to efficiently connect their users through to product providers to purchase products.

With the support activities of the value network, two technology development activities are highlighted as being particularly important.

Network infrastructure development: This is concerned with the design, implementation and development of the network infrastructure. Moneysupermarket received 523 million page impressions in 2006, which gives some idea of the demands on the network infrastructure.

Service development: This ranges from contracts to new services and changes to the user interface.

3.5 Coopetition

Brandenburger and Nalebuff in their work (1995, 1996) use the term coopetition to describe the situation whereby organisations both cooperate to create value and compete over its division. This phenomenon is common in Web environments with, for example, many media organisations competing with Google for advertising revenues and also offering Google's advertising on their websites with a revenue split.

In the comparison market we can identify coopetition at a number of levels:

Comparison websites – Moneyfacts is a supplier to many comparison websites whilst also competing with them. A further example of coopetition here lies in the sphere of public relations. Comparison websites which are Moneyfacts customers will make use of Moneyfacts data to generate positive media coverage and thus direct traffic, often at the same time as Moneyfacts makes use of the same data.

Comparison websites and product providers – There is competition for position in search engine results with comparison sites usually dominant in organic search. There is also competition to receive traffic from affiliates as contracted providers typically offer them larger fees to deal directly with them. An example is provided by Scottish Power who pay affiliates between £17.50-£21 for an energy customer, which is at least 69% more than uSwitch will pay, and sometimes up to 175% more. Direct Line with its hostility to comparison sites pays lucrative fees to affiliates with Car Insurance sales resulting in a £60 payment to affiliates. This is of little surprise as being outside the comparison shop window costs Direct Line sales which it inevitably has to make up elsewhere.

4 CONCLUSIONS

This article has surveyed the comparison website sector and introduced theoretical frameworks to help make sense of it. Evidence has been presented that Porter's value chain is relevant to the comparison website sector, especially in the amended form shown here. The later work of Stabell and Fjeldstad can also help make a contribution to the field with the close involvement of the user an aspect of the value shop model. The ability of comparison sites to allow many variations of products and prices to be examined also fits the iterative nature of problem solving in the value shop.

The clear mediation between buyers and sellers is evidence that there is a value network present and the value network model captures this interdependence in a way the value chain, even in an amended form cannot.

These ideas of value configurations can also be explored more generally in retail e-commerce. A brief look at major sites shows a reliance on search engines, comparison sites and affiliates to attract traffic alongside brand building which leads users to directly enter a url.

These ideas now need to be developed further and tested in depth; they may fit observations of websites and the costs noted for various methods of recruitment but they need to be evaluated against evidence. Interviews have already started to be arranged with Director level staff of the leading comparison websites where the ideas presented in this article will be discussed. The comparison sites place great emphasis on access to information and it only seems right that adequate information is available about them and their operations.

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