

MEDIA RELEASE



2 December 2022

Compare the Market's proposed acquisition of iSelect not opposed

The ACCC will not oppose Innovation Holdings Australia Pty Ltd's (IHA) proposed acquisition of iSelect Limited (ASX:ISU).

IHA currently owns approximately 26 per cent of shares in iSelect, which it acquired through a series of acquisitions beginning in 2018. IHA is now proposing to acquire the remaining shares in iSelect.

IHA also owns Compare the Market through its related bodies corporate.

Compare the Market and iSelect offer online comparison services to consumers for various insurance, energy, and financial products and services. Retailers of these products and services can use comparison services as a retail distribution channel to reach consumers.

Comparator websites generally provide services with no direct cost to consumers, while charging commissions or fees to retailers for placement in search results or for when a consumer completes a sale via referral from the comparator.

The ACCC heard concerns from some market participants that Compare the Market and iSelect closely compete.

The ACCC considers it unlikely that IHA acquiring the remaining shares in iSelect will substantially lessen competition in any market. One of the major factors for this view is that only a small minority of consumers buy insurance, energy, and financial products through Compare the Market and iSelect. Most consumers purchase these products through other distribution channels such as brokers or direct from the retailer.

Further, following the proposed acquisition, Compare the Market and iSelect would continue to face significant competition from other comparison sites, and retailers using alternative means to attract consumers.

“The online comparison services industry is very dynamic and so the threat of new entry or expansion by a competitor is likely to constrain the merged firm,” ACCC Commissioner Liza Carver said.

“Consumers can readily purchase insurance, financial and energy products directly from the supplier, and shop around using multiple competing comparator sites including government comparison websites.”

The ACCC encourages consumers to shop around to find the best deal. While comparison websites can provide a useful service for consumers, those websites may not always compare all the offers or products and services available in the market. Consumers are encouraged to consider using government comparison websites such as energymadeeasy.gov.au or privatehealth.gov.au. Further information can be found on the [ACCC's website](#).

Background

The ACCC commenced a review of the proposed acquisition on 27 September 2022.

The ACC previously considered a partial acquisition which would have resulted in IHA holding up to 35 per cent shares of iSelect but the deal did not go ahead. On 15 April 2021, the ACCC announced that it would not oppose Compare the Market's increasing stake in iSelect.

Innovation Holdings Group owns Compare the Market Pty Ltd which offers comparison services for a range of products including insurance, financial and energy plans.

iSelect owns and operates 'iselect.com.au' and 'energywatch.com.au.' These websites offer comparison services for insurance, energy and financial products and services.