



# Car Insurance

September 2025

## What are the Canstar Car Insurance Star Ratings?

Canstar Car Insurance Star Ratings use a sophisticated and unique ratings methodology that compares both price and features across comprehensive car insurance policies.

Ratings range from five to one star and are distributed according to their relative position in this assessment, with five star policies assessed as offering the strongest value proposition according to the calculation method outlined in this document. The cost and feature information used to assess each eligible policy was collected during the four month period leading up to the Star Ratings release date.

It's important to understand that our Star Ratings are informed opinions from Canstar's Research Committee and not policy recommendations. Canstar provides general advice based on our comprehensive criteria, we do not recommend that any particular fund is suitable for anyone's individual circumstances. Our Star Ratings are crafted to be as informative and helpful as possible, evolving with the market and continuing to serve as a trusted guide for consumers navigating complex product landscapes.

Canstar's Star Ratings represent a shortlist of policies, enabling consumers to narrow their search to policies that have been assessed and ranked.

## What types of policies are evaluated for Canstar's Car Insurance Star Ratings?

Eligibility for Canstar's Car Insurance Star Rating is overseen by the Research Committee. As a guide, a policy should follow the below criteria:

- It is a comprehensive car insurance policy
- The insurance provider must have a national presence, and for comparison purposes, a quote must be available:
  - Directly from the provider, online, or via phone
  - For all postcodes considered within each profile
  - Policies have been in the market for 12 months prior to rating release

## How are the Canstar Car Insurance Star Ratings calculated?

Car Insurance policies included in the Canstar Car Insurance Star Ratings are assessed across six consumer profiles, as follows:



## Star Ratings Methodology

Each eligible car insurance policy reviewed for the Canstar Car Insurance Star Ratings is awarded points for its comparative pricing and the array of features attached to the policy. Points are aggregated to achieve a Price Score and a feature score.

To arrive at the total score, Canstar applies a weight against the Price Score and the feature score. The weights reflect the relative importance of price and features in determining which policies offer value to consumers. This method can be summarised as:



The table below provides a breakdown of the weights allocated to the Price Score and feature score for each profile:

Consumer Profile	Price Weight	Features Weight
Under 25 year old Male/Female*	80%	20%
25-29 year old Driver	75%	25%
30-49 year old Driver	70%	30%
50+ year old Driver	70%	30%
Family with Young Driver	70%	30%

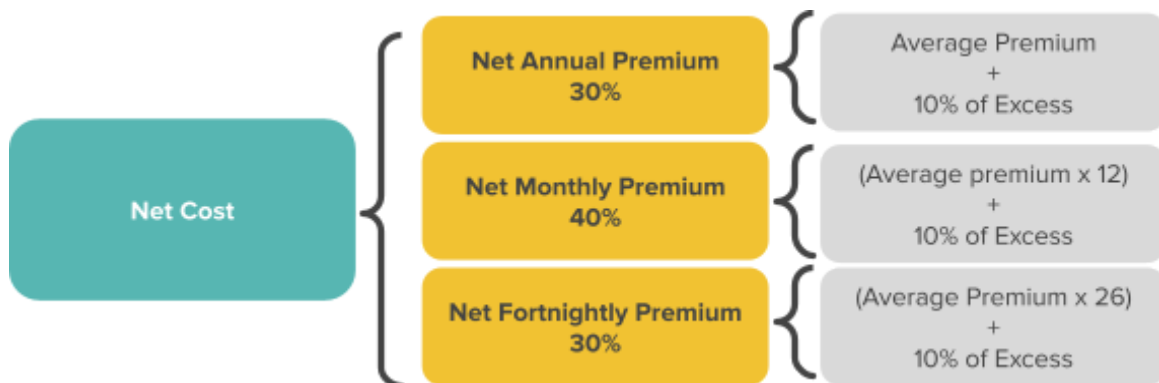
\*Under 25 year old drivers range from 16.5 years restricted and 18 years full license

### Price Score

The Price Score takes into consideration annual, monthly and fortnightly insurance premiums as well as the policy excess. The quotes used for the Canstar Car Insurance Star Ratings are for new policies as opposed to renewal prices, which can differ. Policies are compared to each other with the policy with the lowest average cost awarded the highest Price Score. All other policies are awarded a relative score in comparison to the market average premium over a normal distribution.

### Net Cost

The Price Score takes into consideration annual and monthly insurance premiums as well as the policy excess.



Weight distribution between Net Fortnightly Premium, Net Monthly Premium and Net Annual Premium is informed by the most recent Canstar Customer Satisfaction Data.

10% of the total excess (including any applicable additional excesses) is applied to the premium. Applying this loading ensures that the impact on the net cost of the policy in the instance where a claim is made is accounted for in the Price Score.

In instances where premium discounts are available, discounts that are made readily available to consumers applying for car insurance and are not promotional in nature may be considered.

### Excess

For comparison purposes, an excess amount is used for quotes (i.e. the “target excess”). When the target excess amount is not offered as an option for a policy, the closest excess amount is instead selected. When there is more than one excess amount of equal distance from the target excess, the lower excess amount is selected.

Target Excess
\$500

A range of additional excesses may apply to individual policies in the event a claim is made. The additional age excess for registered drivers under the age of 25 are collected in addition to the target excess for the relevant profiles.

As outlined above, Canstar applies 10% of the total excess to the average annual premium. Applying this loading ensures that the impact on the net cost of the policy in the instance where a claim is made is accounted for in the Price Score.

### Quoting Assumptions

Some key assumptions made when obtaining quotes relate to the driver’s age, address, claim history (four per age profile), and the type of the car being insured. For quoting purposes, thirty addresses are selected.

### Car Type Assumptions

For comparison purposes we select six different car makes and models to represent each profile, two cars being new, two cars being 5 years old and two being 10 years old.

Consumer Profile		New Car		5 Year Old Car		10 Year old Car	
Under 25 year old Male/Female	4-cylinder medium SUV	4-cylinder medium hatchback	-	4-cylinder medium sedan	4-cylinder utility vehicle	4-cylinder medium SUV	4-cylinder medium hatchback
25-29 year old Driver	4-cylinder utility vehicle	4-cylinder medium hatchback	BEV compact hatchback (Electric Vehicle)	4-cylinder medium SUV	4-cylinder medium sedan	4-cylinder medium SUV	4-cylinder utility vehicle
30-49 year old Driver	4-cylinder medium SUV	4-cylinder medium hatchback	BEV compact hatchback (Electric Vehicle)	4-cylinder medium SUV	4-cylinder utility vehicle	4-cylinder medium sedan	4-cylinder medium SUV
50+ year old Driver	4-cylinder large sedan	4-cylinder medium hatchback	BEV compact hatchback (Electric Vehicle)	4-cylinder medium sedan	4-cylinder medium SUV	4-cylinder utility vehicle	4-cylinder medium SUV
Family with Young Driver	4-cylinder large sedan	4-cylinder medium hatchback	-	4-cylinder medium sedan	4-cylinder medium SUV	4-cylinder large sedan	4-cylinder medium SUV

## Feature Score

The feature categories and subcategories, with assigned weights for each profile considered, are as follows:

Category/Subcategory	Weight
<b>Application</b>	<b>10%</b>
Application Channels	70%
Premium and Discounts	20%
Application Conditions	10%
<b>Payment</b>	<b>5%</b>
<b>Cover</b>	<b>40%</b>
After Accident Care	15%
Events Cover	15%
Excess Options	10%
Public Liability	7.5%
Rental Car	10%
Repairs	10%
Vehicle Cover	10%
Electric Vehicle Cover	5%
Personal Effects	5%
Windscreen Cover	5%
Death Benefit	2.5%
Other Cover	2.5%
Roadside Assistance	2.5%
<b>Service</b>	<b>10%</b>
Customer Self-Service	50%
Insurer Support Services	50%
<b>Claims</b>	<b>30%</b>
Claims Satisfaction	95%
<i>Claims Components</i>	<b>90%</b>
• Communication	10%
• Quality	10%
• Ease	20%
• Process	25%
• Speed	25%
• Timeliness	10%
<i>Customer Retention</i>	<b>10%</b>
Claims Channels	5%
<b>Cancellation</b>	<b>5%</b>

A **Claims Components score** is calculated for an insurer based on responses from survey respondents regarding their level of satisfaction with company-specific claim components; communication, ease, process, quality, speed and timeliness. The policy with the highest score is allocated the maximum Claims Components score, with all remaining policies indexed against it.

An insurer's **Customer Retention score** is calculated based on whether survey respondents remained with the insurer following their claim. The policy with the highest score in this area is allocated the maximum Customer Retention score, with all remaining policies indexed against it.

## Canstar's Outstanding Value Award Methodology

The Awards for Canstar's Outstanding Value Car Insurance recognises the cumulative performance of insurers in the underlying consumer profiles.

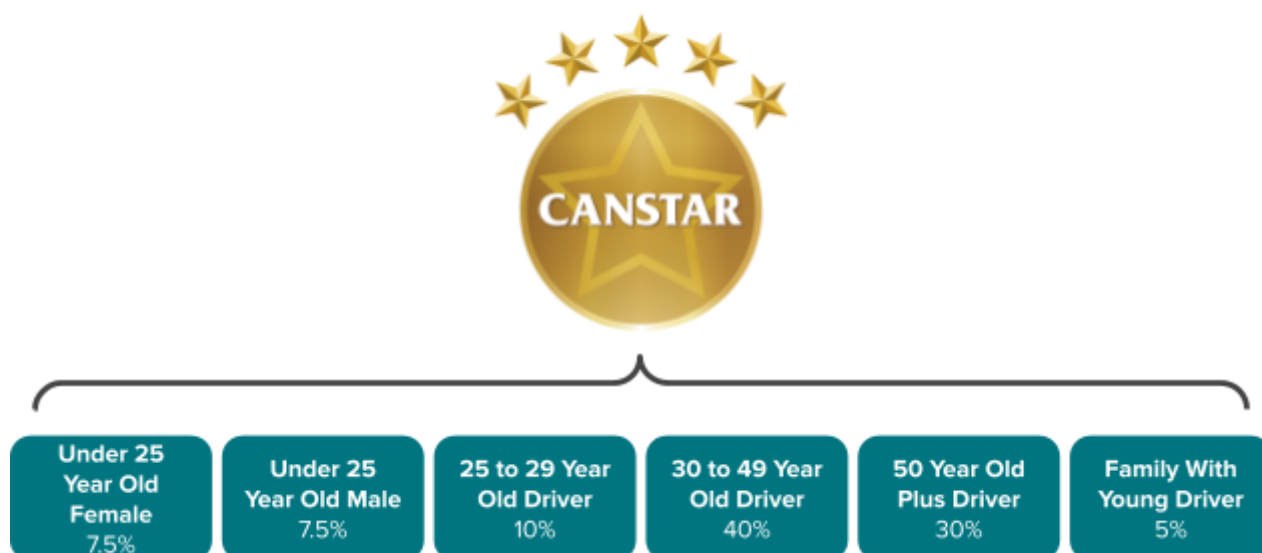
### Eligibility

Eligibility for Canstar's Outstanding Value Award is overseen by the Research Committee. As a guide, a policy should follow the below criteria:

- The policy must be available directly to consumers.
- The institution must underwrite its own insurance or be a wholly owned subsidiary of a general insurer. Where an institution does not meet this criterion but offers a different value proposition (i.e. on price and features) to the policy offered by the product issuer, this institution may be considered.
- For comparison purposes, a quote must be available:
  - Directly from the provider, online, or via phone
  - For all postcodes considered within each profile
- New providers must have been in all markets for at least 12 months.

### Methodology Tree

Car Insurance policies included in the Canstar Car Insurance Awards are assessed across a total of 6 consumer profiles. Canstar's Outstanding Value Award is awarded based on the cumulative score across all profiles, as follows:



## Canstar Car Insurer of the Year Award Methodology

The Canstar Car Insurer of the Year Award recognises the insurer that provides their customers outstanding value through their policies and service offering, as well as their customer satisfaction. The Customer Satisfaction component uses survey responses from car insurance customers where customers are asked to rate their satisfaction with their insurer across seven key areas.

### Eligibility

To be eligible for consideration in the Canstar Car Insurer of the Year Award, a provider must meet the following criteria:

- The policy must be available directly to consumers.
- The institution must underwrite its own insurance or be a wholly owned subsidiary of a general insurer.
- The insurance provider must have a national presence.
- For comparison purposes, a quote must be available:
  - Directly from the provider, online, or via phone

- For all postcodes considered within each profile
- New providers must have been in all markets for at least 12 months.

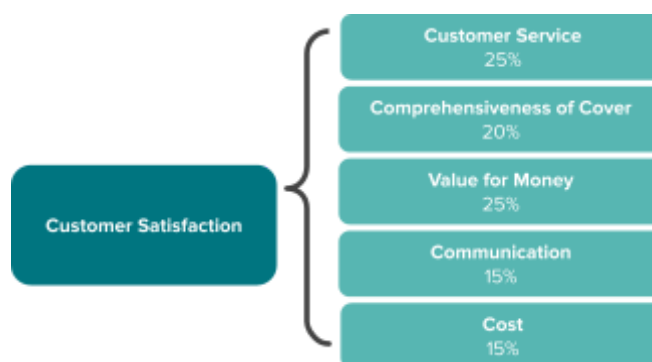
## Methodology Tree

The title of Canstar's Car Insurer of the Year is provided to the insurer that provides their customers the strongest combination across outstanding value performance as well as customer satisfaction, summarised below with respective weights:



## Customer Satisfaction

The following weights are applied to each satisfaction metric considered within the customer satisfaction component of the methodology:



Canstar measures and tracks customer satisfaction amongst New Zealand car insurance policyholders via ISO 26362 accredited research panels. Customers are asked to assess their satisfaction across a range of metrics, with overall satisfaction asked as a specific question. A regression analysis is conducted to determine the relative importance of each metric to overall satisfaction. Canstar uses this analysis to inform the weights outlined above.

## Most Satisfied Customers Car Insurance Claims Award

### Eligibility Criteria

To be eligible for consideration towards a Canstar Outstanding Claims Satisfaction Award, a provider must meet the following criteria:

- A policy must be available to all consumer profiles and all regions considered.
- Receive at least 30 responses in the survey

### Canstar's Most Satisfied Customers Car Insurance Claims Award Methodology

The Canstar's Most Satisfied Customers Car Insurance Claims Award recognises insurers for the satisfaction of consumers, considering components specifically related to claims.

A national survey is conducted to measure the satisfaction level of consumers with their recent car insurance claims experience. The claims total score takes into account survey responses regarding claim components and customer retention, as shown below:



The satisfaction of consumers with each claims component is calculated for an insurer based on responses from survey respondents regarding their level of satisfaction with company-specific claim components; communication, ease, process, quality, speed and timeliness. Each component is assigned a weighting based on its contribution to overall satisfaction. The insurer with the highest score is allocated the maximum score, with all remaining insurers indexed against it.

## Who was considered in the awards?

- AA Insurance Limited
- AMI Insurance a division of IAG New Zealand Limited
- AMP Wealth Management New Zealand Limited (AMP)
- ANZ Bank New Zealand Limited
- Cove Limited
- FMG Insurance Limited
- Assurant Inc
- State Insurance a division of IAG New Zealand Limited
- Tower Limited
- TradeMe Limited
- Westpac New Zealand Limited
- Medical Assurance Society New Zealand Limited

## How often are policies reviewed for Star Ratings purposes?

Star Ratings and Awards are recalculated annually based on the latest features offered by each provider. Canstar also monitors changes on an ongoing basis. The results are published in a variety of mediums (newspapers, magazine, television, websites, etc.).

## Does Canstar rate all policies available in the market?

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. However, this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

## Does Canstar rate other product areas?

Canstar researches, compares and rates the suite of banking, wealth and insurance policies listed below. These Star Ratings use similar methodologies to guarantee quality, consistency and transparency. Results are freely available to consumers who use the Star Ratings as a guide to product excellence. The use of similar Star Ratings logos also builds consumer recognition of quality products across all categories.

Please access the Canstar website at [www.canstar.co.nz](http://www.canstar.co.nz) if you would like to view the latest Star Ratings reports of interest.

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The ratings and awards results do not include all providers and may not compare all features relevant to you. The rating or award is only one factor to take into account when considering these policies. Canstar acknowledges that past performance is not a reliable indicator of future performance.

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