

LV reveals one in five motorists are downsizing

Submitted by: pr-sending-enterprises

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LV= car insurance has revealed that almost one in five drivers (19%) has downsized or sold one of their cars since the onset of the credit crunch in a bid to save money.

LV= (<http://www.lv.com/>) has revealed the main reason given by motorists for downsizing their vehicle over the last eighteen months was to save money in fuel (61%) while nearly a third (29%) said they did it to cut the cost of road tax. Those who downsized their vehicle estimate they have already saved an average £309.

Despite the emphasis from the Government on 'greener' driving, only one in six (15%) of those who had downsized cited environmental concerns as part of their decision.

Almost a quarter (23%) of respondents to the LV= survey said they would consider buying a second car to reduce their insurance premiums. LV= analysts recommend looking for a common make of car with a smaller engine as that will generally help to reduce insurance costs.

LV= also suggested several steps motorists should take in order to get the best value car insurance (http://www.lv.com/insurance/car_insurance) including shopping around and ensuring the driver has the right class of cover and is not paying for business or commuting use if they don't require it.

With more UK motorists downsizing, or buying second hand instead of new cars, the effect on new car sales has been catastrophic, with sales of new cars falling by a third over the last year and 600 fewer vehicles a week being registered in November 2008 compared to the same time the year before. As a result, car production has slumped by a third over the last year and the Government is now considering extending state aid to the troubled motor industry.

John O'Roarke, Managing Director of LV= Car Insurance, said: "Buying a car is often the second biggest purchase people make after their house so it's only natural that in the current economic downturn, when people are being more careful with their money, they also look to save on motoring costs.

"This is undoubtedly a smart move, as the credit crunch looks set to bite deeper. By following the guidelines above, motorists downsizing should be able to make significant savings every year without having to consider getting rid of their car altogether."

Notes to Editors:

Opinium Research carried out a survey of 1,954 people between 12 and 16 December 2008.

About LV=:

LV= is a trademark of Liverpool Victoria Friendly Society Limited (LVFS) and LV= is a trading style of the Liverpool Victoria group of companies. The new LV= brand identity was launched in March 2007.

LV= employs more than 3,700 people, serves more than 3.6 million customers and members, and manages

around £7 billion on their behalf. LV= is also the UK's largest friendly society (Association of Friendly Societies Year Book 2006/2007, Total Net Assets) and a leading mutual financial services provider. The company offers car, travel, home insurance (http://www.lv.com/insurance/home_insurance), and pet insurance (http://www.lv.com/insurance/pet_insurance) direct to consumers by telephone from its UK call centres in Bournemouth and Croydon and online from its website: www.lv.com

LV= insures over 1.6 million cars and 480,000 households in the UK and has been awarded the Defaqto five star insurance (<http://www.lv.com/aboutus/awards>) rating for home and car insurance.

PR Contact:

Emma Holyer
Media Relations Manager
Press Office
LV=
69 Park Lane
Croydon CR9 1BG
0208 256 6714
www.lv.com