

Compare Insurance

No one wants to be "taken" on their insurance premiums. It is hard not to view these payments as money down the drain, so many of us use price quotes as the deciding factor when we select auto, home or household insurance.

This is when we find out what kind of service our premiums have been paying for, and, we shouldn't be surprised to find that we get what we pay for. That is a choice many consumers come to regret when the time comes to file a claim.

Therefore, a variety of companies can be found that offer excellent service and comparable pricing. In order to differentiate between them, you will need to do your homework. Research individual companies to determine their rates and benefits.

The simplest way to start is to look for insurance online, where you can find resources that explain terms and practices used in the industry. You should be able to get enough information to determine if a company warrants more specific consideration, including quotes, company histories, and cover information. You can thus avoid high-pressure sales pitches that are intended to force you into a hasty decision.

Once you begin negotiations with an insurance company, do not be intimidated by unfamiliar terms or a fast-talking consultant. You need to understand the content of your policy and what you can expect if you need to make a claim. Don't be afraid to ask questions until all aspects of the policy are clear to you. If the company wants your business, you should expect them to do everything possible to earn your business.

One thing it is important to understand about insurance is how the companies determine your premium. Foregoing all the jargon that can accompany this explanation, it essentially boils down to your risk profile. If you're a high risk, you'll pay a higher premium. If you're a low risk, you'll pay a lower premium.

These factors can influence the various types of insurance in different ways, but some have the same effect on each insurance type. The value of the item(s) to be insured, your history of claims, the type and amount of cover you want to buy and the risk the item(s) being insured are exposed to, several factors influence your risk profile, including, age, gender, place of residence.

If your place of residence is in a high crime area, your home, household and car insurance premiums will reflect the increased risk of possible theft, burglary or hijacking. Increased security measures, if they exceed the insurance company's requirements, will lower home, household and car insurance premiums.

One way to decrease your premium is by increasing the excess amount, this is the amount that you pay when you have a claim.

You can receive a discount if you have a history of claim-free years. First-time insurers will not be eligible for this discount until they have built this history.

About the Author

Tom Martens is the content syndication coordinator insurance-south-africa.co.za. South Africa's leading [Insurance](#) portal

Source: <http://www.car-articles.co.uk>