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Household Consumer Impacts of Market Conditions Survey

Wave 3 Report: Research conducted in November - December 2022

Prepared by BMG for Ofgem

Introduction from Ofgem

Ofgem is Great Britain's independent energy regulator. We work to protect energy consumers, especially vulnerable consumers, by ensuring they are treated fairly and benefit from a cleaner, greener environment.

The past eighteen months have been an incredibly difficult time in the energy market which has brought about extreme changes for consumers. Record gas prices have led to multiple supplier failures, as well as substantial rises in the cost to customers' energy bills which have been exacerbated by a wider cost of living crisis. This has made it an extremely challenging time for many energy consumers. More than ever, it is important we, and everyone in the energy industry, understand consumers so we can better meet their needs.

We commissioned BMG to launch this tracking survey in early 2022, to ensure that we and the energy sector have a good understanding of consumers' experiences and attitudes during this difficult time. The survey covers issues such as affordability and awareness of available support, as well as the impact of these on energy market engagement now and in the future.

Our third wave of the survey was run in November and December 2022. We have previously run two waves of this survey: wave 1 (March '22), and wave 2 (July '22) – findings from these two waves were published [here](#).

By tracking responses over time, we can monitor how consumers are affected by ongoing changes in the market (such as the introduction of the Government's [Energy Price Guarantee](#)).

Insights from consumer research like this has, and will continue to, help us gain a better understanding of consumers' needs and experiences, so that we are better able to respond to support consumers where they need it.

The findings in the report have been prepared by BMG.

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Background, objectives and methodology



Background and research objectives

Overview and context:

This research intended to:

- Measure overall consumer awareness, perceptions and experiences relating to changes in the energy market
- Analyse how different audiences have been affected by these changes
- Track how awareness, perceptions and behaviours vary over time

New questions were added to the survey for this wave, focusing on:

- Awareness and understanding of the Energy Price Guarantee
- Preference for payment methods
- Perceptions around the security of supply
- Typical household energy usage and regional variation



Methodology and sample

To ensure that all domestic consumer types were included in this research we used a range of methodologies. For more details, see Annex.

Consumer type	Methodology	Sample size – W1	Sample size – W2	Sample size – W3
Digitally enabled general population	Online survey via online panels	3,208	3,087	3,035
Digitally enabled but less present on panels	Online survey – river sampling*	54	271	221
Digitally excluded	Face to face and telephone interviews	217 (100 F2F / 117 telephone)	202 (100 F2F / 102 telephone)	201 (122 F2F / 79 telephone)
Total	All combined	3,479	3,560	3,457



Fieldwork for wave 3 took place between 21st Nov – 11th Dec 2022. Fieldwork for wave 2 took place between 4th – 31st Jul 2022. Fieldwork for wave 1 took place between 18th – 31st Mar 2022.



For the general population, quotas were set to ensure a representative sample of the GB domestic energy bill-paying population. Results were weighted overall by age, gender, region and socio-economic grade.



Throughout this report, comparisons have been made against the total average for wave 3, or against wave 1 and 2. Arrows have been used to denote differences significant at a confidence interval of 95%.



Any changes referred to in commentary boxes refers to changes between wave 1 (March '22), wave 2 (July '22), and wave 3 (Nov/Dec '22).

Any differences called out explicitly under a “significant differences” headline refers to differences against the wave 3 (Nov/Dec '22) total.

*Due to the low response rate for the river component in wave 1, steps were taken to address this in wave 2 and a lower sample size for the online panel component was then required as a result. River sampling is an online sampling method that recruits respondents by inviting them to the survey while they are doing other online activities.

Glossary of terms

Recent affordability issues

People are counted as having recent affordability issues if they say they/their household has experienced at least one of the following (within the last three months) because of affordability issues.

Payment type	Affordability issues
All	Reduced the amount of energy being used*
All	Contacted energy supplier to ask for assistance with paying energy bills
All	Energy supplier has contacted them to offer assistance with paying energy bills
PPM	Been unable to top up meter because they can't afford it
PPM	Reduced the amount usually put on prepayment meter
PPM	Run out of credit on meter and have been disconnected from energy supply for more than 3 hours
PPM	Used the emergency credit on meter
PPM	Asked supplier for additional credit above the emergency credit on meter
PPM	Recently moved on to a prepayment meter because they wanted it to help manage what they spend on energy
PPM	Recently moved on to a prepayment meter because energy supplier made them
Direct debit	Cancelled the direct debit payment for their energy bill
Direct debit	Reduced the amount of our direct debit for their energy bill
Direct debit / Standard credit	Have fallen behind on an energy bill and owe money to energy supplier
Standard credit	Recently changed payment method from direct debit to standard credit to help manage energy bills

*If selected in isolation, allocated to 'Only reducing energy use'

**Considered the start of the global gas crisis

Financial vulnerability definitions

People are counted as having financial vulnerability if they say they are experiencing affordability issues beyond reducing their energy use. This vulnerable group is then split as defined in the table below.

	Establishing whether pre-existing or newly financially vulnerable
Pre-existing financially vulnerably	Say they have experienced similar affordability issues with gas or electricity bills before August 2021**
Newly financially vulnerable	Say they have not experienced similar affordability issues with gas or electricity bills before August 2021
Not possible to assign	'Don't know' or 'Prefer not to say'



Key terms, abbreviations and meanings:

SC – Paying on receipt of a bill by cash/cheque/debit or credit card i.e. standard credit

PPM – Prepayment meter

HH – Household

PSR – Priority Services Register

Throughout the presentation, participants are referred to in several ways:

Respondents has been used where describing characteristics of those answering

Consumers has been used where describing the average user of the energy market

Households refer to collective actions and habits, as opposed to individual habits



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Key Findings

Key Findings

- The vast majority of consumers are aware of increases in the prices of their energy bills, and **many are taking action** to reduce the cost of their energy. People are continuing to **feel the impact** of high prices, especially those who are financially vulnerable.
- Many facing affordability issues with their energy are doing so **for the first time**. The demographic profile of those facing energy affordability issues for the first time is different to those who have faced these prior to the global gas crisis.
- There is a **knowledge gap** about the different costs of energy payment methods. While the majority say they are happy with the payment method they are on, this appears to be **influenced by confusion** about which payment methods cost more or less.
- There is some **confusion about the Government's Energy Price Guarantee (EPG)**, what it does, and its relationship with the energy price cap. Despite the greater reduction the EPG provided to bills, the Government's Energy Bill Support Scheme was better understood, and perceived to be more impactful.
- Recent and future intentions to engage in the energy market continue to fall, reflecting the continued **recognition of the lack of value** to be had in the energy market.





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Section 1: Have consumers seen an impact of changing market conditions on their energy bills?



Impact on energy bills

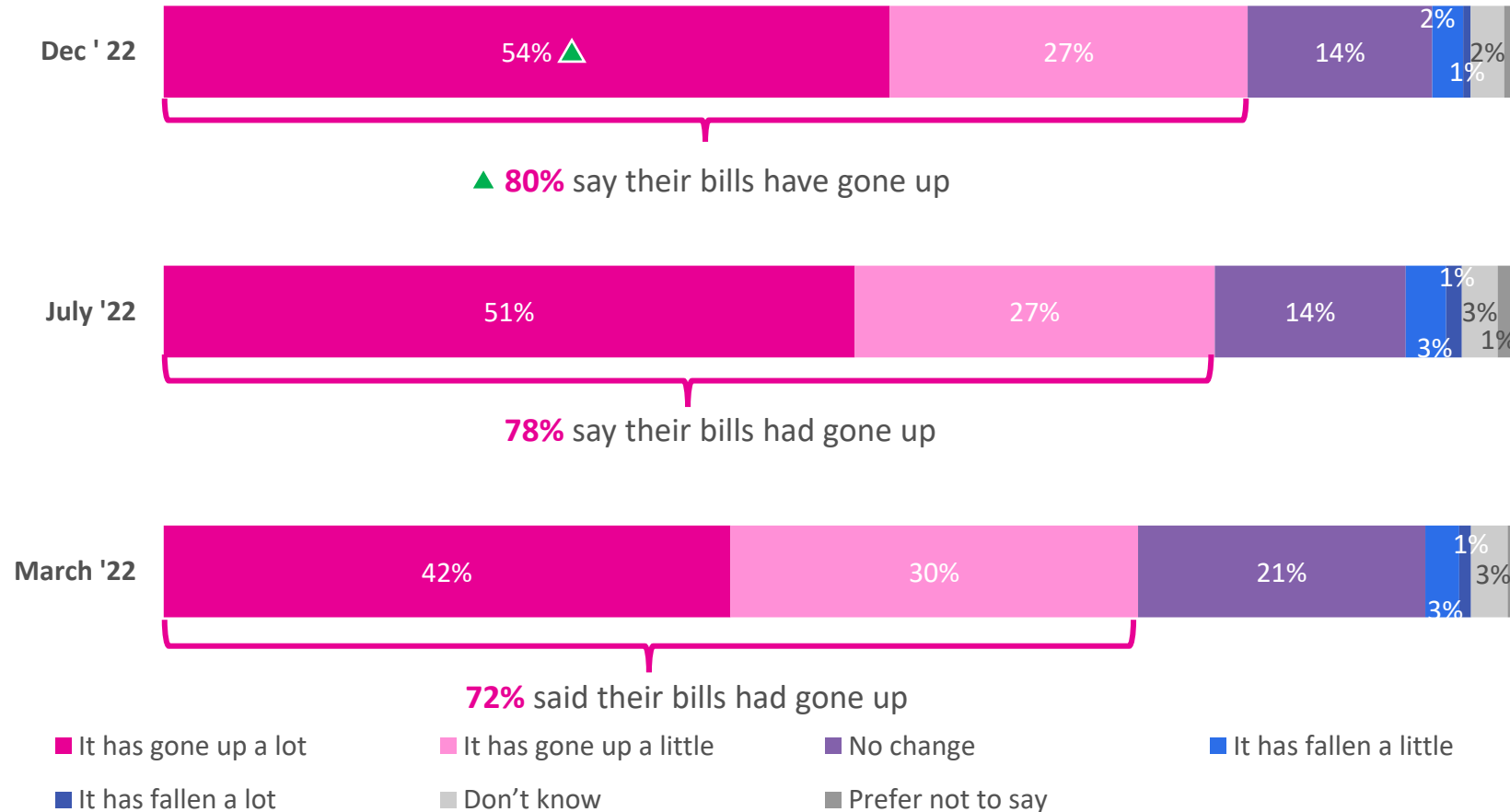
Summary: Impact on energy bills

- **The vast majority are facing increased prices:** 80% have seen their energy prices increase compared with what they would usually pay, up from 78% in July.
- **Perceptions towards direct debit costs are improving slightly:** While a majority of direct debit customers have experienced recent rises in their direct debits (65%), this has fallen since July (71%). Albeit from a low starting point, the proportion who have seen their direct debits fall in recent months has doubled since July (from 4% to 8%). Moreover, fewer now (51%) believe their supplier is charging them more for their direct debit than they need to compared to when this was asked in July (57%).
- **Most are taking cost-reducing actions:** The majority of consumers are taking actions to reduce their energy costs (87%). These include turning off appliances instead of leaving them on standby (50%), reducing the temperature used in their washing machine (42%) and turning down radiators in rooms not being used (42%).
- **But many are still having to cut back elsewhere, too:** The vast majority (86%) of those who have experienced price rises say they have impacted their household. Since July, there has been an increase in those having to reduce the amount of energy they're using because they can't afford it (48% cf. 44%).
- **A third of domestic energy consumers have sought support:** Consistent with July, a third say they have contacted someone for advice or support with paying their energy bills in the past three months (33%). A debt advice/support charity is the first port of call for advice or support (15%), followed by friends and family (11%) and 'your energy supplier' (11%).
- **Many facing affordability issues are doing so for the first time:** The majority of people who are facing energy affordability issues say they had not had these prior to the global gas crisis. The demographic profile of those facing energy affordability issues for the first time is different to those who have faced these prior to the global gas crisis, too.



4 in 5 (80%) say their bills have increased compared to what they would usually pay at this time of the year, a significant increase since July (78%). Those more likely to be financially vulnerable – disabled customers (85%) and prepayment meter customers (86%) – are more likely to say that their bills have increased

Consumer perceptions of whether energy price has gone up or fallen compared to usual price



Commentary

The following groups are significantly more likely to say their bills have gone up:

- Disabled respondents (85%)
- Those with a prepayment meter (86%)

Market Information

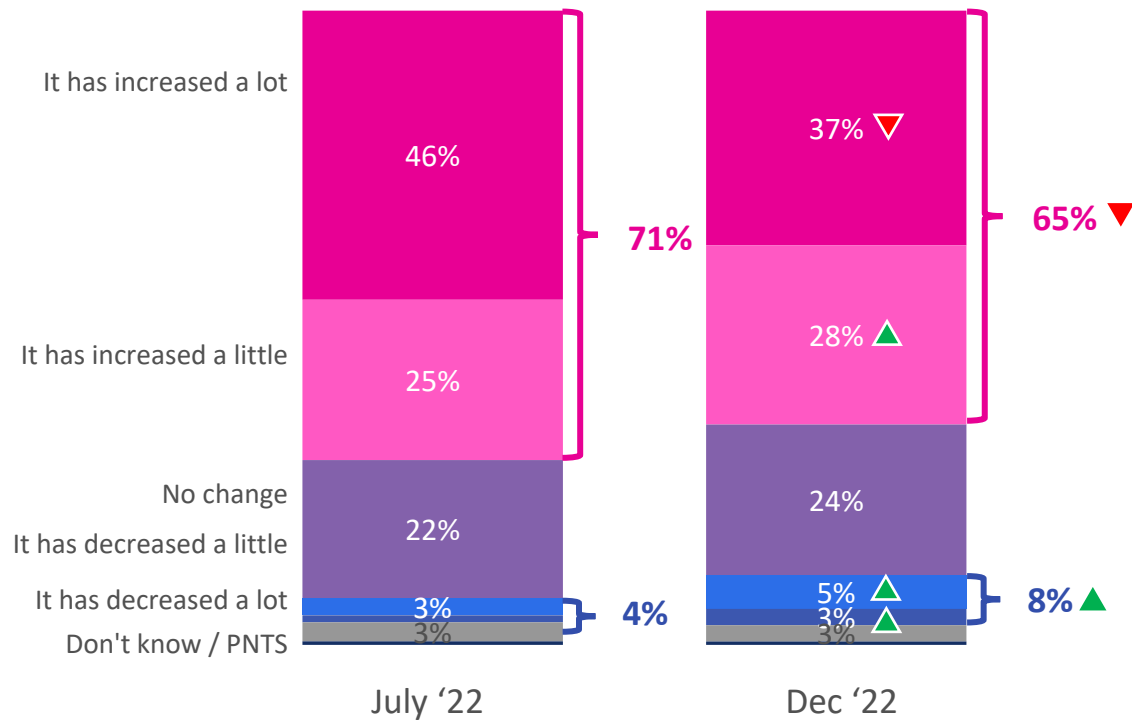
The increasing proportion of consumers saying their bills have gone up correlates with data about average prices, which shows:

- In March 2022 the cheapest available tariff cost £1213 per annum based on the usage of a typical household (up from £859 the year before).
- In July 2022 this had reached £1872 per annum (up from £859 the year before).
- In December 2022 this hit £2375 (up from £1213 the year before).

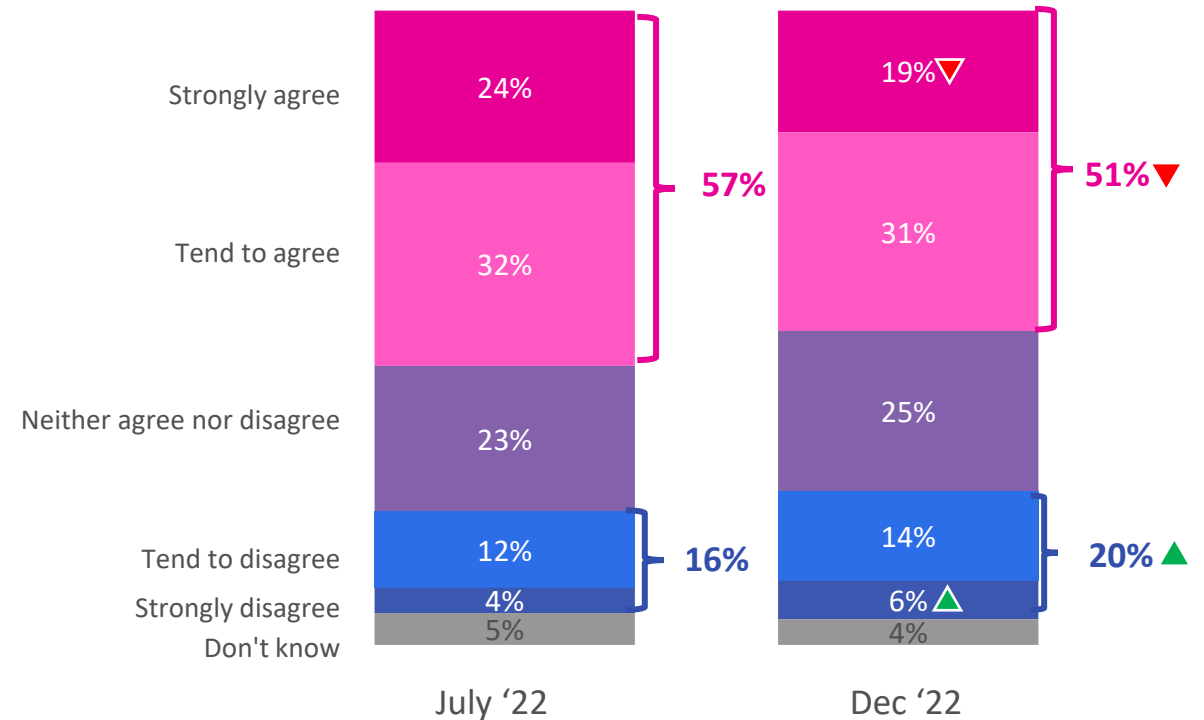
For more detail see [Retail market indicators | Ofgem](#)

However, we have seen some reported improvements in perceptions of direct debit payments since July. The proportion of direct debit consumers who say their supplier has increased their energy bills over the past 4 months, has fallen from 71% in July to 65%. In addition, fewer now (51%) think that their supplier is charging them more for their direct debit than they need to, than did in July (57%)

Whether supplier has changed the amount paid by direct debit

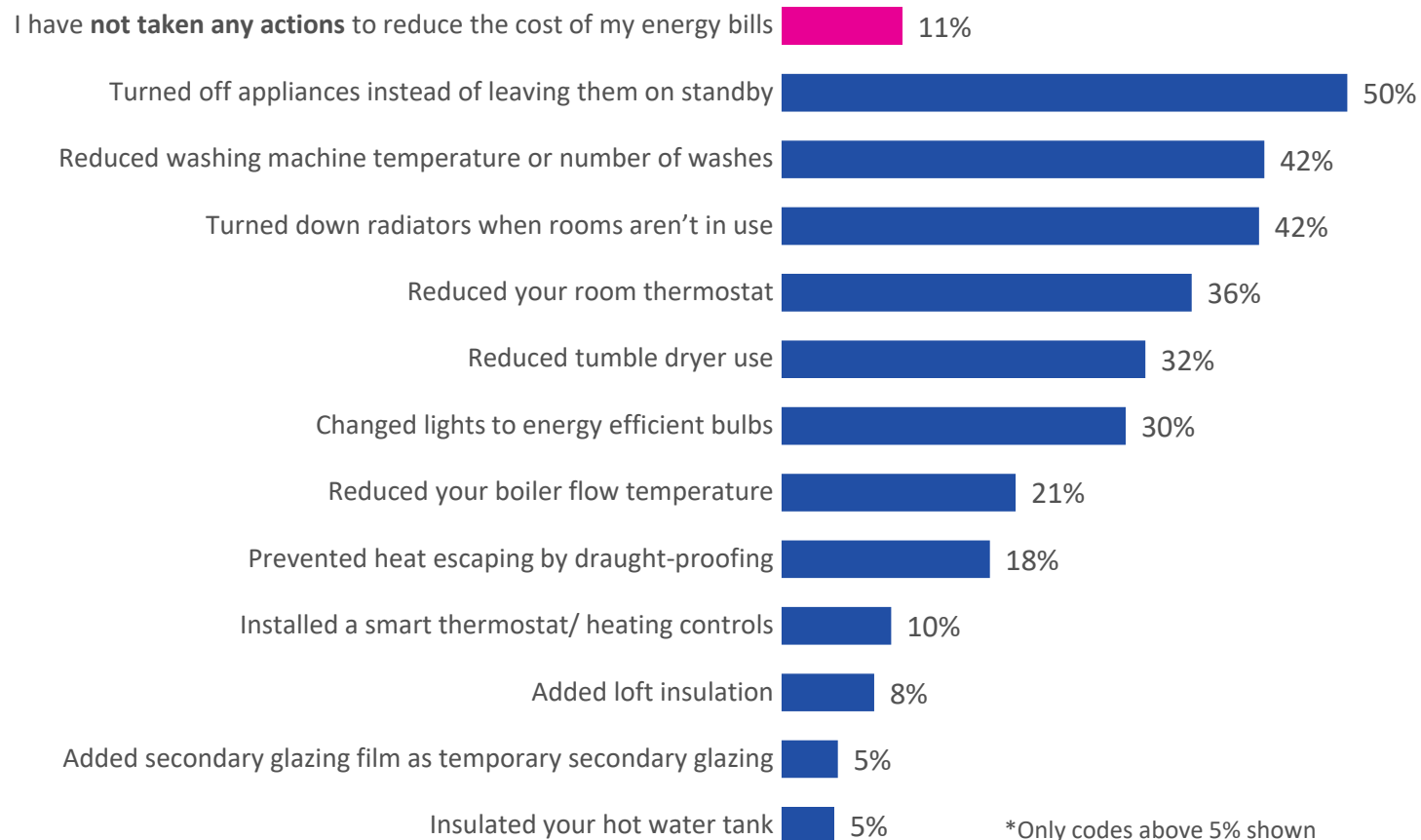


My supplier is charging me more for my direct debit than they need to right now



Nearly 9 in 10 (87%) have taken an action to reduce the cost of their energy, including half turning their appliances off instead of leaving them on standby (50%) and 2 in 5 reducing the temperature of their washing machines (42%) and turning down radiators in rooms that aren't being used (42%)

Actions taken to reduce the costs of energy bills*



87%

of consumers have taken an action to reduce the costs of their energy bills (December 2022 data)



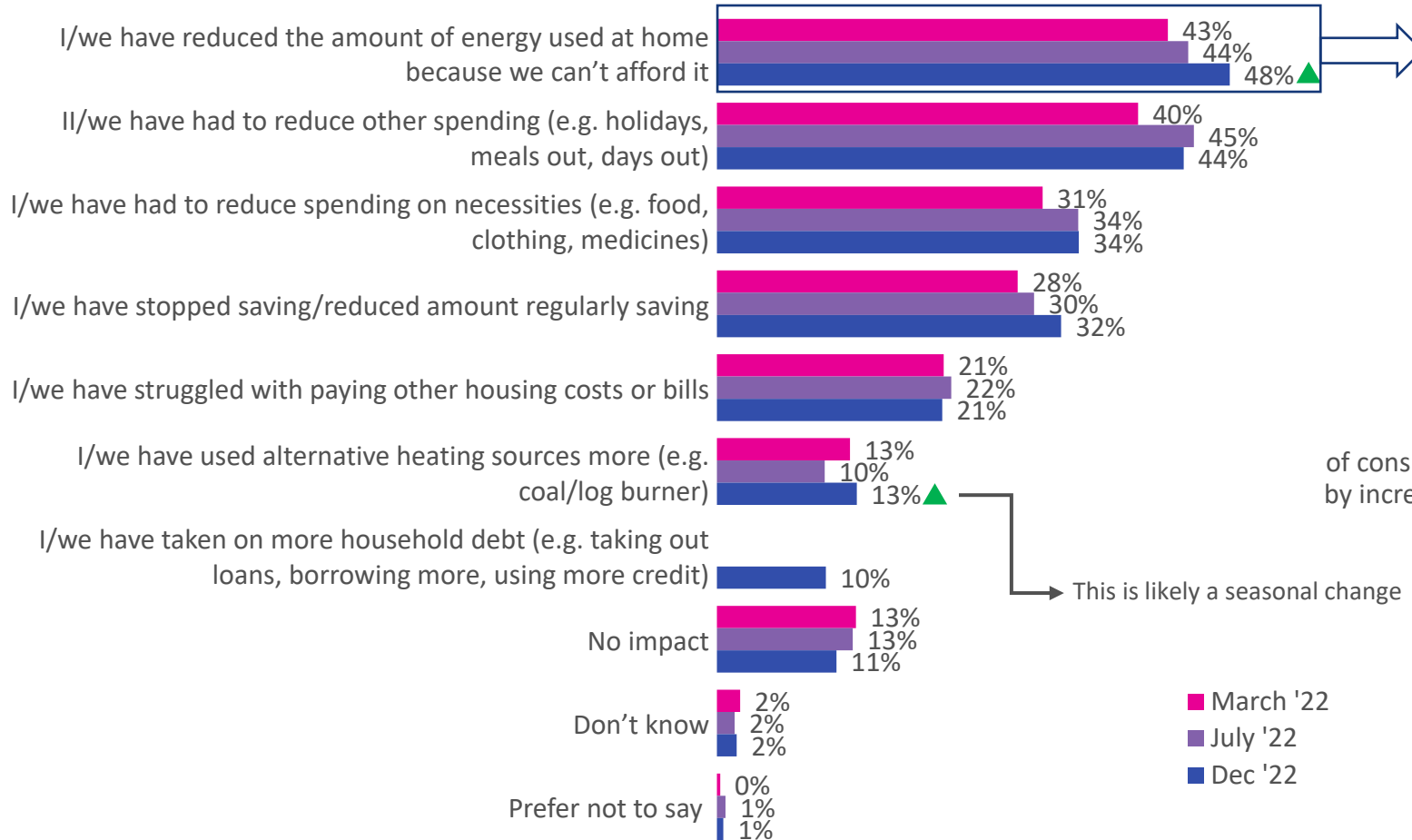
Those **struggling to pay their bills** are more likely to have taken an action to reduce the costs of their bills (93%)

16%

of consumers have seen advice from Ofgem on 'how to manage your energy bills' (December 2022 data)

4 in 5 (86%) of consumers say increased costs of energy have impacted their household. More consumers have reduced the energy they are using than had been doing so in July (48% cf. 44%). Several of the consumer sub-groups typically associated with financial vulnerability are more likely to be reducing their energy use.

Impacts of increased costs of home energy on household



Commentary

The following groups (typically associated with greater financial vulnerability) have reduced the amount of energy they use significantly more than the average consumer:

- Those earning less than £16,000 (53%)
- Those on benefits (52%)
- Disabled respondents (57%)

86%

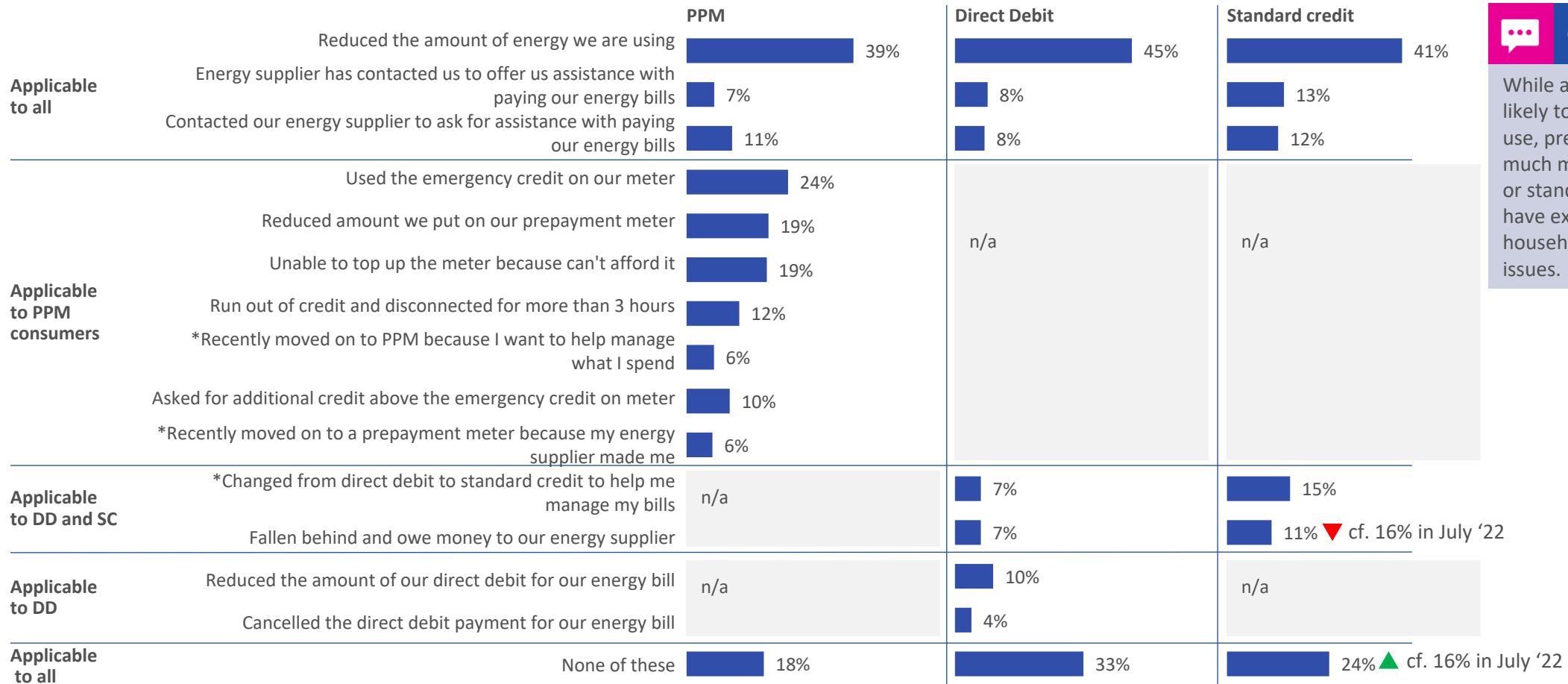
of consumers have been impacted by increased costs of home energy (December 2022 data)

This is likely a seasonal change

- March '22
- July '22
- Dec '22

Just 1 in 5 prepayment meter consumers are not experiencing any impacts on their household because of affordability issues (18%). This proportion rises to a third of direct debit consumers (33%) and a quarter standard credit (24%)

Impacts on household because of affordability issues over last 3 months

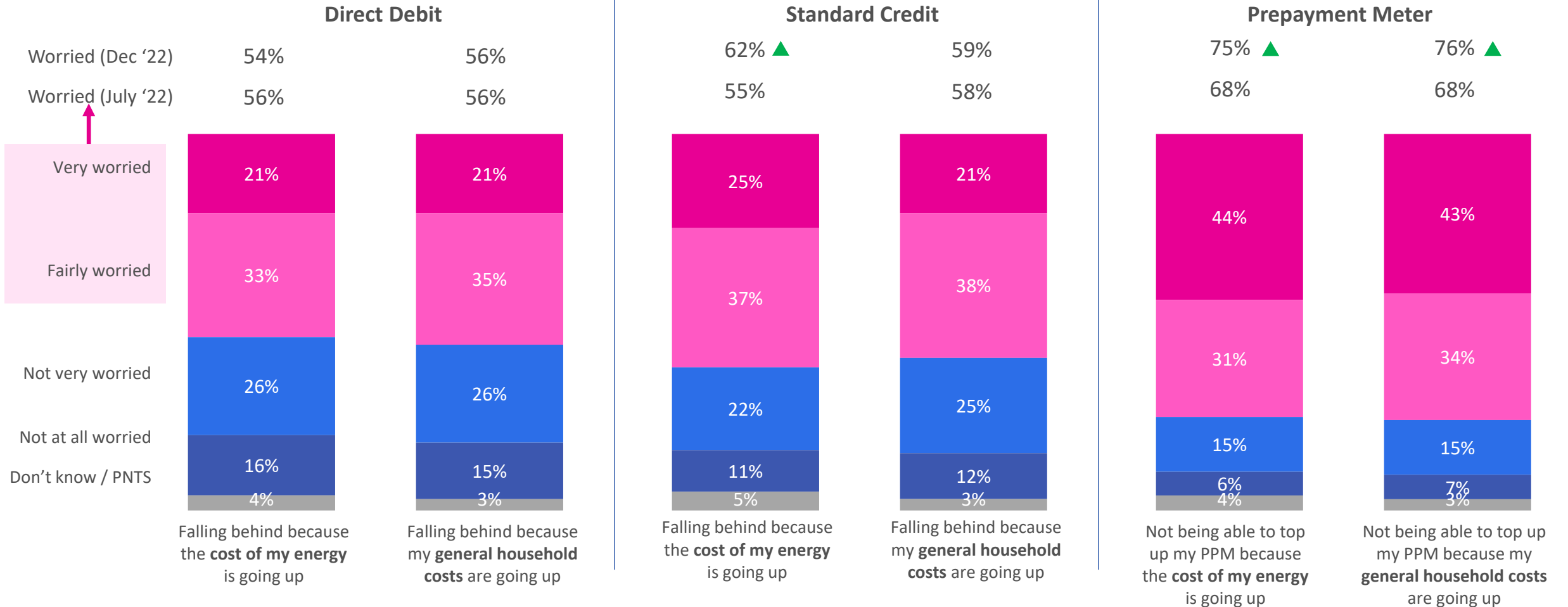


Commentary

While all consumers are similarly likely to have reduced their energy use, prepayment consumers are much more likely than direct debit or standard credit consumers to have experienced impacts on their household due to affordability issues.

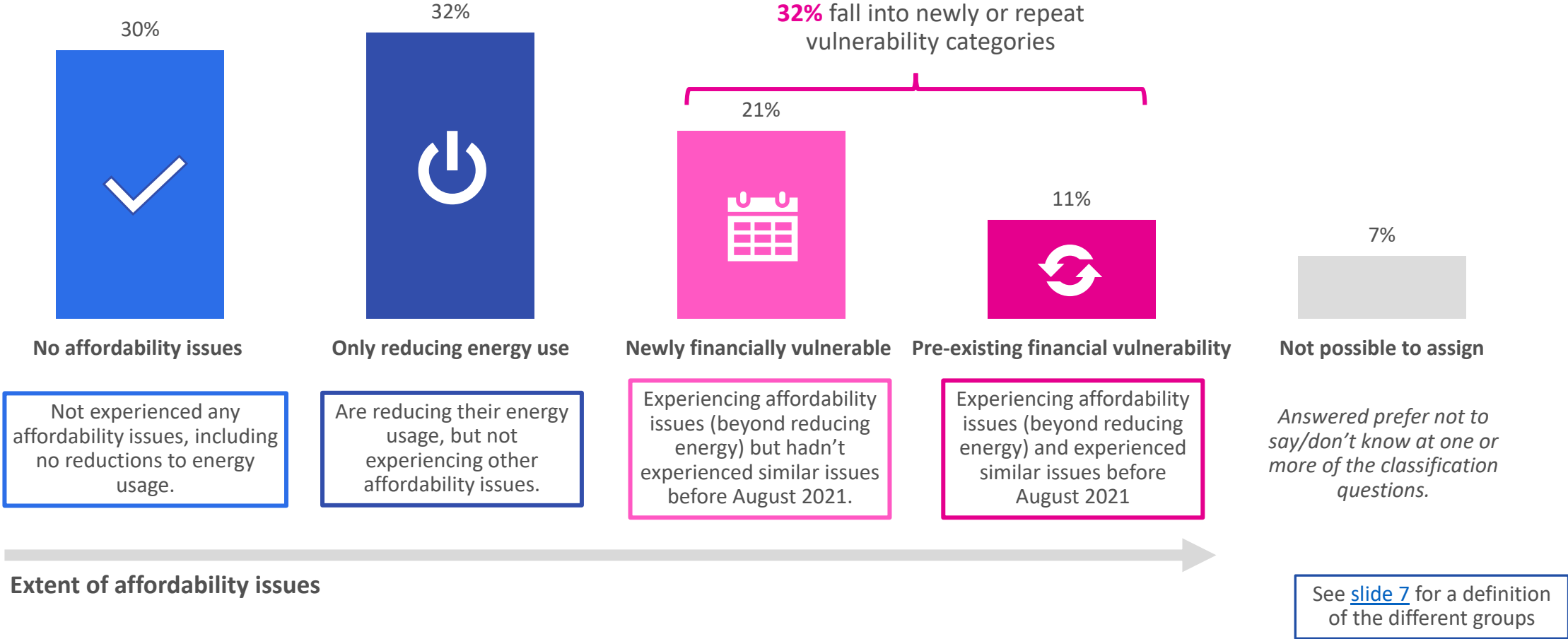
Over half of direct debit and standard credit consumers are worried about falling behind on their energy bills because their energy and household costs are increasing. This proportion rises significantly to three quarters of prepayment meter consumers (75%/ 76%) not being able to top up, which is a significant rise since July.

Worry among about cost of energy and household costs

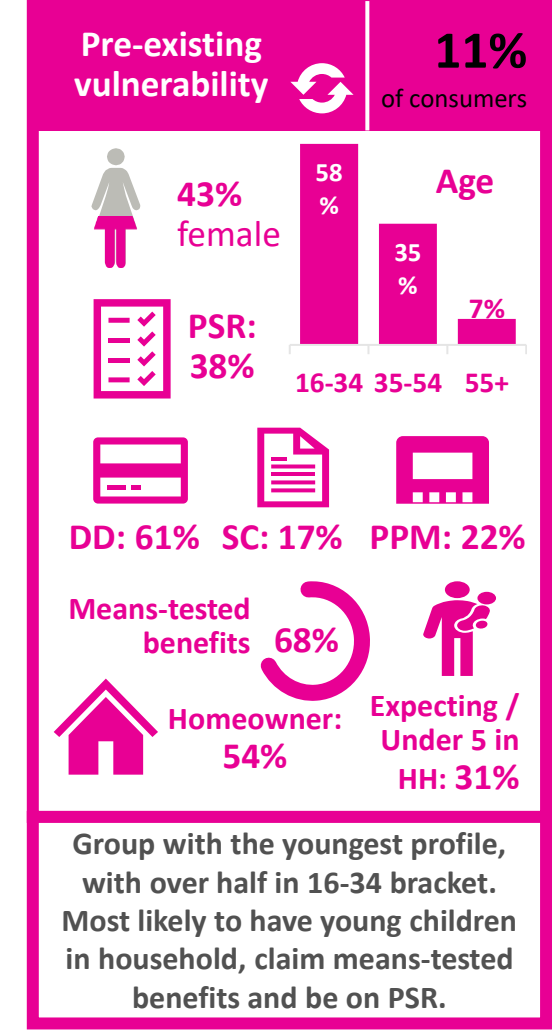
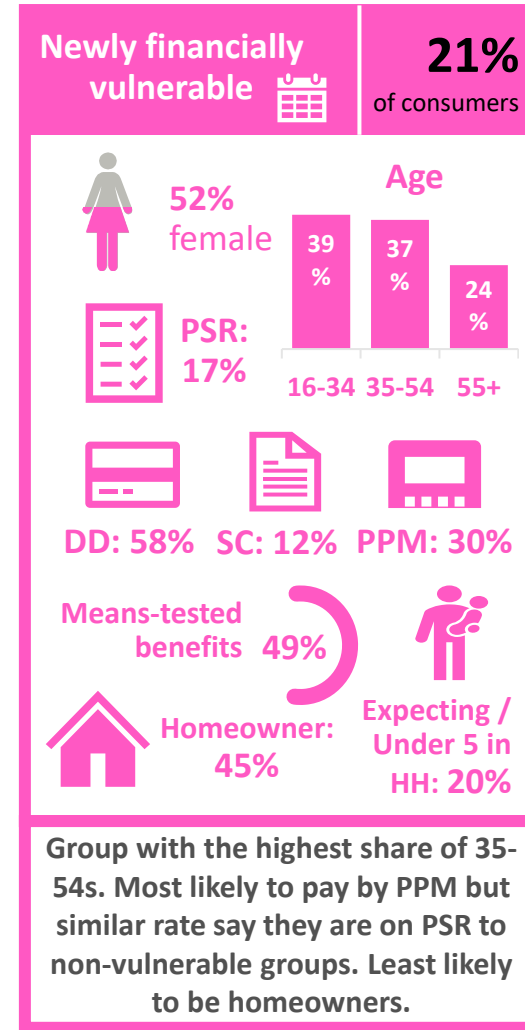
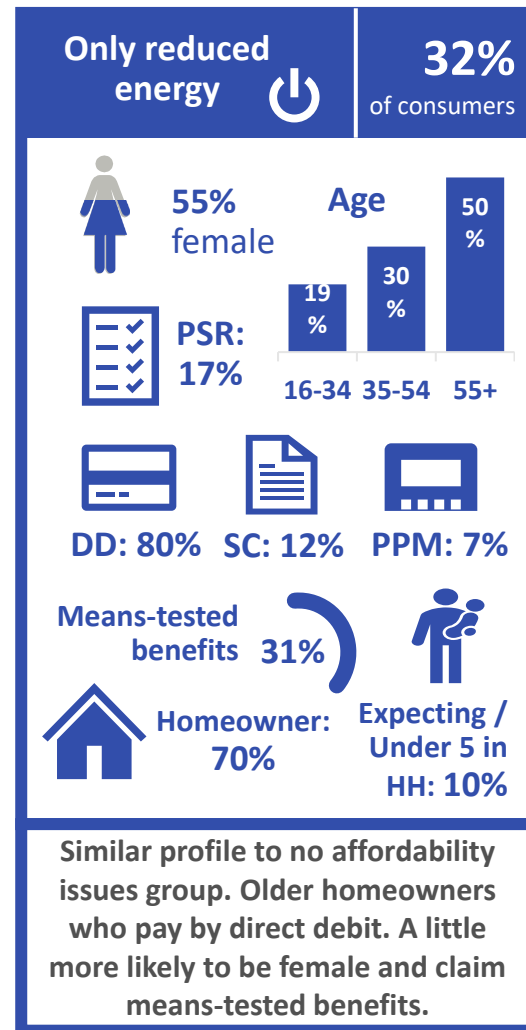
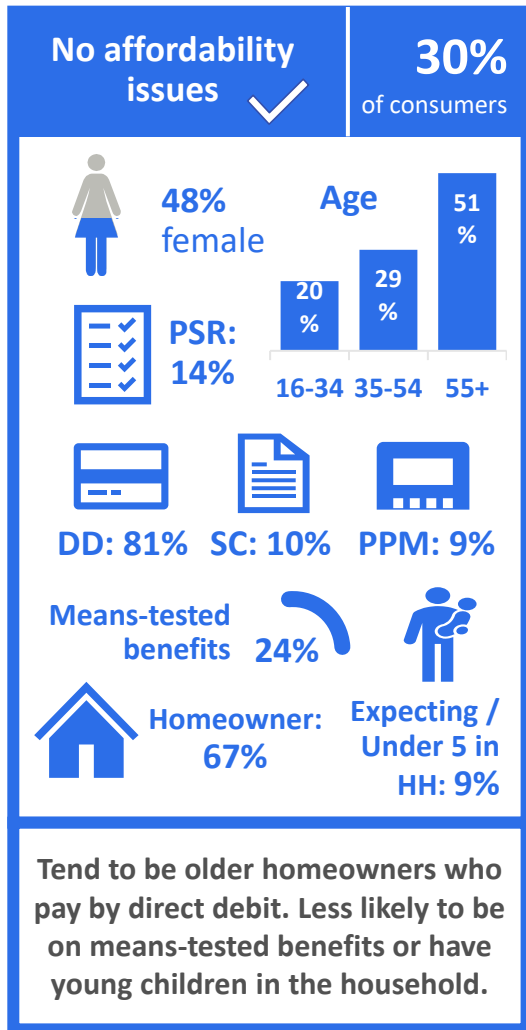


One in five consumers (21%) are ‘newly financially vulnerable’ – consumers who experienced issues around affordability but hadn’t experienced similar issues prior to August 2021

Financial vulnerability groups as a percentage of total consumers

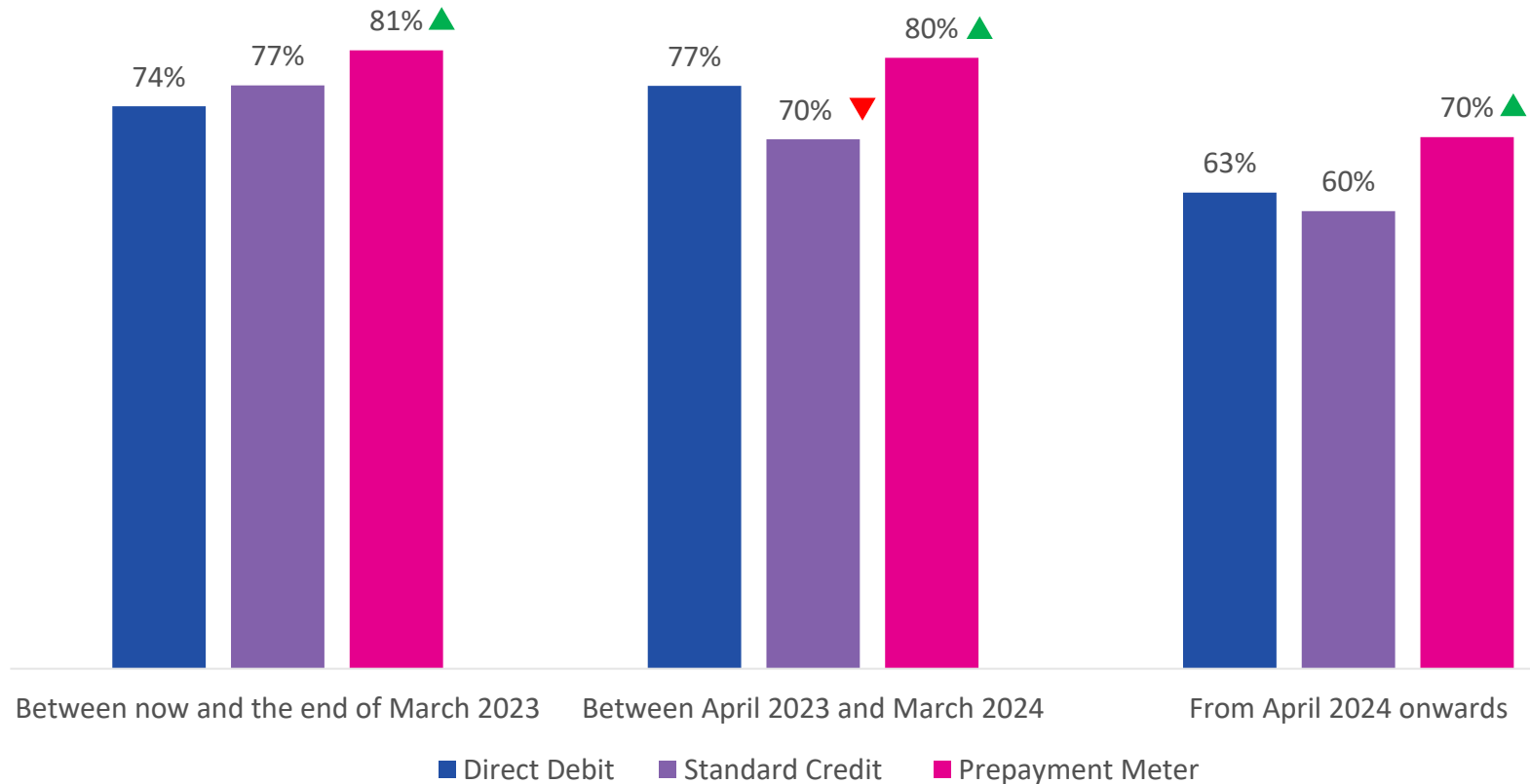


Each group has a distinct demographic profile



Three-quarters of direct debit consumers (74%) expected their energy costs to increase by March 2023. While most also thought their bills will continue to increase from April 2024 onwards, the proportion who say so does fall (63%)

% saying they expect their household's energy costs to increase across the short, medium and long-term



Commentary

Prepayment meter consumers are more likely than direct debit or standard credit consumers to expect that their energy costs will rise in the short, medium, and long term future. This may reflect the higher level of worry among prepayment meter consumers about topping up their meters, than for direct debit and standard credit consumers over keeping up with bills

At the time of fieldwork (Nov/Dec 22), the Government position was that the Energy Price Guarantee was due to rise from £2,500 to £3,000 in April. After the end of the fieldwork period, the Government announced that the Energy Price Guarantee would instead remain at £2,500 in April for a further three months (April 2023-June 2023), rising to £3,000 in July 2023.

A third (33%) of consumers have contacted someone for help with paying their bills in the past 3 months. This has remained stable since July. Of those who contacted multiple organisations, 1 in 4 (27%) contacted a debt advice/support charity first

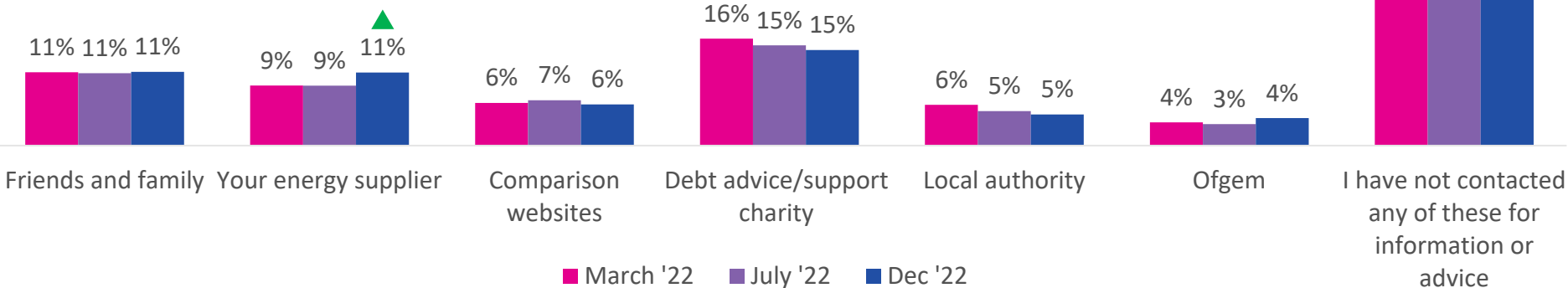
Contact with organisations for information, advice or support with paying your energy bills in the past 3 months

33%

Have contacted anyone for support

25%

Have contacted any institutional support
(i.e. not a comparison website or friends and family)



Who was contacted first

Of the 13% who contacted more than one organisation...

27%

Debt advice/support charity

21%

Energy supplier

19%

Friends and family

5%

Ofgem



Perceptions of payment methods

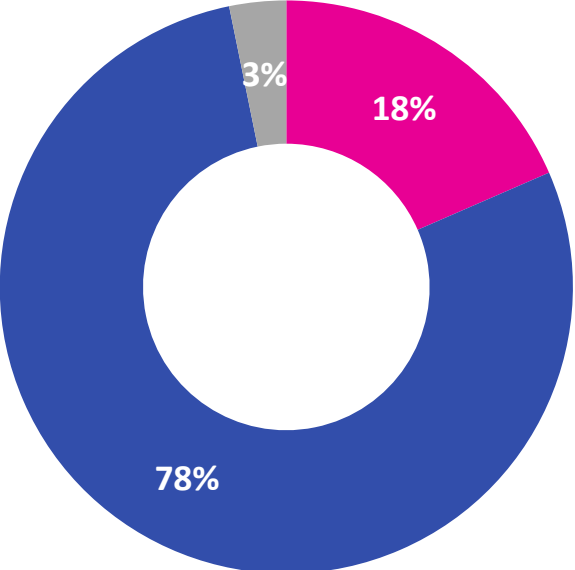
Summary: Perceptions of payment methods

- **Most consumers say they are happy with their energy payment method:** Direct debit customers (82%) are significantly more likely to be satisfied with their current payment method compared to standard credit (66%) or prepayment meter users (68%).
- **Different payment methods are used for a variety of reasons:** Across all payment methods, the majority cited a positive/active reason for using the method they did. However, those on prepayment method were less likely to say they were using their payment method for a positive/active reason (72%) than those on direct debit (89%) and standard credit (85%)
- **However, there is limited understanding of how costs vary by payment method:** Only 55% are aware that energy costs vary depending on the type of payment method used and far fewer still know which methods are more or less expensive.
- **Understanding appears to influence satisfaction:** Those who are aware that their payment methods are more expensive than alternatives are less satisfied with that payment method.



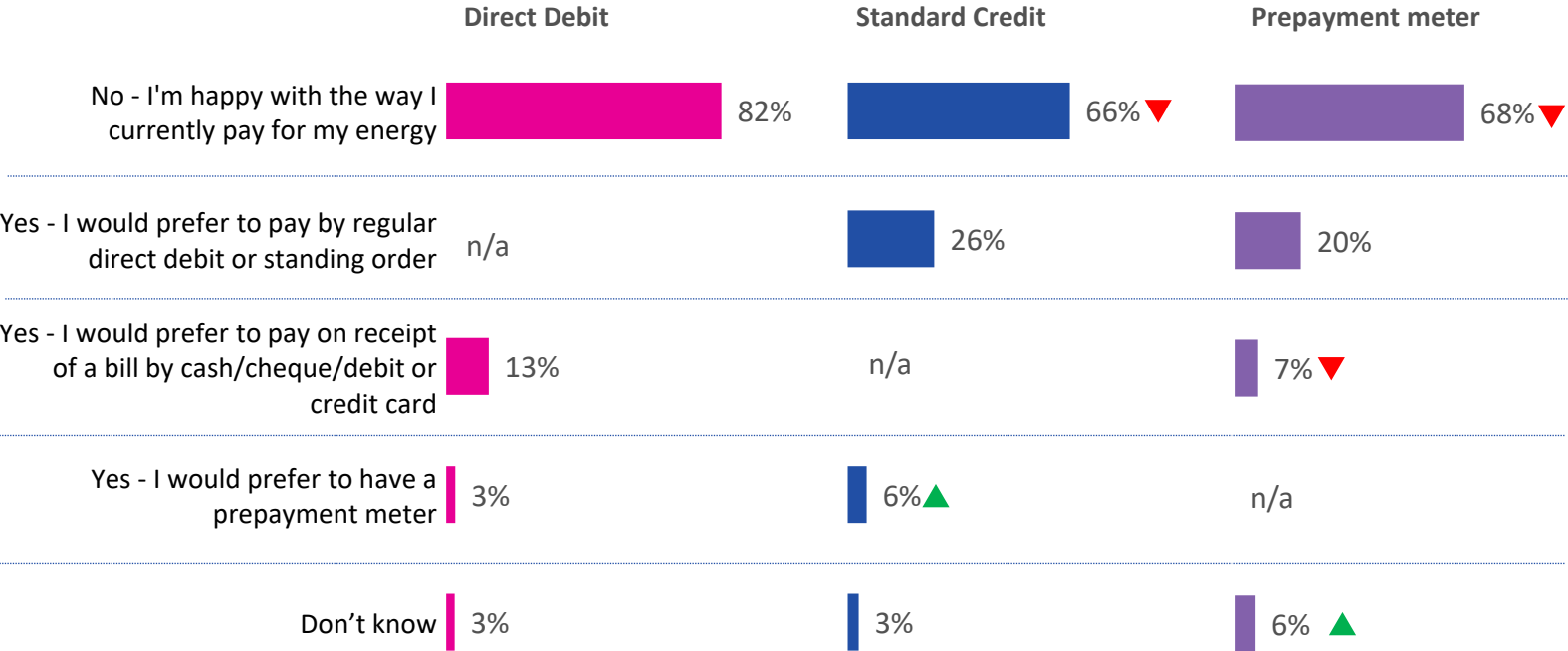
3 in 4 (78%) consumers are happy with their current payment method and would not want to change. Standard credit and prepayment meter consumers are less likely to be content, with most of those unhappy wanting to switch to paying by “regular direct debit or standing order”

Contentment with current payment method



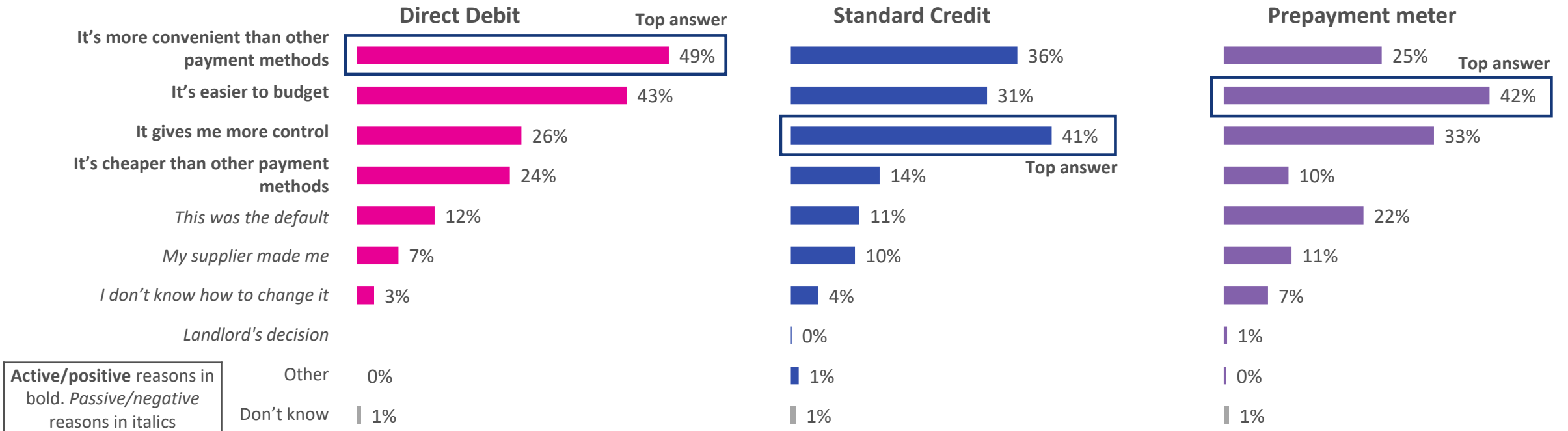
■ Yes - I would want to change
■ No - I'm happy with the way I currently pay
■ Don't know

Contentment with payment method by how currently pay



Across payment methods, consumers had different top reasons for using theirs. Those who pay by direct debit do so because they think it's more convenient (49%), standard credit users because it gives them more control (41%), and prepayment meter consumers because it is easier to budget (42%)

Reason for payment method use among different payment methods

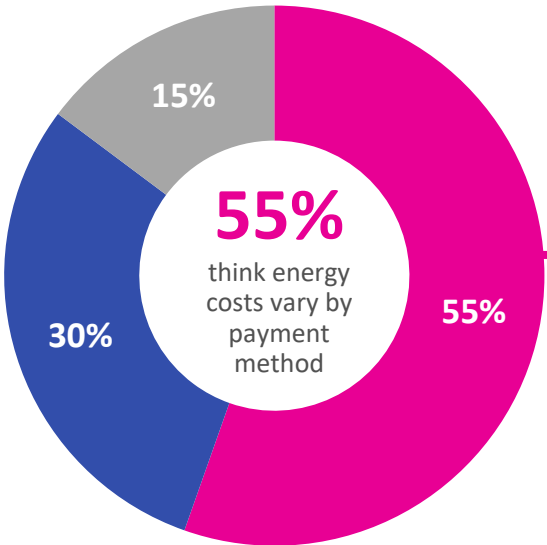


Breakdown by active/positive choice vs passive/negative choice



Only 55% are aware that costs vary by payment type. While most of these are able to rank direct debit as cheapest (which is true in most cases), within this is a tendency to perceive prepayment meters as most expensive. There is also a general bias where people think their own method is the most cost-effective

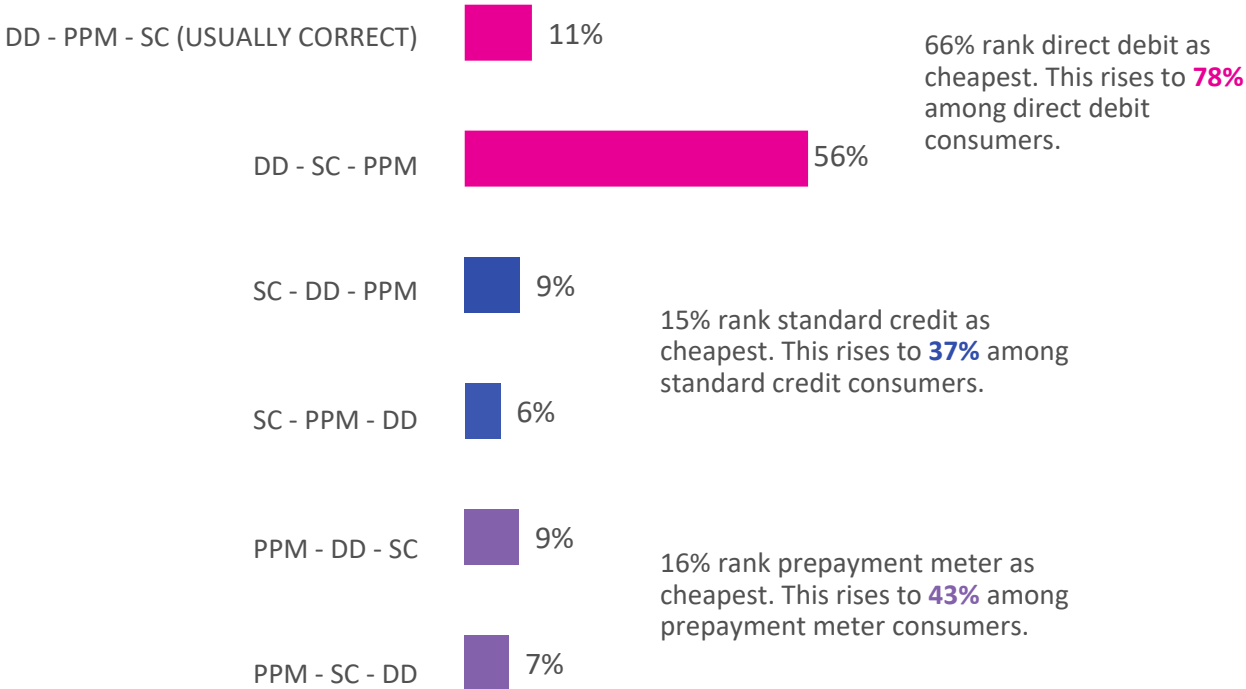
Whether costs vary by payment methods



- Yes - Costs vary depending on the payment method used
- No - Costs do not vary depending on the payment method used
- Don't know

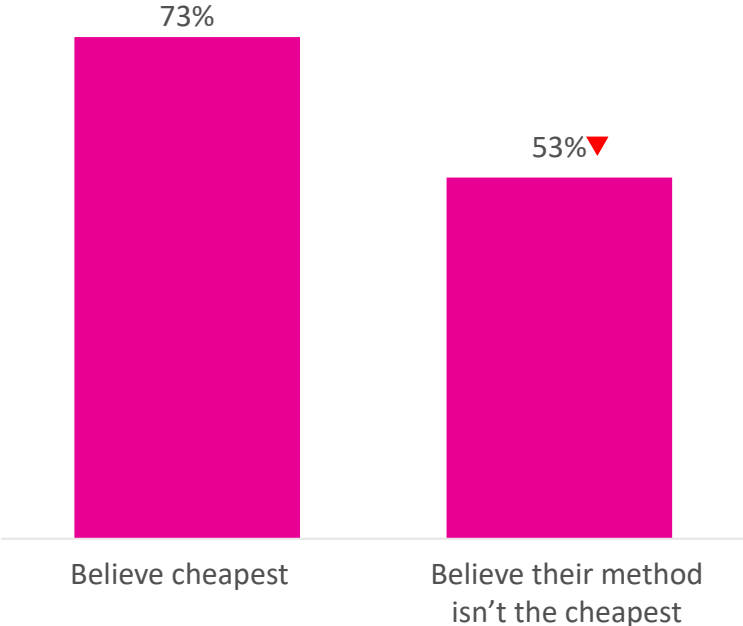
Ranked combination among those who believe costs vary

Of these, 66% rank direct debit as cheapest (which is true in most cases). However, of these, many more think that prepayment meter is more expensive than standard credit (56%) than do the reverse (11%).

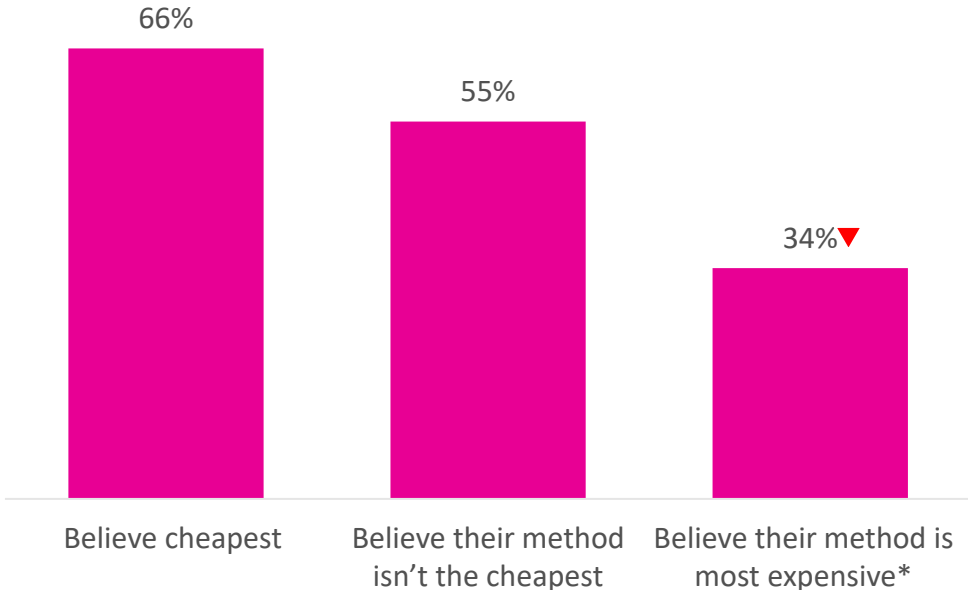


Satisfaction with prepayment and standard credit as a method of payment is artificially inflated by those who believe their current method is more cost-effective than it may be in reality

Prepayment meter: % happy with the way they currently pay for energy

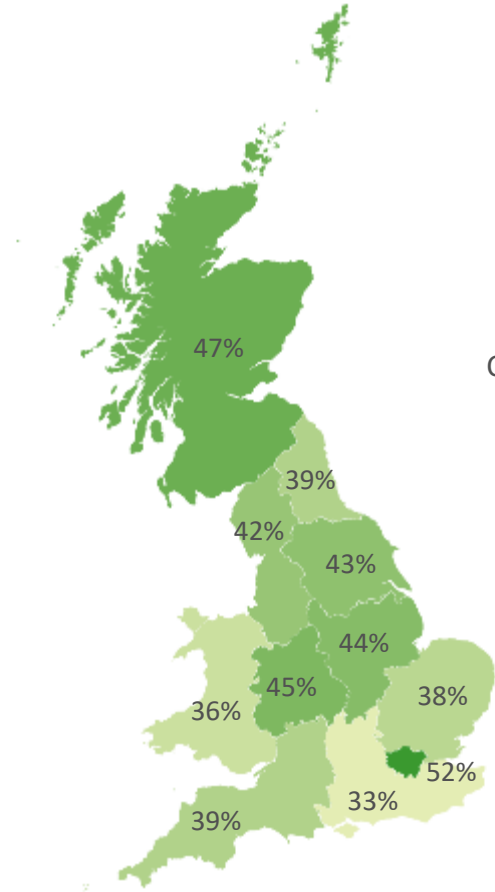


Standard credit: % happy with the way they currently pay for energy



4 in 10 consumers correctly say it is true the cost of energy varies depending on which GB region you live in (42%). Those in London are significantly more likely to say this (52%), and are also more likely to say their energy usage is higher compared with a typical UK household

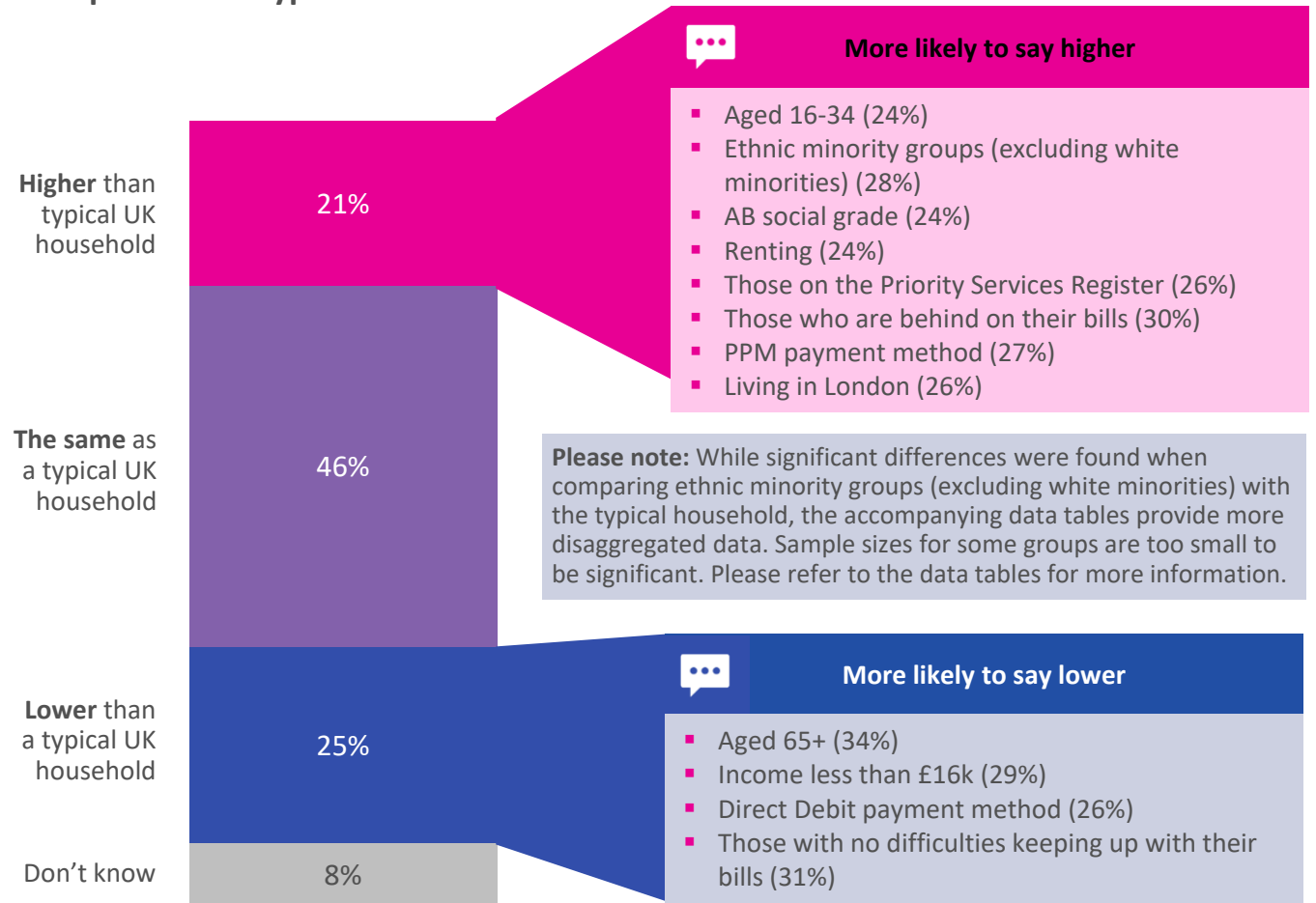
% correctly saying it is true the cost of energy varies depending on GB region lived in (by region)



42%

Correctly say it is true that the cost of energy varies depending on the GB region lived in

Assessment of household energy usage compared with typical UK household



Please note: While significant differences were found when comparing ethnic minority groups (excluding white minorities) with the typical household, the accompanying data tables provide more disaggregated data. Sample sizes for some groups are too small to be significant. Please refer to the data tables for more information.



Section 2: Are consumers aware of sources of support?

Summary: Understanding of changes to the energy market and source of support

- **Many do not understand the EPG:** Even among those who say they are aware of the Energy Price Guarantee (EPG), only just over half (56%) can identify what it does. One in 5 of those aware (19%) thinks the EPG is a cap on energy costs regardless of use. Only one-third (32%) of those aware of the EPG can identify the relationship between the EPG and the energy price cap.
- **Perceptions of eligibility and receipt of EBSS is high:** Of those aware of the Energy Bill Support Scheme (EBSS), the vast majority are aware they are eligible (83%) and, of these the vast majority say they have begun to receive this (84%).
- **These perceptions are lower for EPG, perhaps driven by confusion:** Perceptions of eligibility (73%) and, of these, receipt (67%) are lower for the EPG than the EBSS. These differences are largely driven by those saying they don't know, suggesting that the mechanism of who benefits from the EPG, and how, is less clear for consumers.
- **The majority who are aware they have received the EPG or EBSS think that both support measures have helped at least somewhat:** However, only a minority think that the EPG (31%) and EBSS (37%) have helped quite a bit or a great deal. Despite the level of impact on bill reduction being significantly higher for the EPG than the EBSS, perceptions of how much it has helped is lower, possibly a result of the differences in how the support measures are fed through to consumers.

The [EPG](#) reduces the amount consumers can be charged per unit of gas or electricity, to an annual equivalent of around £2,500 for a typical household in Great Britain. All households with a domestic electricity or gas connection are eligible. The scheme began in October 2022.

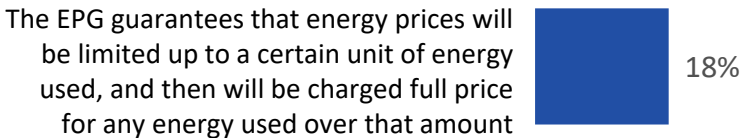
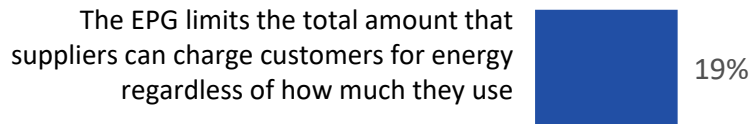
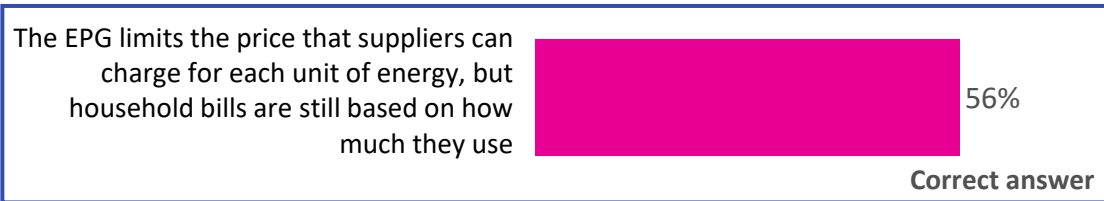
The Energy Bills Support Scheme ([EBSS](#)) is a £400 discount to help consumers with energy bills from October 2022 to March 2023. All households with a domestic electricity connection in England, Scotland and Wales are eligible for the discount.



Over half (56%) of those aware of the Energy Price Guarantee can correctly describe what it does. A third of consumers aware of the EPG (32%) are able to accurately describe the difference between the EPG and the price cap

What the Energy Price Guarantee does

Amongst the 66% aware of the Energy Price Guarantee...

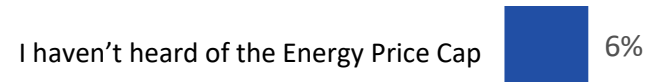
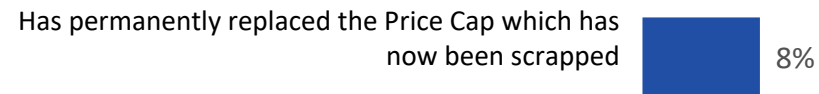
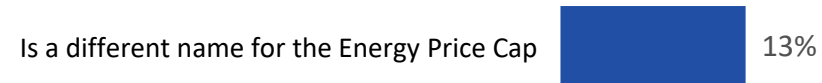
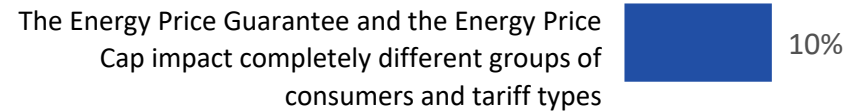
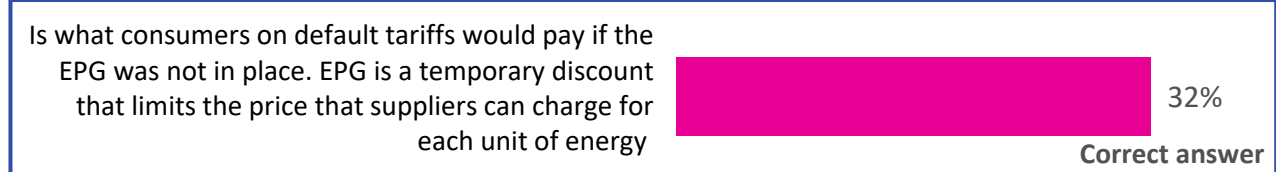


44%

of consumers gave the incorrect answer or did not know
(December 2022 data)

The relationship between the Energy Price Guarantee and the Energy Price Cap

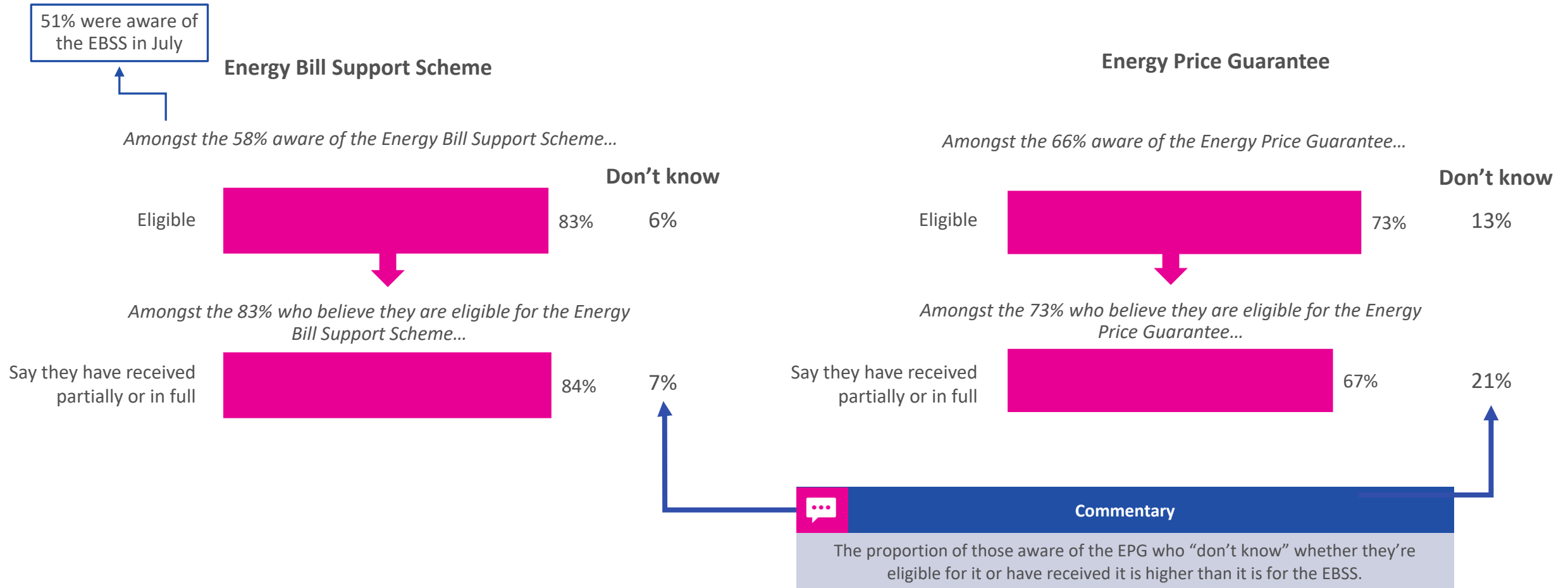
Amongst the 66% aware of the Energy Price Guarantee...



68%

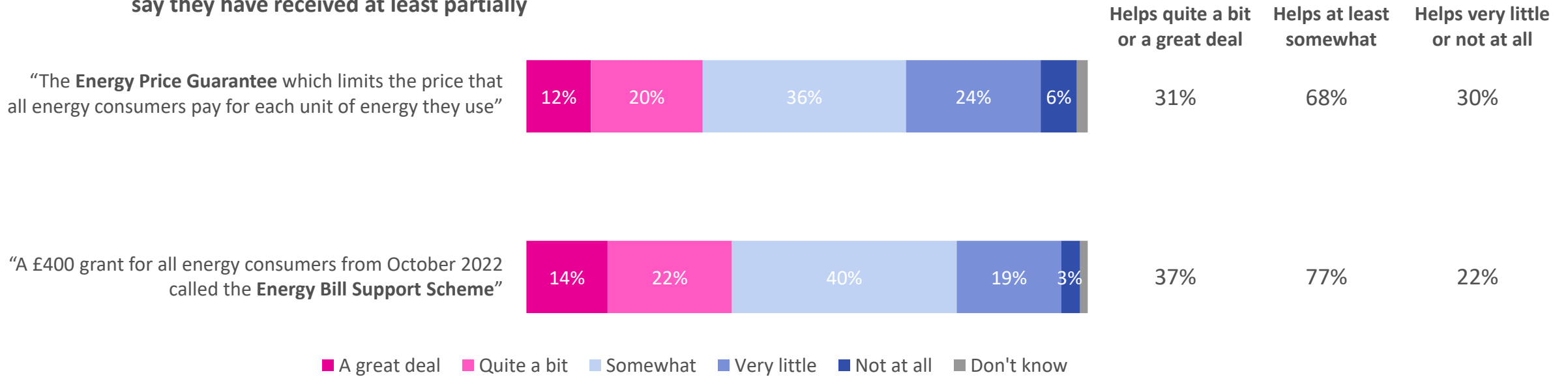
of those aware of the EPG gave the incorrect answer or did not know
(December 2022 data)

Of those who are aware of the EBSS, over four-fifths (83%) think they are eligible for it, and, of these, 84% say they have received it. Both of these figures are higher than the equivalent figures for the EPG (73% think they're eligible and, of these, 67% say they have received it)



A majority of consumers who have received the support measures say the EBSS and the EPG have helped at least somewhat with managing their household's energy costs (77% and 68%). However, more say it has only helped somewhat than quite a bit or a great deal

Extent support measures have helped in managing household energy costs for those who say they have received at least partially



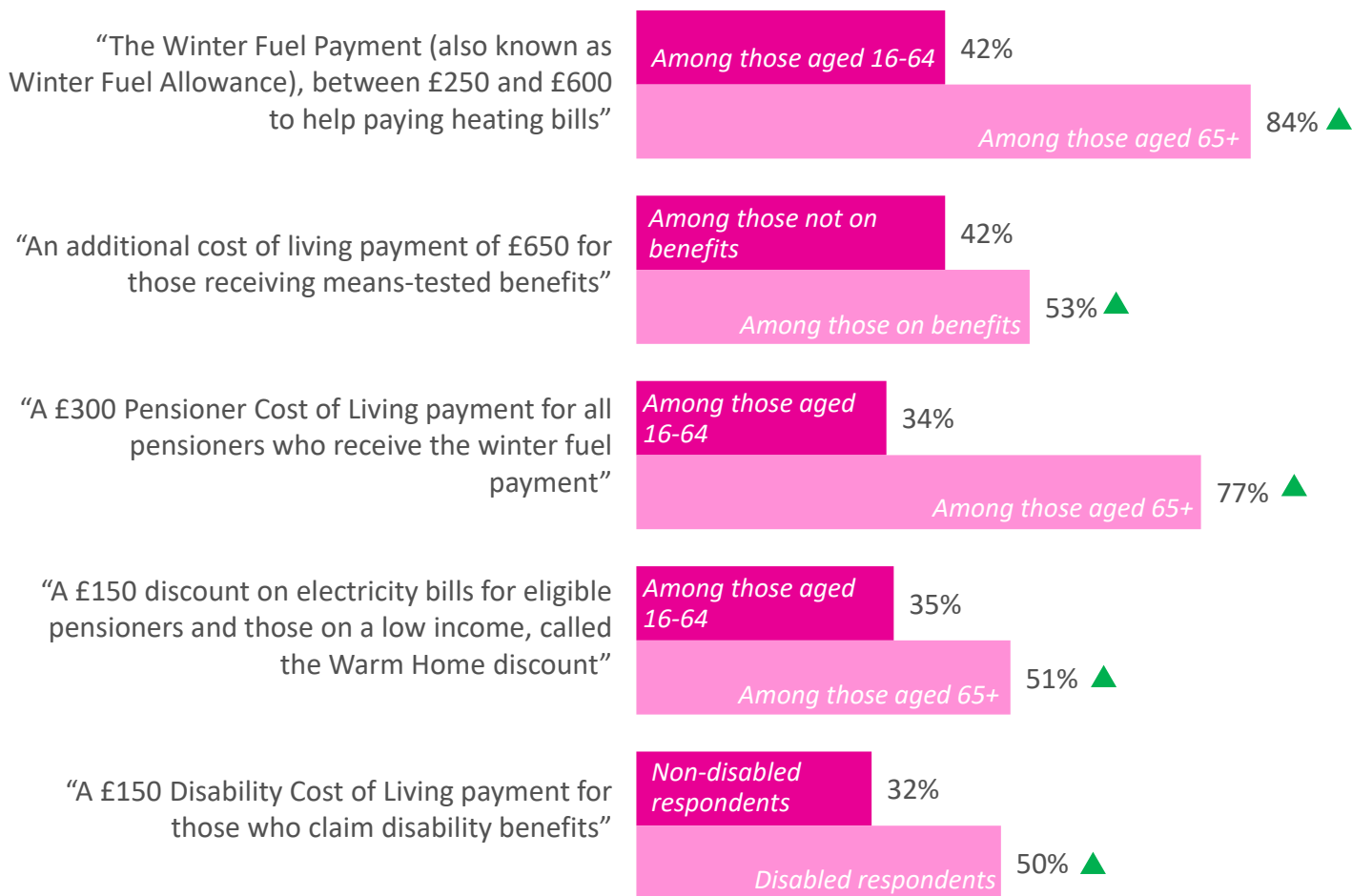
Commentary

Despite the EPG having a greater impact than the EBSS on consumers' energy bills, the EBSS is seen as providing a greater level of support. This could be because of differences in the way that the schemes have provided support and how they were fed through to consumers. Under EBSS, eligible households will have received money back off their energy bills (through a variety of channels). Consumers may have been more aware of this, compared to the additional cost of energy avoided by the introduction of the EPG.

The EBSS saved consumers **£400** on their energy bills between October 2022 and March 2023. By comparison, the EPG will have saved a typical household in Great Britain **£1,100** between October 2022 and June 2023, compared to energy prices under the price cap without the EPG in place.

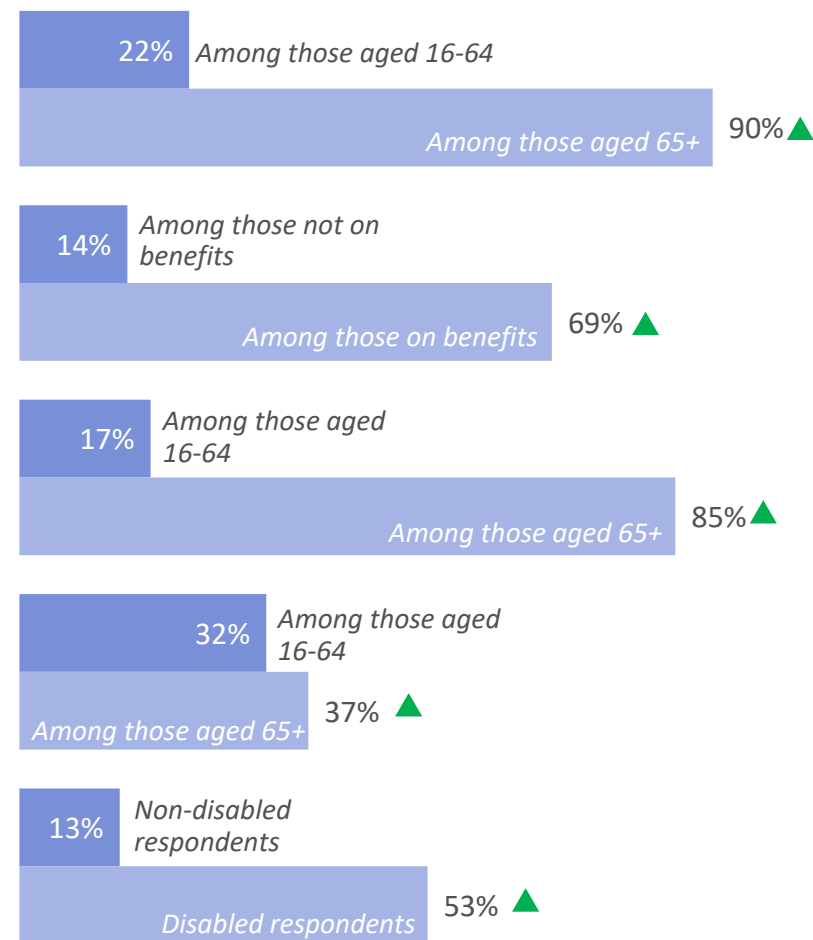
Among groups targeted for specific government support measures, awareness and perceptions of eligibility are significantly higher than among those not eligible for that support. However, there remains confusion about who is eligible for different support measures

Awareness of government support measures



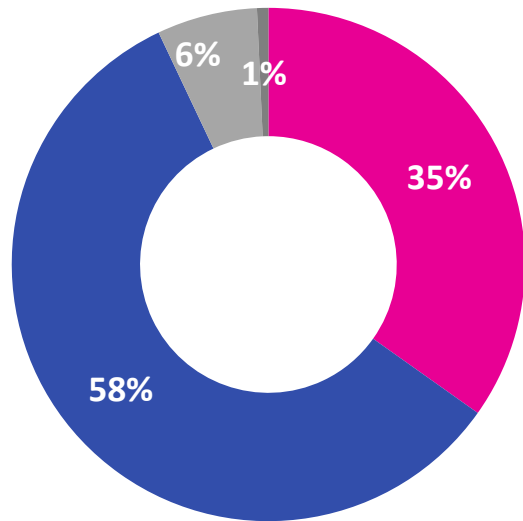
Perceptions of eligibility

Among those aware of govt support measures...



There is some lack of awareness and lack of clarity about eligibility for the Priority Services Register. Only a third of consumers (35%) are aware of the PSR, and of these half (51%) say they are on their energy supplier's PSR. However 21% of those aware of the PSR report at least one criteria that could make them eligible for the PSR, but say they are not on it

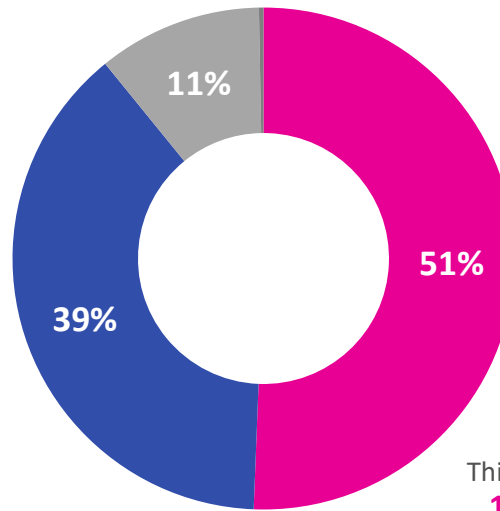
Awareness of the Priority Services Register



- Yes
- No
- Don't know
- Prefer not to say

Whether they are on their supplier's Priority Services Register

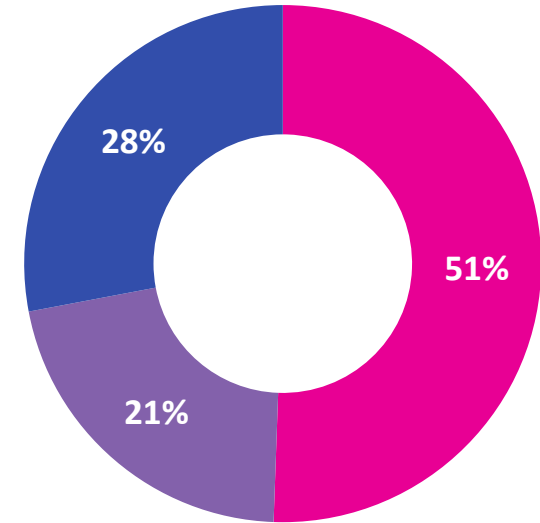
Of the **35%** of energy consumers aware of the PSR...



This translates to **18%** of total GB population

Whether they are eligible or on their supplier's Priority Services Register

Of the **35%** of the energy consumers aware of the PSR...



- Those on PSR
- Those eligible but did not say they were on PSR
- Those not eligible and did not say there were on PSR

Eligibility for PSR was determined by pregnancy, those with children under 5 or pensioners, or someone with a long-term illness or disability in the household



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Section 3: What are consumers' perceptions and levels of trust in the energy market?

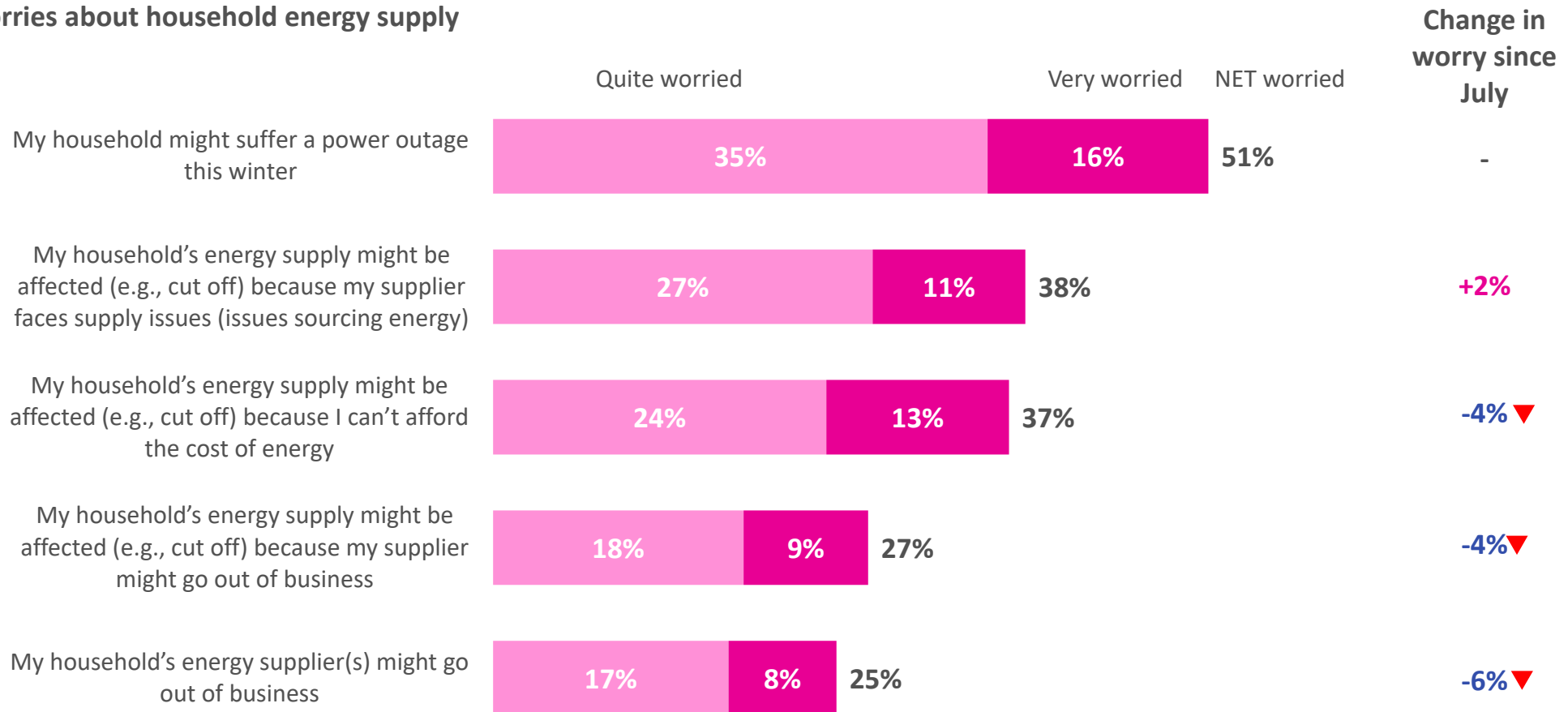
Summary: Security of supply and trust in the energy market

- **Many feel they would be impacted by a power outage of three hours:** The majority say that a power outage of three hours would have a slight or moderate impact on their day-to-day activities (67%), their personal health/safety (59%) and their finances (49%).
- **Some consumers report being more likely to be significantly affected:** Those more likely to say a power outage would have a major impact on their day-to-day activities, personal health/ safety and finances include: those with a disability in the household (32%), those on the Priority Services Register (30%) and ethnic minority groups (excluding white minorities) (25%).
- **Many report making practical preparations in case of power outages:** Over half of consumers (54%) say they have taken some steps to prepare for the interruption to their energy supply. The most common measures to take are the provision of alternative lighting (33%) and heating (29%). Those who report as being more impacted are more likely to have taken measures. Although, for some consumers, these included resources they already had at home.
- **Awareness is low for important resources in case of a power outage:** Only one in four (24%) have heard of the Powercut105 website and one-third (32%) are aware of their electricity Distribution Network Operator. Of these, far fewer still have visited the website (8%), or know the name of their DNO specifically (14%). This suggests more could be done to educate consumers about important resources in case of power outages.
- **Trust in the energy market remains stable:** Energy suppliers are still trusted less than providers in other markets. Just over 1 in 3 (36%) say they trust energy suppliers, fewer than say they trust insurance companies, internet/ broadband suppliers (42%), and banks/ building societies (54%).
- **Trust in energy suppliers has improved in some aspects:** The trust people have in their energy suppliers to treat them fairly in their dealings has increased since July (54% cf. 49%), even if trust in them to charge a fair price remains unchanged (42%).



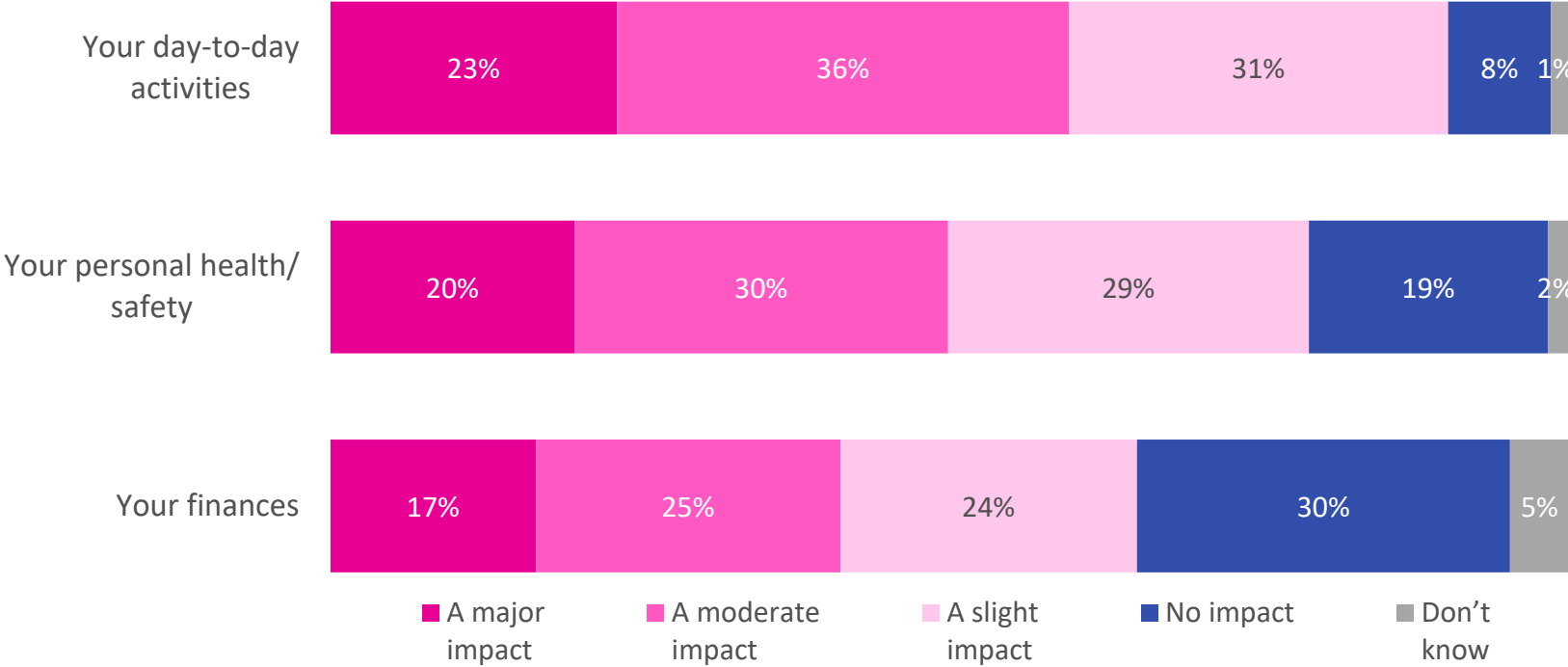
Energy supply worries from July concerning affordability and supplier failure (37% and 27% respectively) have been superseded by supply worries concerning energy sourcing issues and power outages (38% and 51% respectively)

Worries about household energy supply



Most felt they would be impacted in some way by a power outage of 3 hours, but for most the impact tends to be moderate or slight rather than major. Consumers who are more likely to say they would be majorly impacted are more likely to have an increased vulnerability

Extent of impact of 3 hour power outage on different household aspects



Commentary

- The following groups are more likely to say a power outage would have a major impact on their day-to-day activities, personal health/safety and finances:
- Those with a **disability in the household** (32%)
 - Those who report being on the **Priority Services Register** (30%)
 - Those with a household income **under £16k** (26%)
 - Ethnic minority groups** (excluding white minorities) respondents (25%)

Please note: While significant differences were found when comparing all Ethnic minority groups (excluding white minorities) with the typical household, the accompanying data tables provide more disaggregated data. Sample sizes for some groups are too small to be significant. Please refer to the data tables for more information.

Over half say they have taken some actions to prepare for an interruption to energy (54%). However, some of these steps are likely general precautions that people will take every year and are not necessarily linked to supply concerns over winter

Steps taken to prepare for interruption to energy supply

Readers should be careful when interpreting these figures. Interviews with respondents note that whilst the majority do understand this to be steps taken for the specific purpose of preparing for an interruption to their energy supply, some respondents did answer based on resources they had regardless that could be used in such an instance

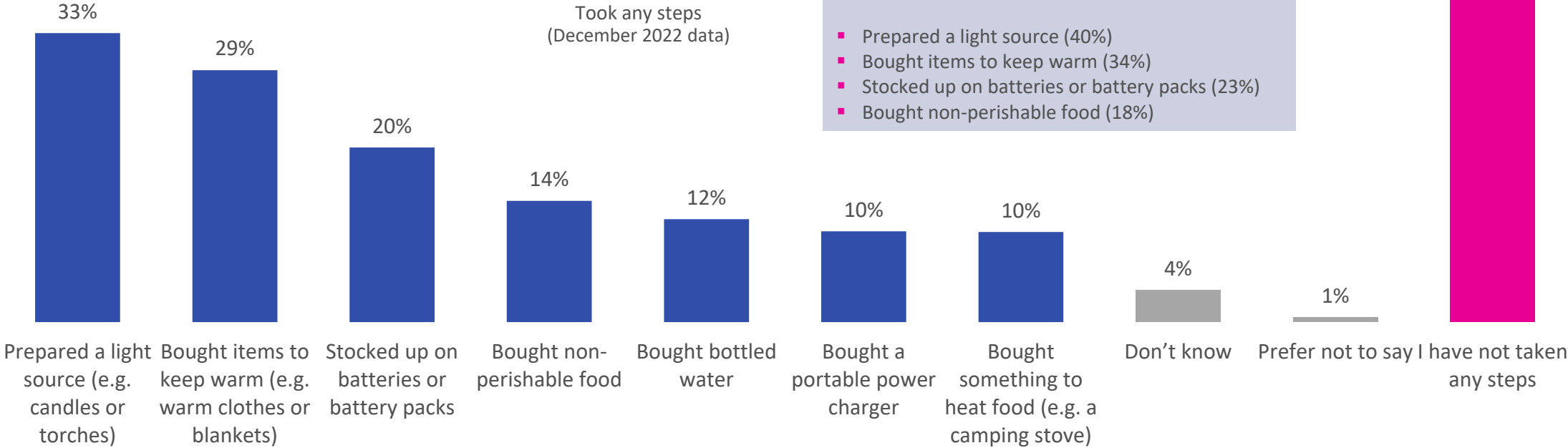
54%

Took any steps
(December 2022 data)

Commentary

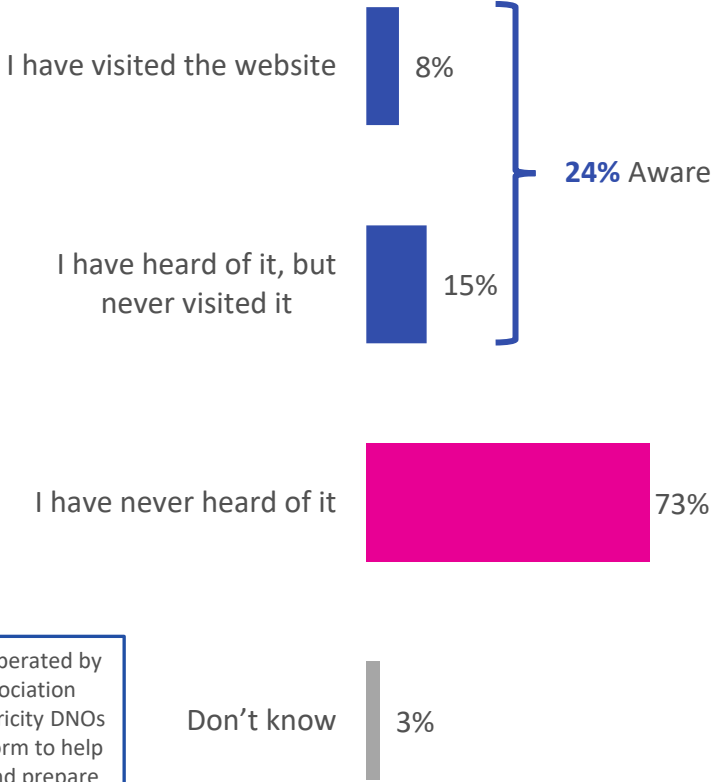
Those with a disability in the household were more likely to have taken any steps (62% cf. 54%). They were more likely to take the following steps:

- Prepared a light source (40%)
- Bought items to keep warm (34%)
- Stocked up on batteries or battery packs (23%)
- Bought non-perishable food (18%)



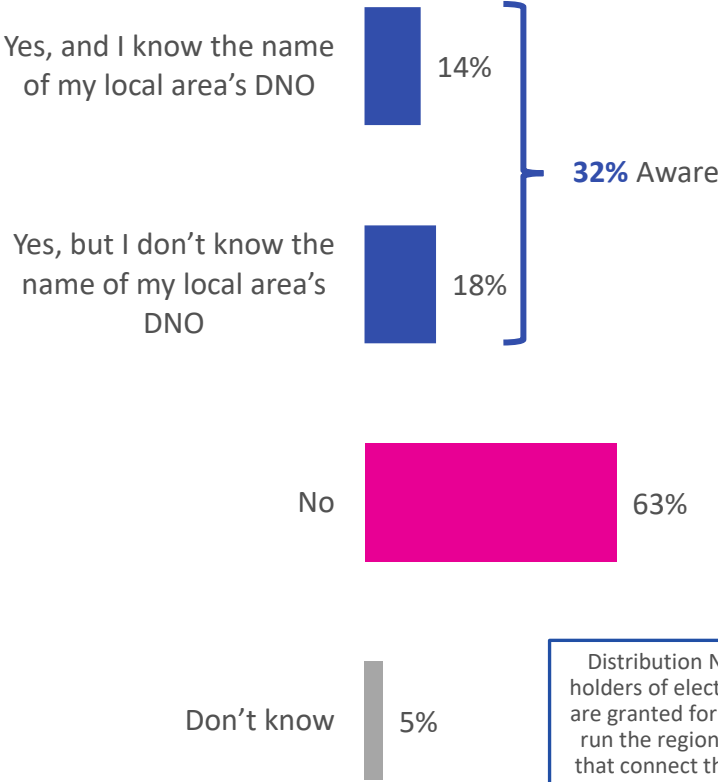
Only a quarter of consumers are aware of the Powercut105 website (24%), with only a third aware of their DNO (32%) - suggesting more could be done to educate consumers in case of power cuts

Awareness of Powercut105



Powercut105 is a website operated by the Energy Networks Association (ENA) on behalf of the electricity DNOs in Great Britain. It is a platform to help energy customers report and prepare for power outages.

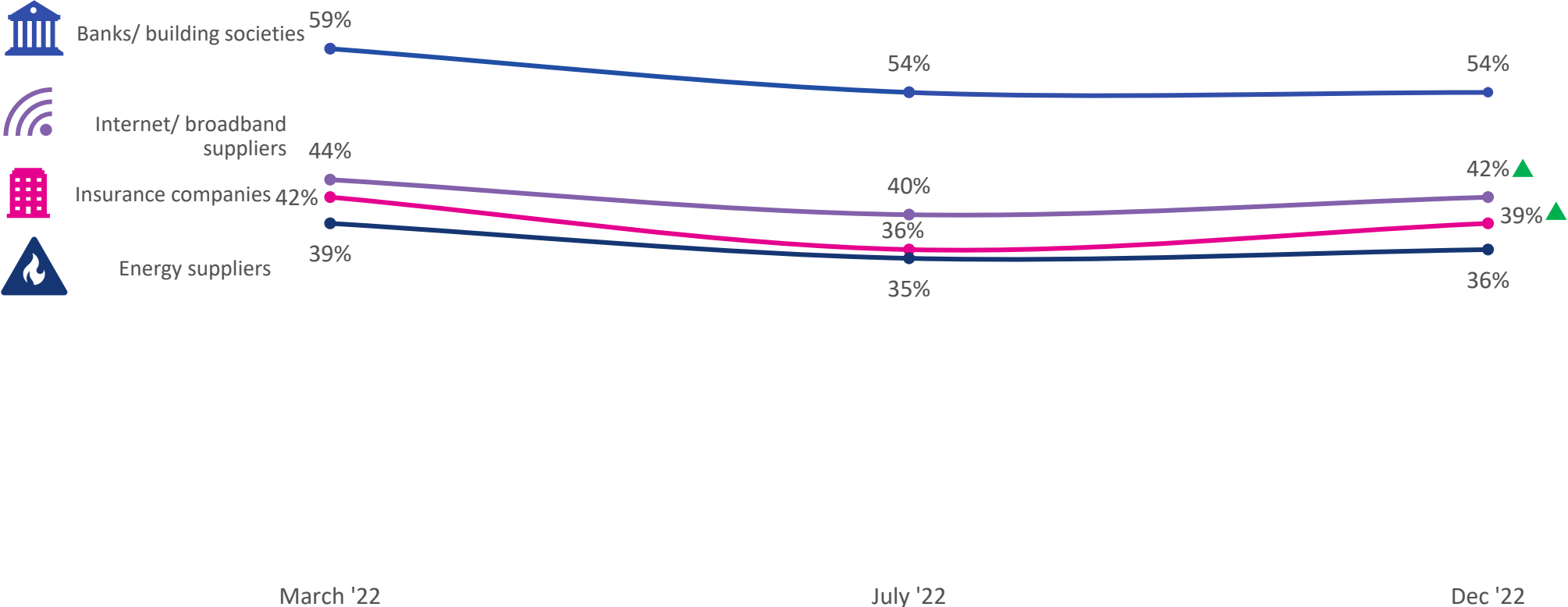
Awareness of Distribution Network Operator



Distribution Network Operators (DNOs) are the holders of electricity distribution licences. Licences are granted for specified geographical areas. DNOs run the regional electricity distribution networks that connect the high voltage transmission grid to homes, businesses, and industrial electricity users.

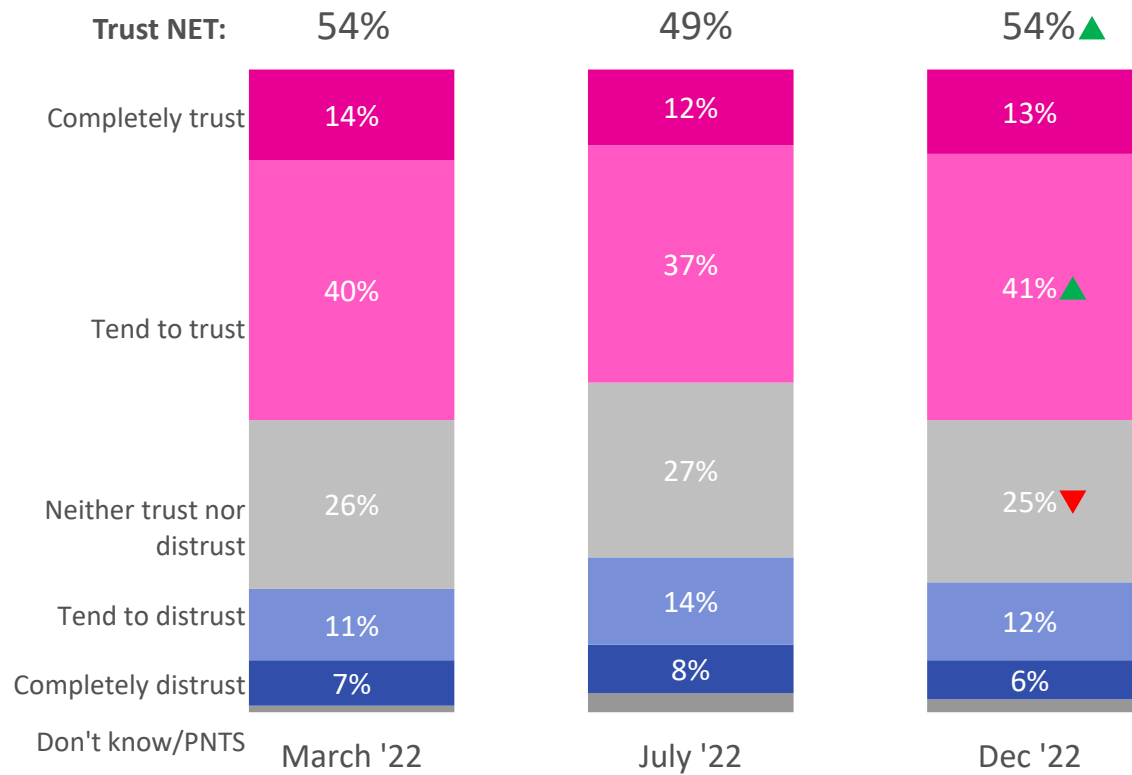
Energy suppliers are trusted less than providers in other markets. This gap has widened slightly since July following increases in trust in internet/broadband and insurance suppliers

Trust in organisations to be fair in the way they deal with customers and citizens

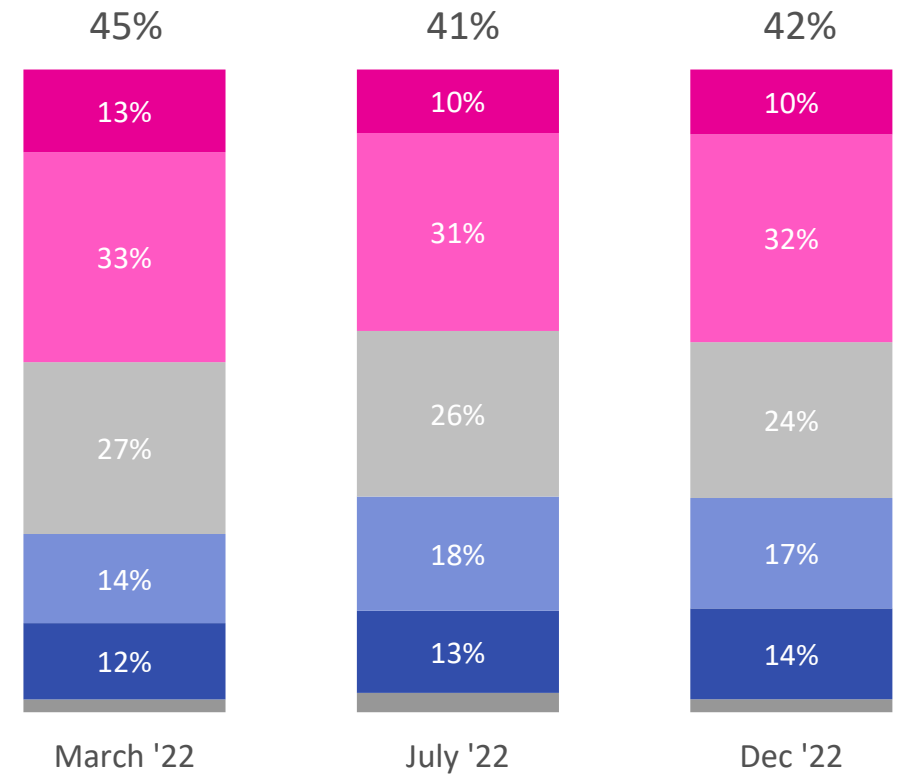


While trust in energy suppliers treating consumers fairly has rebounded since July (54% cf. 49%), trust that they are charging a fair price remains at July levels

To what extent do you trust or distrust your energy supplier to...?
Treat you fairly in their dealings with you



To what extent do you trust or distrust your energy supplier to...?
Charge you a fair price for your energy





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Section 4: What has been the impact of the global crises on consumers' engagement in the energy market?

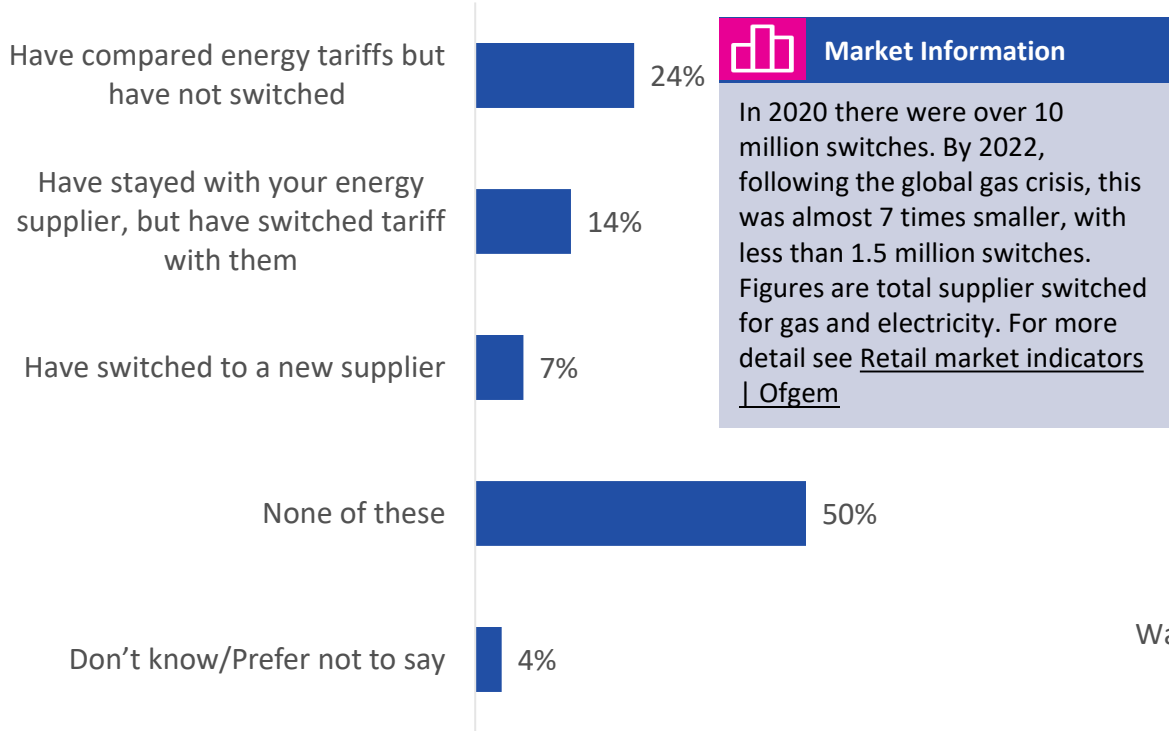
Summary: Engagement in the market

- **Recent engagement in the energy market remains low.** Among those who are still switching, the primary motivations remain the same as in previous waves (price, reliability of supplier, fixed tariffs).
- **Future intentions to engage in the energy market continue to fall.** Fewer intend to search or switch compared to July, perhaps reflecting a recognition of the lack of value to be had in the energy market, alongside perceptions that prices will continue to rise in the short-to-medium term.
- **Preferences for larger, established suppliers remain:** Consistent with previous waves, consumers indicate a strong preference for larger, more established energy suppliers. This preference remains higher than in comparable data collected prior to the global gas crisis.

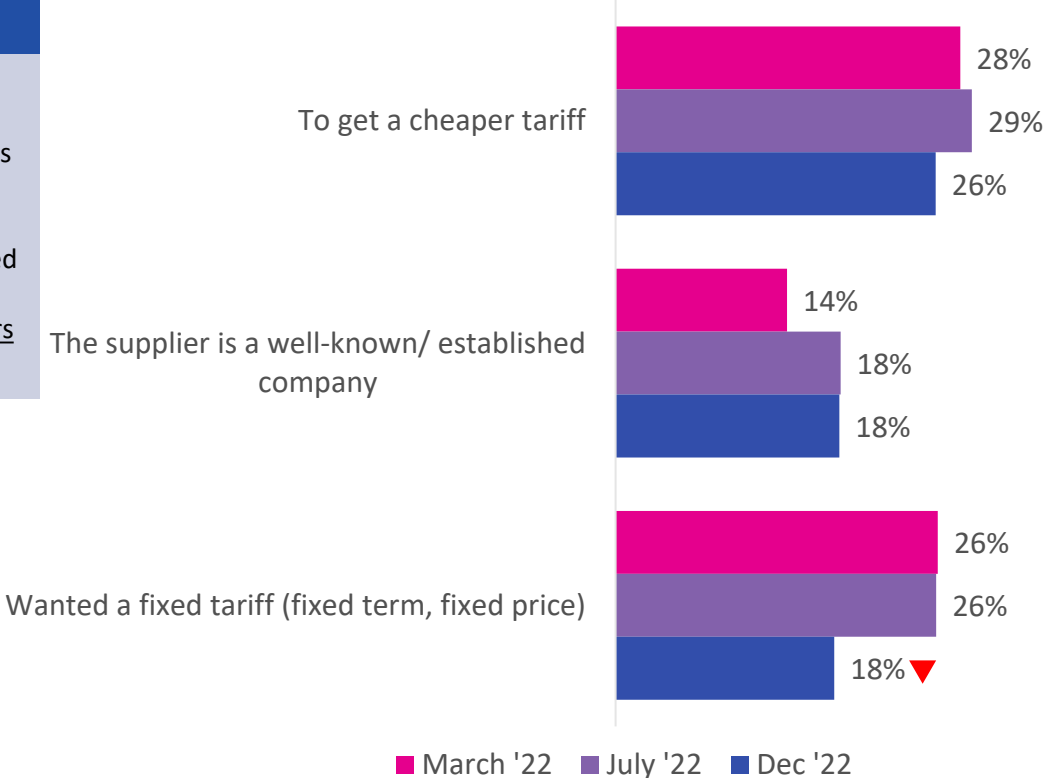


Consumers are unlikely to have switched suppliers (7%) or tariffs (14%) in the past year. Those who did cited getting a cheaper tariff (26%), moving to a well-known supplier, or getting a fixed tariff (both 18%) as reasons, but moving to get a fixed tariff have fallen since July

Switching / comparing in the past 12 months*



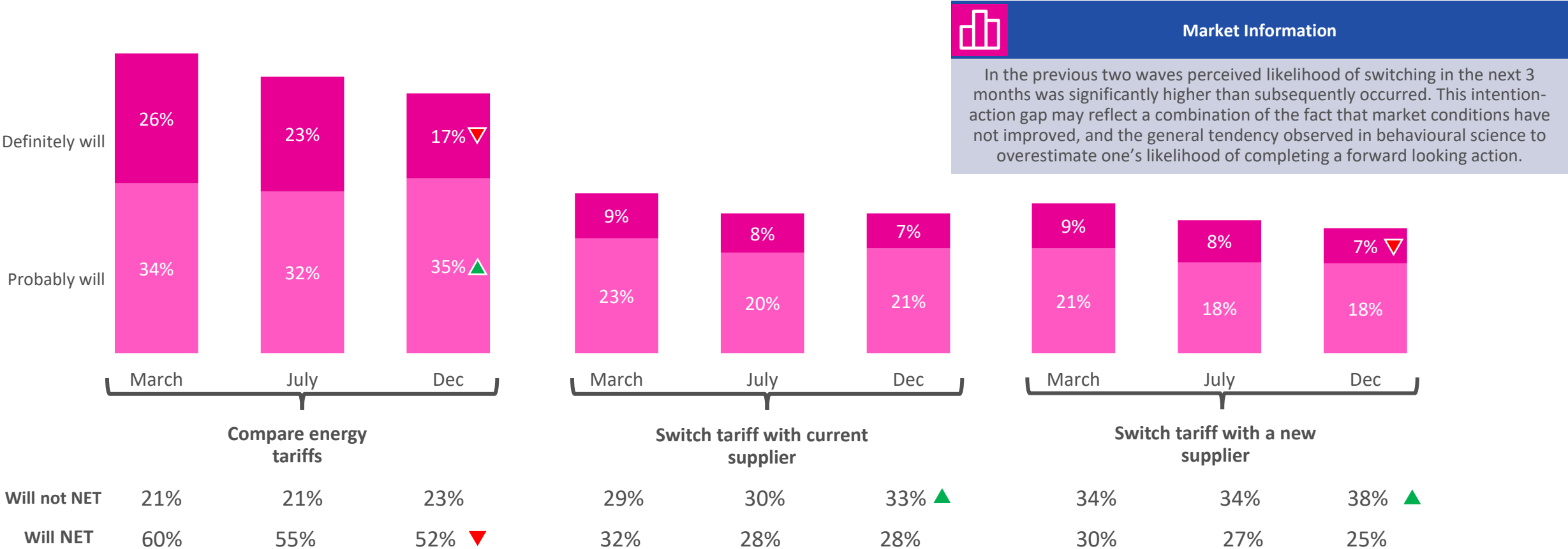
Reasons for households switch tariff or supplier (top 3 reasons)



*Not possible to compare directly to previous waves due to a change in base size.

Indicative of the ongoing stagnant energy market, there has been a steady decline since March '22 when it comes to consumers' future intention to compare energy tariffs (60% to 52% currently) and switching tariffs with either an existing (32% to 28%) or new supplier (30% to 25%)

Likelihood of household switching or comparing in the next three months

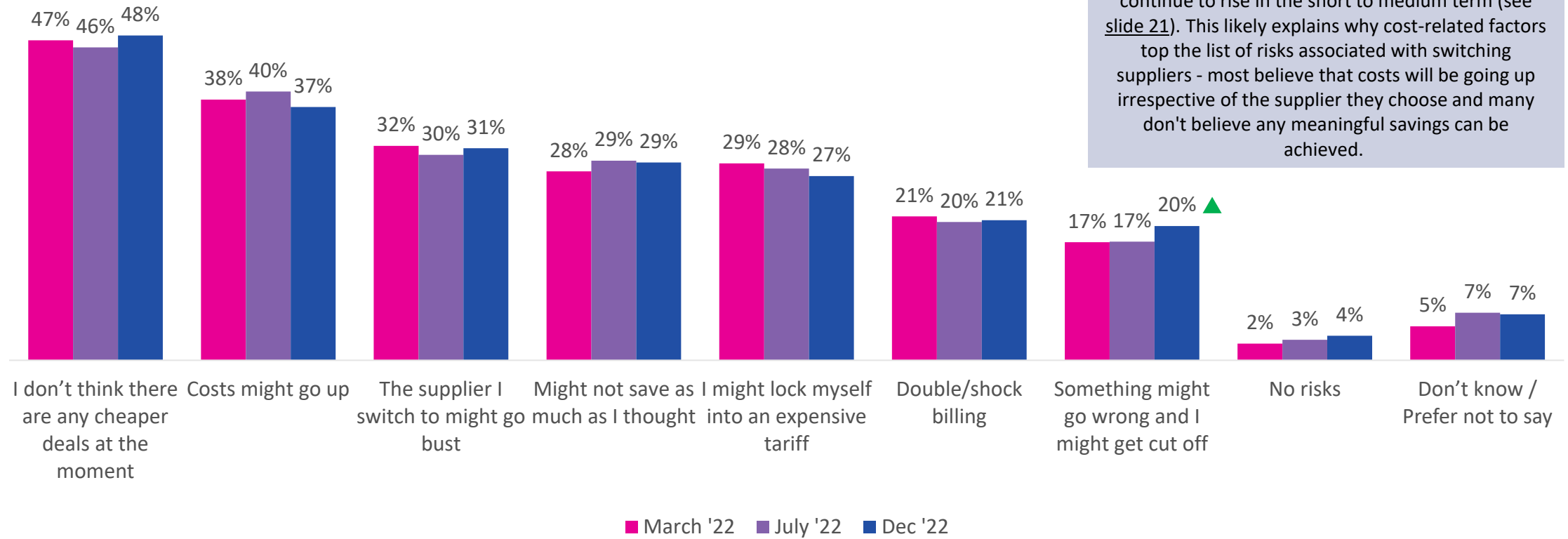


Almost half of consumers (48%) say a risk with switching is there are no cheaper deals at the moment, while over a third (37%) say there is a risk their costs go up if they switch. Perceived risks of switching remain largely unchanged compared to July

Risks associated with switching suppliers

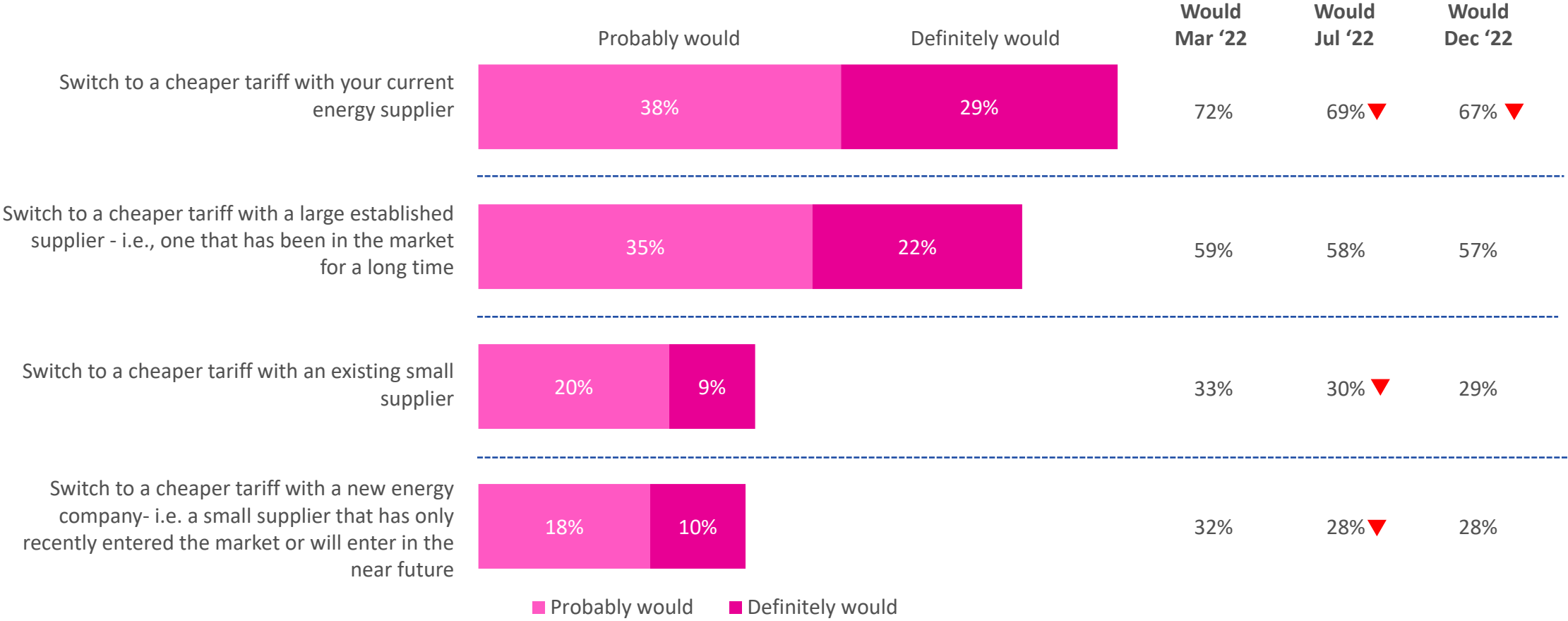
Commentary

The majority of consumers believe that prices will continue to rise in the short to medium term (see [slide 21](#)). This likely explains why cost-related factors top the list of risks associated with switching suppliers - most believe that costs will be going up irrespective of the supplier they choose and many don't believe any meaningful savings can be achieved.



Two-thirds of consumers would switch to a cheaper tariff with their current supplier (67%), and over half would switch to a cheaper tariff with an established supplier (57%)

Likelihood to take actions in order to get a cheaper energy tariff



Wider preferences for energy market engagement remain largely unchanged. Consumers are still much more likely than they were before the global gas crisis to only consider a large or well-known energy supplier

Agreement with statements about switching

	Somewhat agree	Strongly agree	Agree Mar '22	Agree Jul '22	Agree Dec '22
Would be prepared to pay slightly more for green/ renewable /low carbon energy investment	22% 8%		33%	31%	29% ▼
Would be happy to pay slightly more for energy if the supplier offered better customer service	17% 8%		27%	25%	25%
<hr/>					
Would be worried about switching suppliers in case energy costs go up once we had switched	43% 21%		66%	63%	63%
Would be worried about switching suppliers in case my new supplier went out of business	37% 17%		62%	54%	59% ▲
<hr/>					
Don't care which supplier we use as long as we get a good energy deal	35% 20%		57%	54%	55%
Would only consider switching to a large or well-known energy supplier	37% 15%		55%	52%	51%

Prior to the global gas crisis (and the subsequent failure of a number of small energy suppliers), just one in three (34%) said they 'would only consider switching to a large or well-known energy supplier'. See [Ofgem Consumer Survey, 2020](#).



Annex

Methodology and sample

The methodology for this project was selected to provide Ofgem with robust and representative insights into the views of the GB public, whilst maintaining a cost-effective approach to data collection. The blend of approaches used to interview the public was selected to mitigate against the limitations of any one single methodological approach. Whilst our selected approach does provide high quality insights, there are still some remaining limitations to our methodology

- *The use of non-probability sampling* - By utilising panel and river sampling the approach is not a pure probability sampling method, meaning not every member of the GB public has an equal chance of being interviewed as part of the research. However, probability sampling methods are often more expensive, or there is significantly less control over sample quotas - and unrepresentative sample negates much of the merits of probability sampling.
- *The potential for panel bias* - By using predominantly panels, the study risks the potential that respondents only complete the survey to achieve an incentive. This often manifests itself in "straight-line" responses (where the respondent selects the same answer on a scale for multiple statements), or "speeders" who fly through the survey too quickly to properly consider it. BMG has mitigated against both these through the use of data cleaning and quality check questions which ensure respondents are paying attention. We also use an IP blocker to prevent respondents taking the survey multiple times.
- *Method effects* - In order to mitigate against the limitations of individual approaches, we utilise online, face-to-face and telephone approaches in the CIM. However, this introduces the risk of method effects as a potential risk for data collection, whereby respondents respond differently to a question depending on the method. The most common reason for this is due to the presence of an interviewer on telephone and face-to-face methods. In order to mitigate this risk BMG ensured question types commonly associated with method effects were not used (e.g. questions where respondents see an image), and that reassurances about how data is used and the availability of opt-outs is clearly stated on sensitive questions.

Sample composition – wave 1 (March)

Not used for weighting	Not used for weighting	Weighted	Weighted	Unweighted	Unweighted
Category	Variable	Count	%	Count	%
Method of payment	Direct debit/standing order	2565	74%	2584	74%
Method of payment	Pay on receipt of bill	461	13%	415	12%
Method of payment	Prepayment meter	425	12%	450	13%
Fixed tariff	Yes – gas only	172	5%	144	4%
Fixed tariff	Yes – electricity only	417	11%	370	11%
Fixed tariff	Yes – both gas and electricity	1781	51%	1776	51%
Fixed tariff	No	787	23%	827	24%
Fixed tariff	Unsure	345	10%	356	10%
Smart meter	Yes	2129	61%	2091	60%
Smart meter	No	1307	38%	1348	39%
Ethnicity	White	2876	83%	2914	84%
Ethnicity	Asian	319	9%	298	9%
Ethnicity	Black	130	4%	119	3%
Ethnicity	Mixed & Other	117	3%	114	3%
HH Income	Less than £16k	717	21%	759	22%
HH Income	More than £16k	2505	72%	2472	71%

Used for weighting	Used for weighting	Weighted	Weighted	Unweighted	Unweighted
Category	Variable	Count	%	Count	%
Gender	Male	1700	49%	1686	48%
Gender	Female	1768	51%	1779	51%
Age	16 to 24	454	13%	175	5%
Age	25 to 34	579	17%	636	18%
Age	35 to 44	541	16%	817	23%
Age	45 to 54	581	17%	456	13%
Age	55 to 64	525	15%	369	11%
Age	65 to 74	430	12%	696	20%
Age	75+	367	11%	325	9%
SEG	AB	770	22%	792	23%
SEG	C1	1073	31%	903	26%
SEG	C2	721	21%	666	19%
SEG	DE	878	25%	1075	31%
Region	East Midlands	260	7%	239	7%
Region	East of England	332	10%	319	9%
Region	London	471	14%	421	12%
Region	North East	145	4%	204	6%
Region	North West	393	11%	368	11%
Region	South East	490	14%	476	14%
Region	South West	306	9%	290	8%
Region	West Midlands	315	9%	320	9%
Region	Yorkshire and The Humber	294	8%	296	9%
Region	Scotland	300	9%	310	9%
Region	Wales	171	5%	236	7%

Sample composition – wave 2 (July)

Not used for weighting	Not used for weighting	Weighted	Weighted	Unweighted	Unweighted
Category	Variable	Count	%	Count	%
Method of payment	Direct debit/standing order	2605	73%	2603	73%
Method of payment	Pay on receipt of bill	437	12%	412	12%
Method of payment	prepayment meter	481	14%	508	14%
Fixed tariff	Yes – gas only	191	5%	170	5%
Fixed tariff	Yes – electricity only	417	12%	412	12%
Fixed tariff	Yes – both gas and electricity	1573	44%	1601	45%
Fixed tariff	No	914	26%	914	26%
Fixed tariff	Unsure	426	12%	430	12%
Smart meter	Yes	2201	61%	2200	62%
Smart meter	No	1304	39%	1311	37%
Ethnicity	White	3070	86%	3115	88%
Ethnicity	Asian	160	4%	146	4%
Ethnicity	Black	122	3%	108	3%
Ethnicity	Mixed & Other	183	5%	169	5%
HH Income	Less than £16k	658	18%	704	20%
HH Income	£16k to less than £35k	1387	39%	1373	39%
HH Income	£35k to less than £60k	802	23%	775	22%
HH Income	£60k+	347	10%	326	9%

Used for weighting	Used for weighting	Weighted	Weighted	Unweighted	Unweighted
Category	Variable	Count	%	Count	%
Gender	Male	1728	49%	1691	48%
Gender	Female	1793	50%	1834	52%
Age	16 to 24	466	13%	329	9%
Age	25 to 34	595	17%	651	18%
Age	35 to 44	553	16%	709	20%
Age	45 to 54	590	17%	400	11%
Age	55 to 64	534	15%	460	13%
Age	65 to 74	439	12%	708	20%
Age	75+	368	10%	290	8%
SEG	AB	790	22%	800	22%
SEG	C1	1056	30%	855	24%
SEG	C2	715	20%	686	19%
SEG	DE	929	26%	1164	33%
Region	East Midlands	267	7%	283	8%
Region	East of England	342	10%	308	9%
Region	London	481	14%	404	11%
Region	North East	150	4%	249	7%
Region	North West	402	11%	359	10%
Region	South East	502	14%	472	13%
Region	South West	313	9%	310	9%
Region	West Midlands	320	9%	293	8%
Region	Yorkshire and The Humber	303	8%	299	8%
Region	Scotland	306	9%	336	9%
Region	Wales	174	5%	247	7%

Sample composition – wave 3 (Nov/ Dec)

Not used for weighting	Not used for weighting	Weighted	Weighted	Unweighted	Unweighted
Category	Variable	Count	%	Count	%
Method of payment	Direct debit/standing order	2504	72%	2498	72%
Method of payment	Pay on receipt of bill	414	12%	414	12%
Method of payment	Prepayment meter	521	15%	530	15%
Fixed tariff	Yes – gas only	135	4%	121	4%
Fixed tariff	Yes – electricity only	324	9%	315	9%
Fixed tariff	Yes – both gas and electricity	1319	38%	1286	37%
Fixed tariff	No	1200	35%	1260	36%
Fixed tariff	Unsure	467	13%	462	13%
Smart meter	Yes	2017	58%	2001	58%
Smart meter	No	1362	39%	1381	40%
Ethnicity	White	3003	87%	3064	89%
Ethnicity	Asian	227	7%	201	6%
Ethnicity	Black	90	3%	76	2%
Ethnicity	Mixed & Other	96	3%	79	2%
HH Income	Less than £16k	643	19%	668	19%
HH Income	£16k to less than £35k	1353	39%	1359	39%
HH Income	£35k to less than £60k	786	23%	765	22%
HH Income	£60k+	412	12%	395	11%

Used for weighting	Used for weighting	Weighted	Weighted	Unweighted	Unweighted
Category	Variable	Count	%	Count	%
Gender	Male	1684	49%	1757	51%
Gender	Female	1757	51%	1684	49%
Age	16 to 24	451	14%	269	8%
Age	25 to 34	576	18%	650	19%
Age	35 to 44	537	17%	621	18%
Age	45 to 54	576	16%	386	11%
Age	55 to 64	521	15%	583	17%
Age	65 to 74	427	12%	685	20%
Age	75+	364	9%	260	8%
SEG	AB	766	22%	784	23%
SEG	C1	1040	30%	901	26%
SEG	C2	706	20%	659	19%
SEG	DE	901	26%	1075	31%
Region	East Midlands	259	7%	276	8%
Region	East of England	330	10%	323	9%
Region	London	468	14%	387	11%
Region	North East	144	4%	217	6%
Region	North West	390	11%	391	11%
Region	South East	487	14%	450	13%
Region	South West	304	9%	269	8%
Region	West Midlands	313	9%	300	9%
Region	Yorkshire and The Humber	293	8%	293	8%
Region	Scotland	299	9%	357	10%
Region	Wales	170	5%	194	6%



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