Experience of the Competitive Market

The Domestic Electricity and Gas Markets

Research Study Conducted for Ofgem by MORI

January 2001

Summary

Competition in the domestic energy market has expanded and broadened since our last survey in September/October 1999. As at October 2000, over 19% and 29% of domestic electricity and gas customers respectively have switched supplier. This represents some 6 million electricity and 6 million gas customers. Experience across customer groups has been mixed. Those with low and medium incomes[1] for example have switched more often than the average. Those with very low incomes[2], prepayment meter customers, and those without bank accounts have tended to switch suppliers less.

Satisfaction with energy suppliers is very high, as in the past. No specific aspect of their service attracts significant criticism. Awareness of the suppliers in the electricity and gas markets is growing strongly, though British Gas is managing to stay ahead by a substantial margin. Doorstep selling is still the main method of contact with suppliers.

Only one in three customers say that they have seen any information on the prices being charged, with most information coming from suppliers. The proportion rises to just above 40% for electricity and gas customers who have switched supplier. However, awareness of the availability of cheaper prices or bills may be higher than this figure suggests, given that around 70% of switchers spontaneously say that they changed supplier to take advantage of cheaper prices. Of those who say that they have seen information on the prices being charged, about 40% say that they found it either very or fairly easy to compare prices, while around 33% said that they found it either fairly or very difficult to compare prices. Customers who expressed an opinion tend to say that they believe that prices offered by the new electricity and gas suppliers are about the same as or are lower than prices offered by the previously incumbent local electricity supplier or British Gas.

Saving money continues to be cited as the main reason for switching, though there are indications of some weakening in its importance relative to other reasons such as dual fuel or combined bills, and switching following approaches by sales agents. Around 90% of electricity and gas switchers generally found the process of switching very or fairly easy. This compares with about 70% of electricity and gas non-switchers who said that they thought the process would be very or fairly easy. The small minority of switchers who found it difficult cited principally problems with billing, though not specifically with final bills. There is strong satisfaction with the details of the switching process and its outcomes. Increasing numbers have switched more than once and, notably, nearly half of these have returned to their previous PES (for electricity) or to British Gas (for gas). The proportion of customers who said that they were likely to switch in the next 12 months is similar with numbers recorded in 1999.

Non-switchers are generally held back by a perceived lack of sufficient reason to switch. Only tiny minorities feel they are unable to do so, or have been prevented from doing so. A majority think switching will be easy, but they are less confident of this than switchers. Again, the likelihood of non-switchers switching in the next 12 months is stable from last year.

[1] 'Low' defined as annual household pre-tax income of £4500 to £9499, 'Medium' as £9500 to £21499
[2] 'Very low' defined as annual household pre-tax income of less than £4500

Methods of payment continue to show a drift from quarterly cash/cheque towards monthly direct debit, particularly among switchers. Satisfaction with payment methods is very high; each method appealing to slightly different needs in its user group. Prepayment meter customers in particular are overwhelmingly satisfied, and, although better informed than last year about the option of returning to a credit meter, are no more likely to do so. Almost three quarters of prepayment meter customers say that they would not return to a credit meter even if it resulted in cheaper fuel bills.

The most important aspects of performance to customers are those connected with continuity of supply – getting supply back quickly after a power failure, warning of impending power failures and repairing PPM faults (for PPM customers). When something goes wrong customers want priority placed on putting it right quickly, rather than secondary concerns of information and communications.

Half of electricity customers (51%) remember having had a power cut in the last year. This rises to 70% in rural areas. Customers say that they want resources to be focused first on reducing the duration of power cuts, then on reducing their frequency. Customers say that company response to questions and enquiries is less of a priority.

MORI/13466

Janette Henderson
Robert Knight
Helen Sladden

Table of Contents

1. Preface

Background

1.1 The domestic electricity and gas markets have now both been fully open to competition for over 18 months. The domestic gas market began to be opened from 1996, and was fully open by May 1998. The domestic electricity market was fully open by May 1999. Ofgem has monitored in a number of ways domestic customers' experiences of the introduction of competition over this period. One such way is to survey directly the experiences of domestic customers. Ofgem commissioned MORI to carry out such a survey during September and October 2000, and this document reports the findings of MORI's survey. This 2000 survey also serves to update and expand upon previous similar research conducted by MORI in September and October 1999. Ofgem published the results of this 1999 survey in January 2000[1].

Survey objectives

1.2 The overarching objectives of this survey are to assess the development of the competitive domestic market and customers' experiences of it. Specific objectives include the desire:

- to determine customers' awareness, knowledge and experience of electricity and gas competition;
- to consider customers' reasons for switching and not switching and their experiences of being able to switch;
- to evaluate any problems experienced with the switching process and new suppliers;
- to examine issues affecting disadvantaged customers, including prepayment meter customers, and how competition is impacting upon them;
- to evaluate views regarding service standards in the industry;
- to establish whether there are any significant differences in attitudes towards, and experiences of, competition between the electricity and gas markets; and
- to put the findings in context with the 1999 research – highlighting any significant differences.

[1] 'Electricity and Gas Competition Review A Research Study Conducted for Ofgem by MORI' January 2000 (Available from Ofgem)

Methodology

1.3 MORI conducted 2,238 interviews with domestic electricity and gas customers during September and October 2000. Interviews were conducted with the person wholly or jointly responsible for paying the household's electricity and gas bills; and who could make the decision to change supplier, either on their own or in consultation with another household member. The proportion of electricity switchers was boosted to allow for separate analysis (842 electricity switchers were interviewed in total). All interviews were conducted face-to-face, in-home, between 9 September and 8 October 2000. Fieldwork was carried out by MORI Field & Tab. Interviewers were provided with a list of addresses within each sampling point (Enumeration District (ED)) and a quota for age, working status and social class.

1.4 As with previous surveys, to ensure the results are representative of customers in Great Britain, the data have been weighted to the known profile of the population by age, working status and social class, as well as by MOSAIC life code of those EDs where interviews were conducted. In addition, data were weighted to the percentage of electricity switchers (those who have already switched electricity supplier) at the time of fieldwork, which Ofgem confirms to be 19%; as well as the percentage of non-British Gas Trading customers (gas switchers) at the time (29%). Data processing was carried out by Independent Data Analysis.

1.5 Appendix 5 gives the survey questionnaire used together with the aggregate survey results.

Interpretation of data

1.6 Where percentages in tables do not sum 100, this may be due to computer rounding, the exclusion of "don't know" categories, multiple answers or "not stateds". Throughout the report, an asterisk (*) denotes any value of less than 0.5%, but greater than zero.

1.7 Differences in data commented on in the text should generally be assumed to be statistically significant, unless stated otherwise. However, for sub-samples please see the notes in the appendices.

Publication of data

1.8 Our Standard Terms & Conditions of Contract apply to this survey, as to all studies that we carry out. No press release or publication of any of the findings should be made without the advance approval of Market & Opinion Research International (MORI). A refusal would only be given if the press release were deemed to be inaccurate or misrepresentative of the data.

2. Key Findings

Progress of competition

2.1 As at October 2000, over 19% and 29% of domestic electricity and gas customers respectively have switched supplier. These proportions are built into the weighting of these survey results. Experience across customer groups has been mixed. Those with low and medium incomes for example have switched more often than the average. Those with very low incomes, prepayment meter customers, and those without bank accounts have tended to switch suppliers less.

Energy suppliers

2.2 As in 1999, overall levels of satisfaction with electricity and gas suppliers are overwhelmingly positive, with substantial improvement in the proportions **very** satisfied. In both markets switchers remain marginally less satisfied than non-switchers.

2.3 There are also high levels of satisfaction with specific aspects of service. It is highest of all for billing frequency and accuracy. Slightly less positively rated areas are those of which customers have had less experience, such as response to queries and energy efficiency advice.

2.4 Awareness of the companies active in each market is growing. Substantially more customers are aware of two or more suppliers this year, though there is wider awareness in electricity than in gas. Almost a third of customers (32%) are still able to name only one gas supplier. British Gas continues to dominate awareness of both gas and electricity suppliers, despite widespread improvements by others, most notably PowerGen. In electricity, awareness of British Gas is still growing strongly in response to heavy promotional activity.

2.5 Doorstep selling continues to be the main way suppliers make contact with customers. Telesales and TV advertising are now also important methods. Only 5% have actively made contact with suppliers themselves. Overall nearly nine in ten have had some form of contact with energy suppliers to date.

Energy prices

2.6 In spite of this widespread contact, only one in three customers (36%) say that they have seen any information on the prices being charged. The proportion rises to just above 40% for electricity and gas customers who have switched supplier. However, general awareness of the availability of lower prices or bills may be higher than this figure suggests, given that around 70% of switchers say that they changed supplier to take advantage of cheaper prices.

2.7 Of those who say that they have seen information on the prices being charged, about 40% say that they found it either very or fairly easy to compare prices, while around 33% said that they found it either fairly or very difficult to compare prices. Customers who expressed an opinion tended to say that they believe that prices offered by the new electricity and gas suppliers are about the same as, or are lower than, prices offered by the previously incumbent local electricity supplier or British Gas.

Switching

2.8 Price continues to lead the reasons for switching by a wide margin in both markets, despite some apparent weakening of its dominance over the past year relative to secondary reasons such as dual fuel or combined bills, switching following approaches by sales agents, and the desire to try a new supplier.

2.9 Most switchers found the process of switching easy – only 7% (electricity) and 10% (gas) found it difficult. For these small minorities, the principal difficulties were concerned with billing, though switchers only rarely had problems with their final bill – over three-quarters had no problems with it at all.

2.10 Switchers are generally satisfied with the process of switching and its outcome; in particular the time taken, the accuracy of information and the timeliness of bills. There is relatively less satisfaction with the savings achieved and the sales methods used, but the answers tend to be neutral rather than negative – very few are actually dissatisfied.

2.11 The proportion of multiple switchers has risen to 16% (electricity) and 20% (gas). Nearly half of these in each market have returned to their original supplier (44% to their local PES and 48% to British Gas respectively).

2.12 Likelihood of further switching by switchers is similar to that found in 1999 – 13% for electricity and 11% for gas.

Non-switching

2.13 The principal reason for not switching electricity or gas supplier is inertia - there is insufficient reason to do so. Many non-switchers are satisfied with their present supplier and see no need to change. There is also an implicit belief that it is ‘too much hassle’ and many cannot be bothered. Only a tiny minority are **unable** to change supplier and these are most likely to come from ‘disadvantaged’ groups. Reasons for being unable to change focus on having a prepayment meter, being in debt or living in sheltered accommodation. Compared with those unable to change, even fewer said they tried to change and were prevented, mostly by something going wrong in the transfer process.

2.14 Non-switchers are most likely to stress the attraction of reduced cost as the main potential motivator if they were to switch. However, they also mention secondary factors such as quality of service, price guarantees and supplier reliability. Few non-switchers believe it is genuinely difficult to switch and these see the main hurdles as being the ‘hassle’ and the paperwork – they may have heard about difficulties by word of mouth. However, although the majority think switching would be easy, non-switchers are less confident about this than switchers.

2.15 The likelihood of non-switchers switching in the next 12 months is comparable with last year – 8% electricity and 7% gas.

Methods of payment

2.16 Monthly direct debit continues to be the most important payment method for both electricity and gas. Quarterly cash/cheque continues to decline slowly. Switchers show a stronger trend away from quarterly cash/cheque and towards monthly direct debit.

2.17 The vast majority are satisfied with their method of payment. Between 90% and 98% of customers are satisfied with their method of payment, depending on the particular method used.

2.18 Each payment method has its own highly subjective advantages and the key factor of ease/convenience can be interpreted differently by customers in different circumstances.

2.19 Prepayment meters (comprising 16% of electricity customers and 9% of gas customers) continue to be used mainly by lower income groups, those without bank accounts and those in social groups DE. They are better informed this year that they can return to a credit meter, but still only a minority (10% electricity and 13% gas) would do so if the change was offered at no cost. Almost three quarters of prepayment meter customers say that they would not return to a credit meter even if it resulted in cheaper fuel bills.

Standards of performance and power cuts

2.20 Though all aspects of performance are rated at least 'fairly' important, customers rate the aspects concerning continuity of supply as most important of all – getting supply back quickly after power cuts and warnings of impending cuts. For PPM customers this includes responding to PPM faults quickly.

2.21 The key priority when something goes wrong is to put it right quickly – cited by 57%. Minorities prioritise good, clear information (17%) and getting through easily on the phone (11%).

2.22 Regarding Standards of Performance, customers were informed that all electricity and gas companies have to meet various minimum standards of performance, such as how quickly the supplier must restore supply after a power cut and how often they need to read the meter and so on. Customers were given the hypothetical choice between keeping the current minimum Standards of Performance for all companies, or abolishing these Standards and instead for Ofgem to publish the actual performance of each supplier, in order to give a range of choices between prices and service.

2.23 Two thirds (67%) of customers said that they would prefer the regulator to set minimum standards. On average, supporters of this option said that they would require a price reduction of about 29% to make the dropping of the minimum standards worthwhile. About one quarter (23%), however, said that they supported the second option. It is important to note that responses to such hypothetical questions typically tend to favour the status quo. In this context, it is interesting to note that actual payments made under the electricity Guaranteed Standards to customers in 1999/00 totalled only £205 760, or a small fraction of one per cent of the value of domestic electricity bills in that year[2].

2.24 Half of electricity customers (51%) remember having had a power cut in the last year. This rises to 70% in rural areas. Customers want resources to be focused first on reducing the duration of power cuts, then on reducing their frequency. Customers say that company response to questions and enquiries is less of a priority.

[2] Ofgem is presently reviewing and proposing to retain a number of the present standards.

3. Awareness of electricity and gas suppliers

3.1 As the number of switchers increases, so too does familiarity with different suppliers. Indeed, a third (32%) of electricity customers are currently aware of four or more suppliers – up 15 percentage points since 1999. Although gas customers cannot identify as many, they also recognise more gas suppliers than in 1999.

3.2 However, despite the fact that awareness is improving, a quarter of electricity customers are still unable to name more than one supplier (presumably their own). A third (32%) of gas customers are unable to identify more than one supplier (presumably British Gas).

3.3 Even among switchers, around one in ten are unable to name more than one gas supplier (gas switchers) or electricity supplier (electricity switchers).

Awareness of Electricity and Gas Suppliers

	1999 Awareness			2000 Awareness	
	Gas	Elec	No. of mentions	Gas	Elec
	38%	25%	1 Supplier	32%	22%
	34%	29%	2 Suppliers	33%	25%
	13%	19%	3 Suppliers	18%	21%
	11%	23%	4+ Suppliers	17%	32%
	58%	71%		68%	78%

Base: All on mains gas (1,975)
Base: All electricity customers (2,238)

Source: MORI

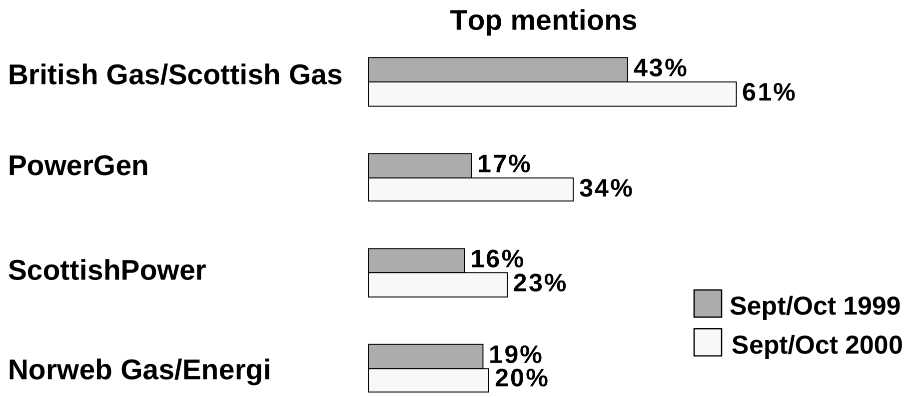
3.4 Customers who have a particularly low awareness of electricity suppliers (recognising only one supplier) tend to be state pensioners (42%), over 65 year olds (33%), social group E (34%), those without a bank account (34%) and those on very low incomes (34%). As one would expect, those certain not to switch (31%) are also more likely to be able to identify just one supplier. The same pattern occurs with gas customers (eg 51% of state pensioners and 48% of over 65 year olds can only identify one gas supplier).

3.5 Those most likely to be able to mention four or more electricity suppliers include switchers (37%) or those likely to switch (39%), those aged 16-34 years (37%), and those who work full time (37%). The same pattern is once again evident among gas customers.

3.6 Owing to its long history and national presence, British Gas has a high awareness among customers. In fact, heavy promotional activity has been successful in growing prompted awareness of British Gas in the electricity market by 18 percentage points over the past year, to 61%. PowerGen has also succeeded in raising its profile over the past year, increasing its awareness in the electricity market by 17 percentage points and by 13 percentage points in the gas market. It remains, however, some way below British Gas in both markets. Other suppliers have made relatively smaller gains in awareness over the past year and none approach even half the British Gas figure.

Awareness of Electricity Suppliers

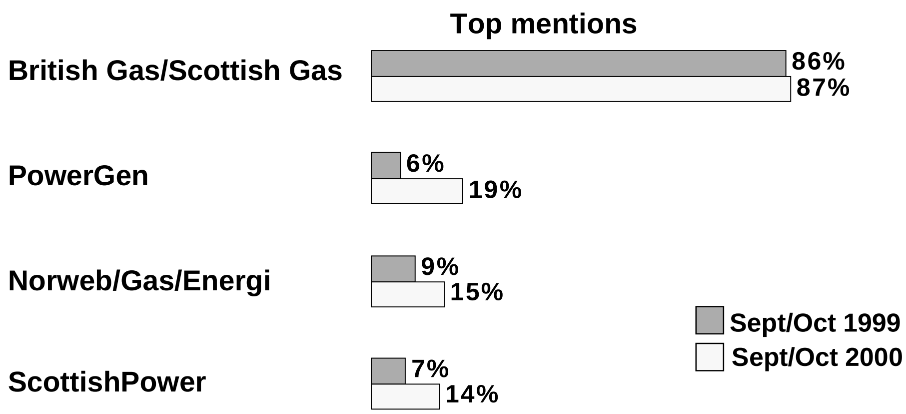
Q Which of these companies are you aware of selling electricity in this area?



Base: All respondents (2,238) Source: MORI

Awareness of Gas Suppliers

Q Which of these companies are you aware of selling gas in this area?



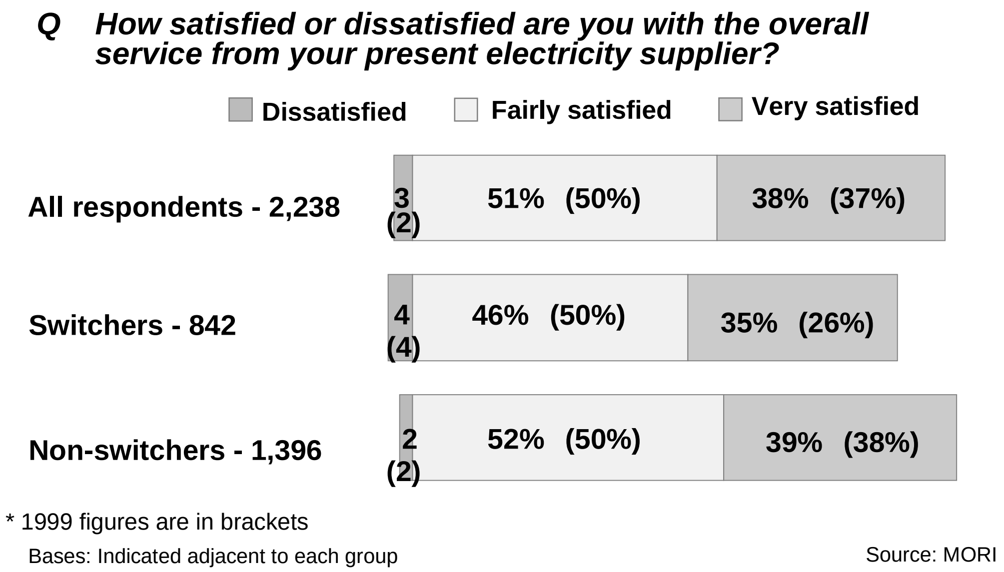
Base: All on mains gas (1,975) Source: MORI

4. Satisfaction with current supplier

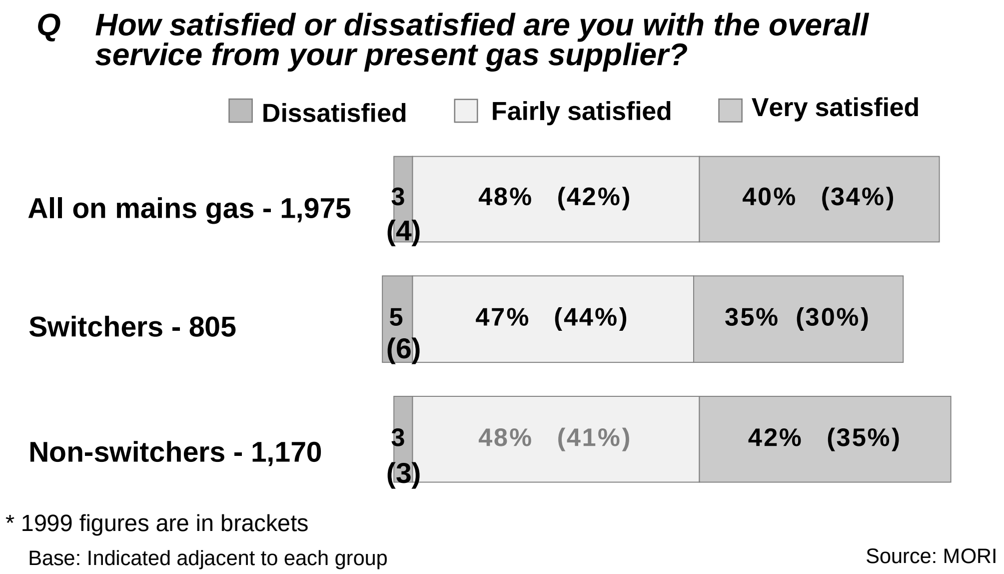
Overall satisfaction

4.1 Satisfaction with electricity and gas suppliers is overwhelmingly positive. In fact, only 3% of all customers are dissatisfied with the overall service provided by their electricity and gas supplier – comparable with the level in 1999. Switchers tend to be a little less satisfied than non-switchers, but like non-switchers hardly any are dissatisfied. It seems likely that some switchers find it hard to rate their new supplier as they have not been with them for long. Certainly, a little more are able to give an opinion of them this year than last, which would seem to confirm this theory. This has mainly been reflected in an increase in those switchers who feel 'very' satisfied with their new supplier – putting them more in line with non-switchers in this respect.

Satisfaction With Current Electricity Supplier



Satisfaction With Current Gas Supplier



4.2 Those who tend to be the most dissatisfied with the overall level of service provided by their electricity supplier are customers thinking about switching (9% dissatisfied) and those who have difficulty in paying/are in debt (9%). The same is also true for gas, but in greater proportions - 15% of customers likely to switch gas supplier are dissatisfied as well as 15% of those who have difficulty in paying/are in debt.

4.3 These figures can be compared with ratings from other industries and organisations in the public and private sector. For example, the following results are taken from MORI's People's Panel. The figures are based on 1,086 completed interviews with previously recruited panel members. All interviews were conducted face-to-face across Great Britain between 18 March and 30 April 2000. Data are weighted to the known profile of the British population.

4.4 These comparisons show just how positive the figures for gas and electricity suppliers are, with none of these other organisations as well rated, and many significantly less well rated.

Q	*How satisfied or dissatisfied are you with the quality of each of the following services....?*					
	Very Satis-fied	**Fairly Satis-fied**	**Neith er**	**Fairly Dis-satisfied**	**Very Dissatisfied**	**No opinion**
Base: All general public (1,086)	%	%	%	%	%	%
Benefits Agency/DDS	15	53	16	10	1	5
Child support Agency	5	35	19	24	17	1
Employment	11	49	21	9	3	6
Inland Revenue	10	45	31	5	3	6
Local bus	17	47	13	15	6	2
Local council	7	43	22	16	8	4
NHS Hospital	33	45	10	7	3	3
Passport agency	27	44	19	4	4	2
Police	19	43	16	10	3	8
The Courts	8	41	29	14	2	7
Train companies	8	50	17	16	6	3
Compare :						
Electricity	38	51	5	2	1	3
Gas	40	48	6	2	1	3

Source: People's Panel, MORI

Satisfaction with aspects of service

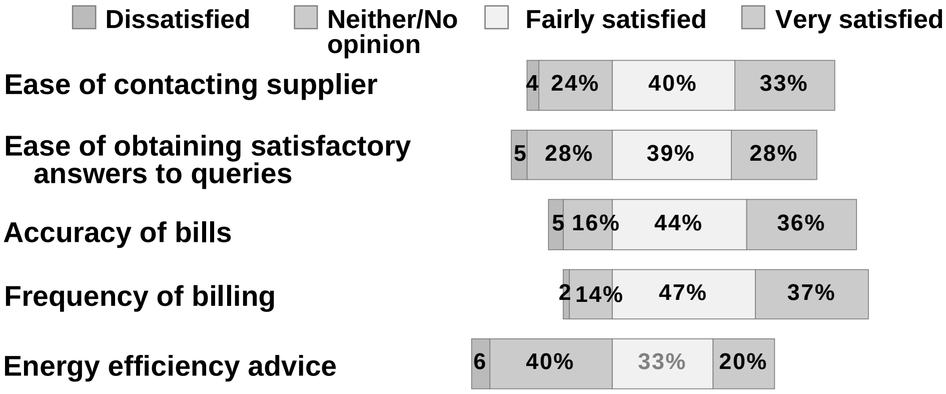
4.5 Again, few (one in twenty or less) are dissatisfied with their current electricity or gas supplier when it comes to specific aspects of the service they offer. Customers rate specific aspects of service similarly across the electricity and gas industries.

4.6 Suppliers in both the electricity and gas industries are best rated on their billing systems – accuracy and frequency – with some four in five satisfied and over a third 'very' satisfied. Of course, this is the service aspect that customers are most likely to have experienced.

4.7 Customers also rate their gas and electricity suppliers highly on ease of contact (three-quarters positive) and ease of obtaining satisfactory answers to queries (two-thirds positive). They are least likely to rate their suppliers positively with regard to providing energy efficiency advice (just over half are satisfied) but then many have no opinion on this matter. As we have found in other research, this is not an area customers necessarily think about or are aware of.

Satisfaction with Current Electricity Supplier

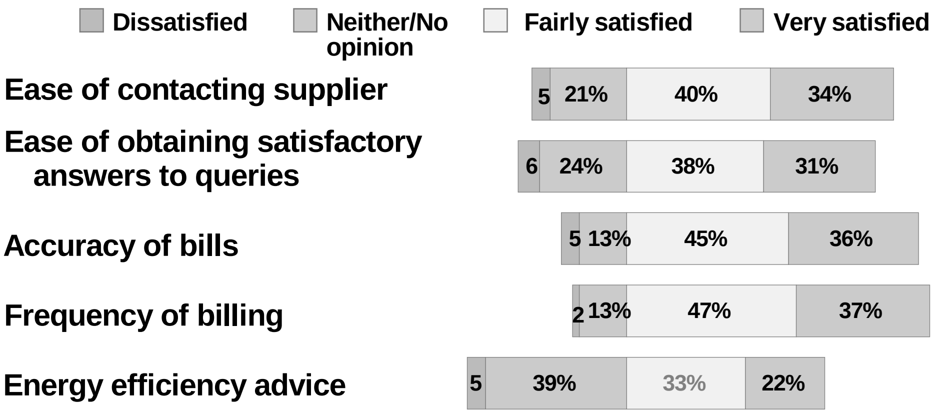
Q How satisfied or dissatisfied are you with the following from your present electricity supplier?



Base: All respondents (2,238) Source: MORI

Satisfaction with Current Gas Supplier

Q How satisfied or dissatisfied are you with the following from your present gas supplier?



Base: All on mains gas (1,975) Source: MORI

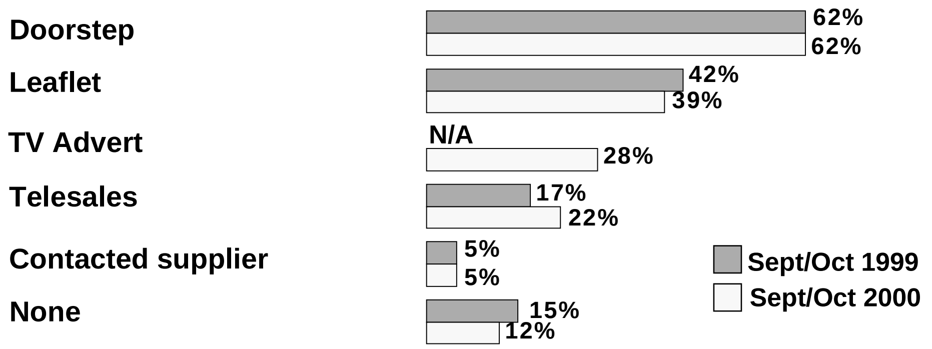
5. Contact with electricity and gas suppliers

5.1 Doorstep selling continues to be the main way that customers learn about the new gas and electricity suppliers in their area, with three in five (unchanged since 1999) saying that they have been approached in this way. Leaflets are next most likely to be recalled – by two in five - while more than a quarter say they have seen some form of television advertising on behalf of suppliers[3]. Telesales has shown some growth over the past year, although not as much as we saw between spring and autumn 1999.

5.2 As before, few have actively sought out information from suppliers (just 5%) but, rather, they have waited for suppliers to contact them.

Contact with Suppliers

Q In which of these ways, if any, have you had communication with/from the new electricity or gas suppliers in this area?



Base: All respondents (2,238) Source: MORI

5.3 As discussed in the Autumn 1999 report, electricity and gas switchers (73%) are more likely than non-switchers to have been contacted by doorstep salespeople, confirming the success of this method. In addition, customers who are social groups DE (66%), one-parent families (73%), customers who have difficulty in paying bills (74%) and those on low incomes (74%) are all more likely than average to say they have been contacted by door to door salespeople.

5.4 Television advertising, on the other hand, is more likely to have been seen by those **likely** to change supplier in the next 12 months (33%), by customers aged 16-34 years (35%), ABC1s (32%) and those on medium to high incomes (35%).

[3] It should be noted that “Television adverts” was not asked about last year.

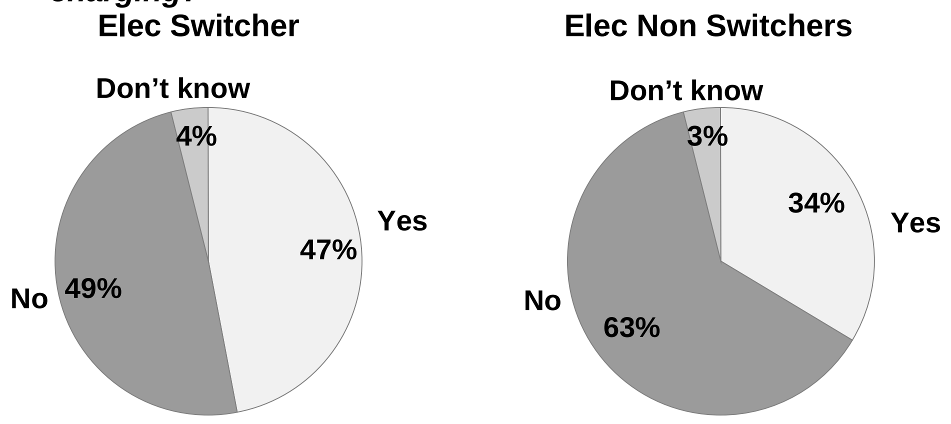
6. Price

Price information from suppliers

6.1 Only one in three (36%) customers say that they have seen or received any information on comparative pricing for electricity and gas suppliers. Those most likely to have encountered information on electricity prices are electricity switchers (47%), gas switchers (41%) and those in social group AB (41%). This means either that more than half switched supplier without studying specific pricing information or that awareness of prices may be higher than that suggested by response to the question. Customers may for example be trusting what suppliers tell them about prices.

Receipt of Pricing Information

Q Have you seen or received any information on the gas or electricity prices that the various suppliers are currently charging?

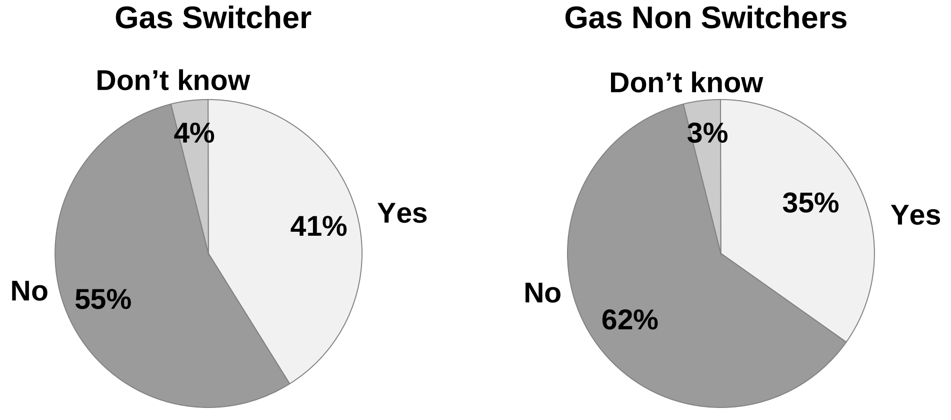


Base: All respondents (2,238)

Source: MORI

Receipt of Pricing Information

Q Have you seen or received any information on the gas or electricity prices that the various suppliers are currently charging?



Base: All respondents on mains gas (1,975)

Source: MORI

6.2 A number of groups are less likely than average to have received pricing information. These are those in social group DE (63% have not received any), those without a bank account (71%), state pensioners (69%) and those living in rented Local Authority/Housing Association accommodation (67%).

6.3 In the main, those who have seen information on gas and/or electricity prices obtained them from a supplier – more often one of the new suppliers (51%) rather than their current supplier (36%) . Interestingly, switchers are a little less likely to have obtained prices from their current supplier (who they switched to) than one of the other suppliers.

6.4 Just two per cent of customers say that they contacted Ofgem for this information.

Q ***Where did you see or hear this information on prices?***

		Electricity		Gas	
	All	**Switcher**	**Non-Switcher**	**Switcher**	**Non-Switcher**
Base: All who have seen information on prices (825)	*%*	*%*	*%*	*%*	*%*
Other supplier	51	50	51	51	51
Current supplier	36	46	32	42	33
Newspaper/mag	18	13	19	18	18
Letter/leaflet	10	7	10	6	11

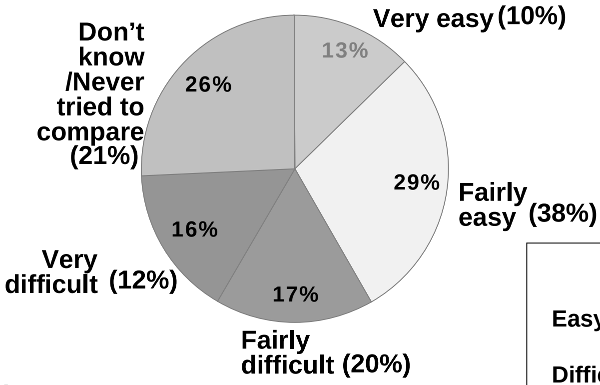
Source: MORI

Ease of comparing prices

6.5 Over 40% of customers who have seen information on prices say that they find it either very or fairly easy to compare prices. However, a third say that they find it difficult to compare the prices from the different suppliers, with one in six saying it is very difficult. This is in line with the figures recorded in 1999. However, slightly fewer customers this year than last year say they find it easy to compare prices between different electricity and gas suppliers. This reduction is, in part, caused by more people saying that they have simply not tried to compare prices (25% in 2000 from 21% in 1999) – possibly they have obtained prices from just one supplier or not looked at them in detail.

Ease of Comparing Prices

Q How easy or difficult have you found it to compare the different prices available from the various electricity & gas suppliers?



	1999 %	2000 %
Easy	47	41
Difficult	32	33

(1999 figures)

Base: All who have seen/heard something on prices (825)

Source: MORI

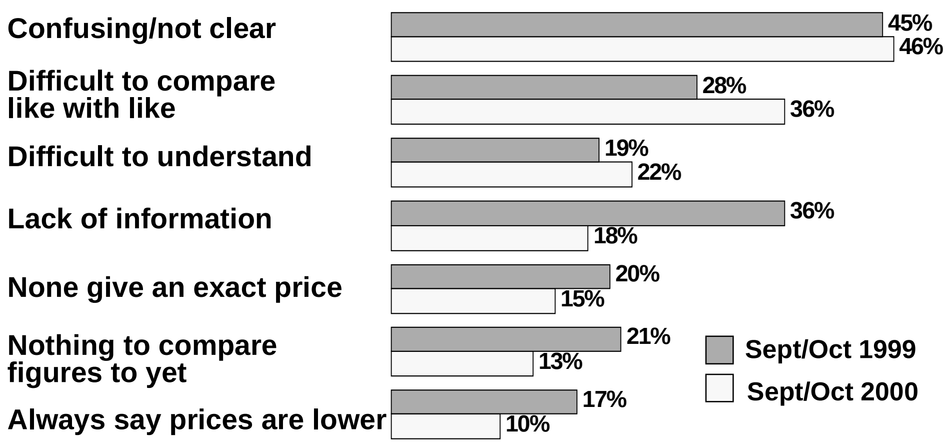
6.6 Switchers are just as likely as non-switchers to find it difficult to compare prices from the various suppliers. They are, though, more likely to be able to give an opinion on this issue and more likely than non-switchers to say prices are easy to compare (around half say it is easy).

6.7 By age, it is 16-34 year olds who are most likely to find it easy to compare prices (47% compared to 39% among those aged 35+), although again, 30% of 16-34 year olds still find it difficult.

6.8 The main reasons why customers find the information difficult to understand continue to be that they find the information confusing and have difficulties comparing like with like - the latter has actually become more of a problem this year, increasing 8 percentage points to 36%. Less of a concern this year, although still a problem, is the lack of information provided (falling from 36% last year to 18% in 2000).

Difficulty with Comparing Prices - Reasons

Q Why do you say that it was difficult?



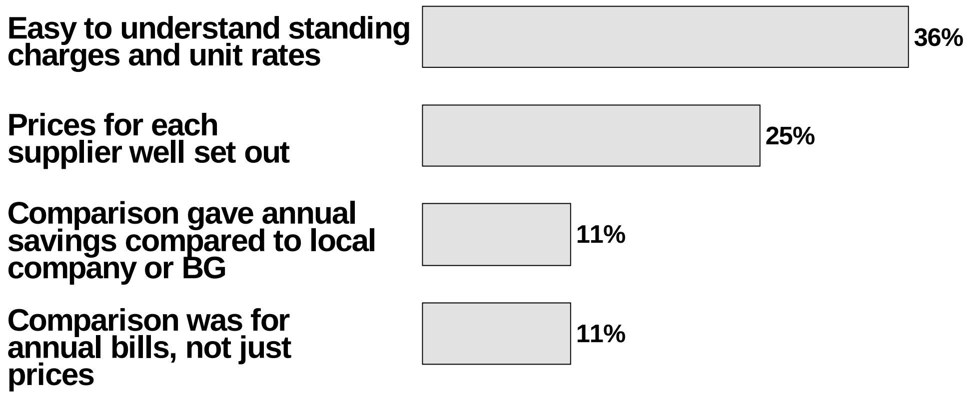
Base: All find it difficult to compare (268)

Source: MORI

6.9 Those customers who find the prices easy to compare say that they feel that the standing charges and unit rates are clear and that the prices were well set out. Some customers also cite the fact that some of the prices were in the form of annual bill comparisons rather than specific prices as a reason for ease of comparison.

Ease of Comparing Prices -

Q Why do you say that it was easy?



Base: All who find it easy to compare (364)

Source: MORI

Perceptions of new supplier prices

6.10 Over a quarter of customers assume that prices from the new gas and electricity suppliers are about the same as their local electricity company (in the case of electricity) or British Gas (in the case of gas). Almost as many believe they are lower (22%). This represents a fall in the proportion who think gas prices are lower compared to the 1999 survey. Around one in ten believe that they vary, with some higher and some lower. Hardly any believe that they are all higher. However, there is an indication that customers feel less well informed about prices this year, with 38% of electricity and gas customers saying that they don't know or have not looked at the information. This compares with about 30% in 1999.

Q ...are some prices higher or lower, are they about the same, or are some higher and some lower?

	Gas		**Electricity**	
	1999 %	**2000 %**	**1999 %**	**2000 %**
Base: All respondents				
All higher	2	3	2	2
About the same	31	27	34	28
All lower	26	22	23	22
Some higher. Some lower	12	9	11	10
Don't know/not seen info	29	38	31	38

Source: MORI

7. Switching electricity and gas suppliers

Who has switched electricity supplier?

7.1 Ofgem estimates that during the period when fieldwork was conducted (September and October 2000), the average proportion of "electricity switching" households was 19% - nearly four times the figure for March 1999. Furthermore, this figure represents an 8 percentage point increase compared to the same time last year – indicating that the switching rate for electricity customers is slowing. As with the previous surveys, in order that the data represent the national proportion of switchers, data are weighted according to the penetration figure provided by Ofgem.

7.2 There is little or no difference in the degree of switching electricity supplier by age, social class, work status or size of bill. Nor does it appear that certain 'special needs' groups are missing out, with the disabled and single parent families being at least as likely as average to have switched. Encouragingly, C2DEs have switched at such a rate within the past year that there is no longer the significant gap between the upper and lower social classes that there was in Spring and Autumn last year.

7.3 There continue to be differences in the rate of switching by method of payment, income, possession of a bank account and housing tenure although improvements in switching rates, compared to 1999, suggest some catching up. Those who pay by prepayment meter still demonstrate a low level of switching electricity supplier (just 9% have switched electricity supplier), especially compared to those who pay by direct debit (23% of whom have switched). However, this represents a tripling since 1999 in the proportion of prepayment meter customers who have switched.

7.4 Similarly, while households on a very low income (under £4,500 pa) continue to lag behind other groups (13% have switched), the proportion of switchers in this group has risen by 6 percentage points this year. Customers in this group are more likely than average to say they have been contacted by door to door sales agents, indicating that there is no blanket policy by suppliers to avoid such groups. Reasons for lags in switching may be due to factors such as indebtedness.

7.5 Those in private rented accommodation are also less likely to have switched than average (11%), as are those whose main form of heating is electricity storage radiators (12%).

7.6 Previous experience of switching would also seem to be an important determinant of switching behaviour. Those who have switched their gas supplier are far more likely than those who have not, to have also switched electricity supplier (32% versus 14%).

Proportion of Electricity Switchers by Sub-group

	% Switchers (1999)	% Switchers (2000)		% Switchers (1999)	% Switchers (2000)
Total	**11**	**19**			
Age			**Special Needs**		
16-34	7	17	Pensioner Only	13	20
35-64	13	21	Disabled	13	21
65+	13	19	Very Low Income	7	13
Social Class			One Parent Family	11	19
AB	14	20			
C1	11	19	**Working Status**		
C2	9	20	Working	11	19
DE	10	19	Not Working	10	19
E	10	18	**Gas Switcher**		
			Yes	18	32
			No	9	14

Source: MORI

Proportion of Electricity Switchers by Sub-group

	% Switchers (1999)	% Switchers (2000)		% Switchers (1999)	% Switchers (2000)
Method of Payment			**Type of Heating**		
DD/SO	15	23	Coal/Solid Fuel	4	19
Cash/Cheque	11	19	Electricity Storage Rads	13	12
PPM	3	9	Other Electric	10	19
Budget Card/Plan	6	18	Mains Gas	11	20
Housing Tenure			Telephone Switchers	13	22
Owner Occupied	12	21			
Rented (private)	6	11	**Location**		
Rented (LA/HA)	9	18	Rural	11	17
			Urban	11	20
Electricity Bill					
High	12	19	**Bank/BS Account**		
Medium	11	21	Yes	11	20
Low	9	21	No	8	13

Base: All

Source: MORI

Who has switched gas supplier?

7.7 The latest figures issued by Ofgem (at the time of fieldwork) indicate that 29% of customers with mains gas have switched gas supplier (+4 percentage points on last year). This figure was used to weight the data, in the same way as the electricity switcher figure.

7.8 Regarding the gas market, as in the electricity market, the lowest levels of switching are found among prepayment meter customers and those in private rented accommodation, with the highest levels among those who have switched electricity supplier and those who pay by direct debit. To a lesser extent, those with a very low income also lag behind.

7.9 The gas market differs from the electricity market in the pattern by age and social class. The elderly (65+) and pensioner only households show a lower than average rate of switching gas supplier.

Proportion of Gas Switchers by Sub-group

	% Switchers (1999)	% Switchers (2000)		% Switchers (1999)	% Switchers (2000)
Total	25	29			
Age			**Special Needs**		
16-34	24	30	Pensioner Only	32	25
35-64	24	29	Disabled	30	32
65+	30	25	Very Low Income	29	24
			One Parent Family	24	31
Social Class					
AB	20	25	**Working Status**		
C1	23	29	Working	22	29
C2	29	32	Not Working	29	28
DE	28	28			
E	29	28	**Elec Switcher**		
			Yes	41	48
			No	23	24

Source: MORI

Proportion of Gas Switchers by Sub-group

	% Switchers (1999)	% Switchers (2000)		% Switchers (1999)	% Switchers (2000)
Method of Payment			**Type of Heating**		
DD/SO	28	33	Coal/Solid Fuel	7	19
Cash/Cheque	28	27	Electricity Storage Rads	13	12
PPM	14	11	Other Electric	10	34
Budget/Card plan	23	23	Mains Gas	11	20
Housing Tenure			**Telephone Switchers**	26	33
Owner Occupied	24	30			
Rented (Private)	13	15	**Location**		
Rented (LA/HA)	32	30	Rural	28	29
			Urban	24	29
Gas Bill					
High	23	30	**Bank/BS Account**		
Medium	28	30	Yes	25	29
Low	26	30	No	27	26

Base: All

Source: MORI

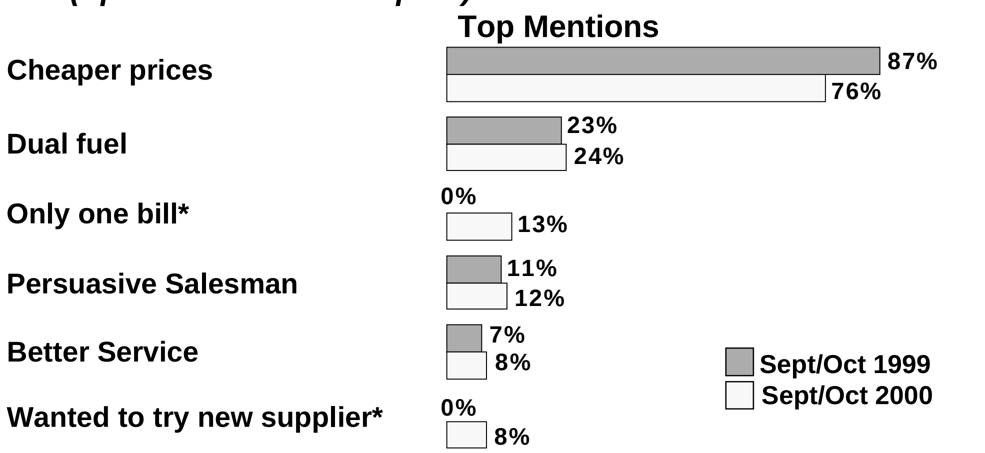
Reasons for switching electricity and gas suppliers

7.10 Among those who have switched electricity or gas supplier, the single biggest motivator for switching supplier is **price**. Indeed, this factor has been top throughout the previous years' research. However, fewer households this year nominate price as the main factor. This may be the start of a trend, or it may simply be that the list of possible reasons that were given as prompts to respondents was longer this year than last, giving them more chance of choosing a reason other than price.

7.11 Other reasons which are important in the switching process include: the desire to try a new supplier (new to the prompted list), wishing to have a single combined bill (again new to the prompted list), persuasive salesmen and electricity suppliers wooing their current customers by offering them a discount if they buy gas as well (new to the prompted list). Although categorised slightly differently, many of these reasons are linked to the second highest motivator - **dual fuel**.

Reasons for Switching - Electricity

Q Which of these, if any, influenced your decision? (Spontaneous & Prompted)

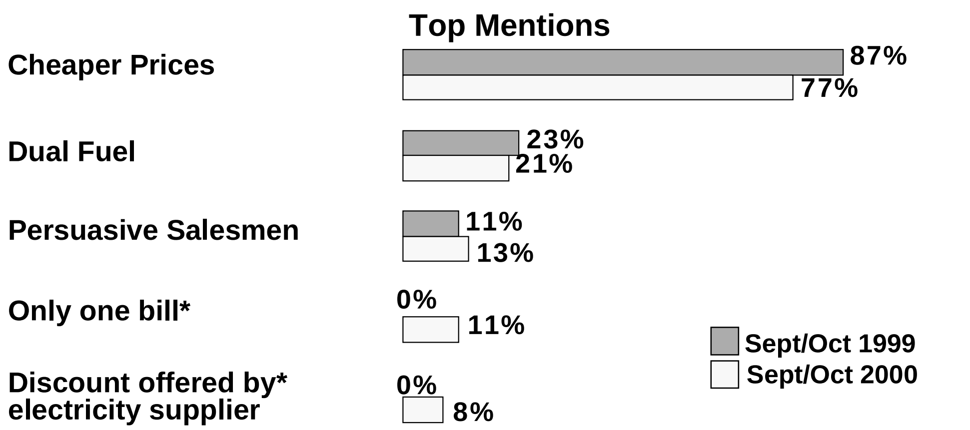


Base: All electricity switchers (842)

Source: MORI

Reasons for Switching - Gas

Q Which of these, if any, influenced your decision? (Spontaneous & Prompted)



Base: All gas switchers (693)
* Not on prompted list in 1999

Source: MORI

Reasons for not switching electricity and gas suppliers

7.12 Non switchers continue to cite ‘see no reason to change’ or ‘hassle’ as reasons not to change supplier. Most non-switchers say that they cannot identify a need to change supplier and feel they are satisfied with their current supplier. Last autumn, there was a fall in the number of customers giving this as a reason, suggesting perhaps that customers were more aware and accepting of competition. However, the current figures indicate that this is not the case – just as many customers refer to this as the main reason for not switching as in Spring 1999.

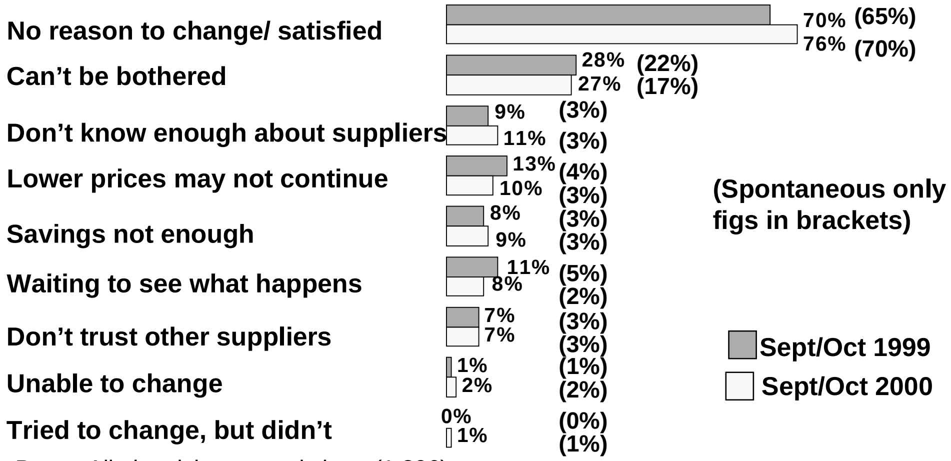
7.13 The only other reason mentioned spontaneously by a significant proportion of customers is the hassle factor – around one in six spontaneously say that they have not moved because they could not be bothered/they feel it would be too much hassle. This rises to around a quarter on prompting. Despite this, only one in ten, on prompting, think it would actually be difficult to change supplier; as many as a third think it would be ‘very easy’.

7.14 As in 1999, other factors come into play on prompting, although still not mentioned by much more than one in ten. These include a lack of knowledge about suppliers (though, as indicated earlier, customers are more aware of the names of potential suppliers than they were), a fear that lower prices may not continue and that the potential savings may not be enough to warrant switching. Indeed, many customers say that they are not convinced that alternative suppliers offer cost savings at all – only a quarter think that at least some offer lower prices than the incumbent.

7.15 There is also a small minority who are still waiting to see what happens, though this has fallen a little this year, as one might expect, given that customers have now had longer to actually see what has happened.

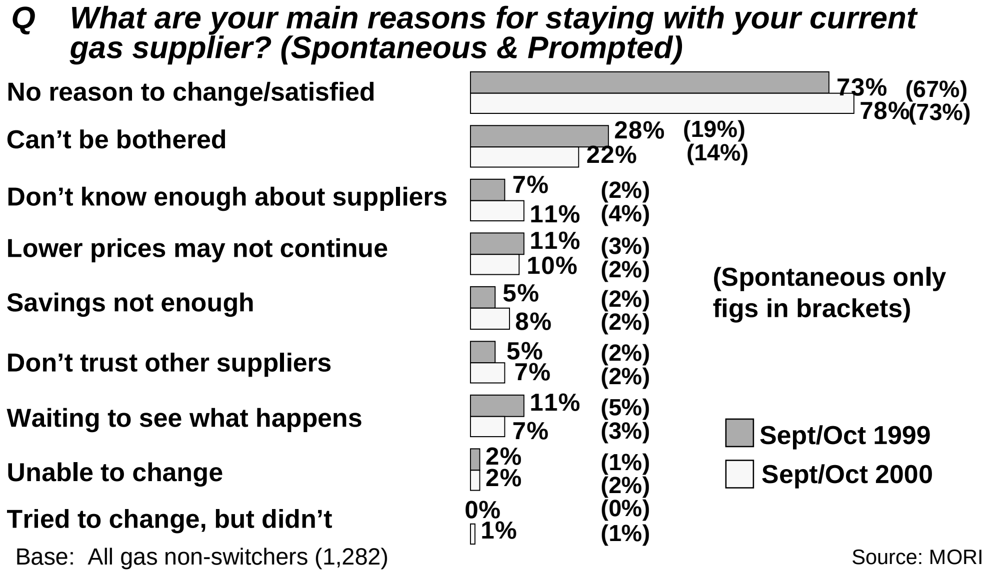
Reasons for Not Switching - Electricity

Q What are your main reasons for staying with your current electricity supplier? (Spontaneous + Prompted)



Base: All electricity non-switchers (1,396) Source: MORI

Reasons for Not Switching - Gas



Were customers unable to switch?

7.16 Very few say they were actually unable to switch supplier (just two per cent) or tried to change but didn't in the end (just one per cent). As one might expect, those who were unable to switch were more prevalent among the 'disadvantaged' groups, but even among these groups, the proportion saying that they were unable to switch is not high:

Unable to switch		
	Gas	Electricity
Base: All non-switchers in each group	%	%
Single parent family	6	8
Those with difficulty paying/in debt	8	6
Pay by PPM	7	6
Source: MORI		

7.17 Those who were told they could not change supplier were equally likely to have been told this by their current supplier as the potential new supplier. The main reasons given were, in the case of electricity, that they could not have a prepayment meter (13 out of the 32 who said they were unable to change supplier), that they were not allowed because they were in sheltered housing (3 out of the 32) or that they were in debt (6). In the case of gas, the main reasons were that they were in debt (9 out of the 24 who were told they could not change), that they could not have a prepayment meter (6 out of the 24), or their current supplier simply stopped the transfer (4). Four others said that they felt that the new supplier just did not seem interested in them.

7.18 For the few who said they had tried to change but could not, this was mainly due to something going wrong in the transfer process which led them to give up (7 of the 14 in the case of gas and electricity). A couple in the case of both gas and electricity changed their mind. There were single mentions of being prevented by their old supplier, not being allowed to pay by their current method, and being told they had the wrong type of meter.

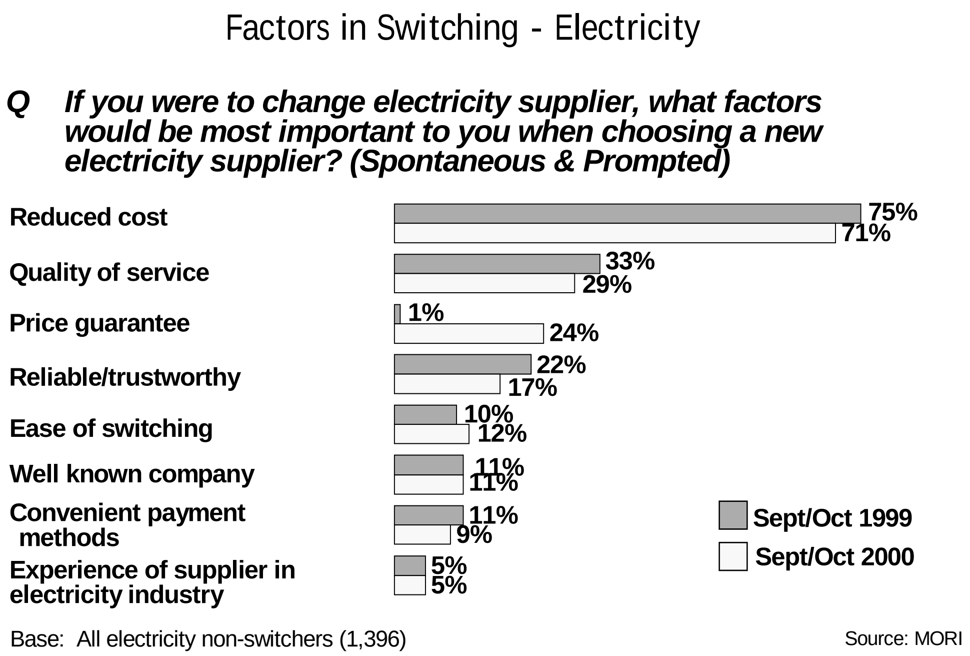
What would make non-switchers switch?

7.19 Like those who have already switched, non-switchers stress the importance of cheaper fuel bills as a motivator to change supplier, whether this is for electricity or gas. More than two-thirds say this would be the most important factor in their decision, more than twice as many as mention any other reason. Linked to this, a further one in four say that they would also require some form of price guarantee to ensure this cost saving is maintained (as we saw earlier, a fear that the cost saving would not be maintain is one of the reasons given for not switching).

7.20 However, non-switchers are more strongly motivated by secondary factors than is true of switchers. These relate particularly to quality of service, and to the reliability/trustworthiness of the new supplier (also that it is a well known company and/or has experience in the electricity industry); the 'comfort factor' is important to these customers.

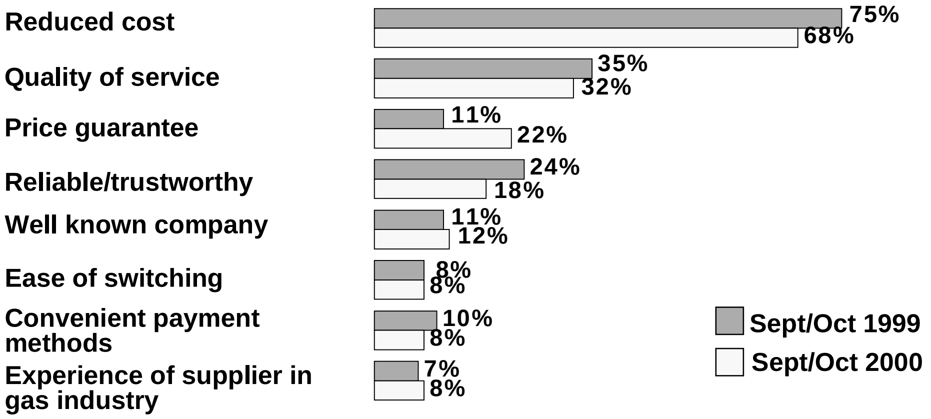
7.21 One in eight also feel that the ease of switching would be important to them. Again, many have not switched because they think it would be too much hassle, though, at the same time, the majority do think the switching process would be easy (see below).

7.22 Convenient payment methods are also important to around one in ten – and particularly to PPM payers, those with a budget card/plan and those on a regular cash scheme.



Factors in Switching - Gas

Q If you were to change gas supplier, what factors would be most important to you when choosing a new gas supplier? (Spontaneous & Prompted)



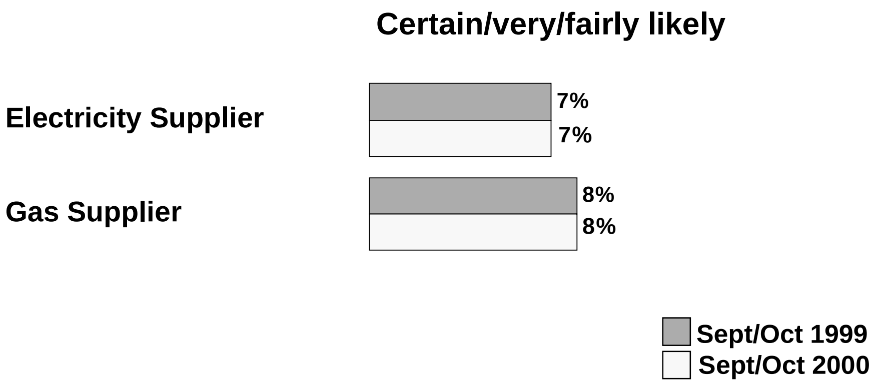
Base: All gas non-switchers (1,282) Source: MORI

How likely are non-switchers to switch in future?

7.23 The likelihood of non-switchers switching either electricity or gas supplier within the next 12 months is comparable (at 7% and 8% respectively) with last year. We must remember, however, that these percentages are based on a reduced universe (as more people have now switched since last year) suggesting that overall penetration of electricity and gas switchers may not increase in the next 12 months by the same amount as the last 12 months. However, there is no evidence to suggest that it is tailing off completely yet.

Likelihood of Switching

Q How likely are you to switch electricity/gas supplier in the next 12 months?



Base: All electricity (1,396) and gas (1,282) non-switchers Source: MORI

	Electricity		
	Switchers	Likely to switch	Total
	%	%	%
Total	19	6	25
Age			
16-34	17	8	25
35-64	21	5	26
65+	19	2	21
Social class			
AB	20	8	28
C1	19	7	26
C2	20	4	24
DE	19	4	23
E	18	4	22
Working status			
Working	19	7	26
Not Working	19	4	23
Type of household			
Pensioner only	20	2	22
Disabled	21	6	27
Very low income	13	7	20
One parent h'hold	19	5	24
Electricity bill			
High	19	7	26
Medium	21	7	28
Low	21	2	23
Bank account			
Yes	20	6	26
No	13	1	14
Payment method			
DD/SO	23	6	29
Cash/cheque	19	6	25
PPM	9	2	11
Budget Card	18	7	25
Telephone switcher			
Yes	22	7	29
Gas switcher			
Yes	32	4	36
No	14	6	20
Location			
Town/city	17	6	23
Village/countryside	20	5	25

Source: MORI

Ease of switching – perception and reality

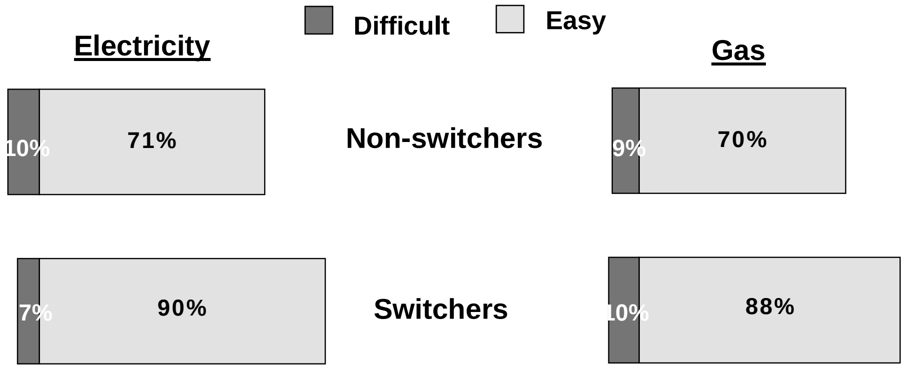
7.24 Few (around one in ten) customers think that it is difficult to switch electricity or gas supplier – with little difference between the two fuel types – most (seven in ten) think it is easy and a third think it is 'very' easy.

7.25 In addition, as seen in previous waves of the research, it is clear that the reality of switching is even easier than non-switchers perceive it to be.

Switchers are more likely to say the whole process is easy than non-switchers.

Ease of Switching

Q How easy or difficult was it for you/do you think it is to leave your electricity/gas supplier?



Base: Electricity switchers (842) non-switchers (1,396)
Base: Gas switchers (693) non-switchers (1,282)

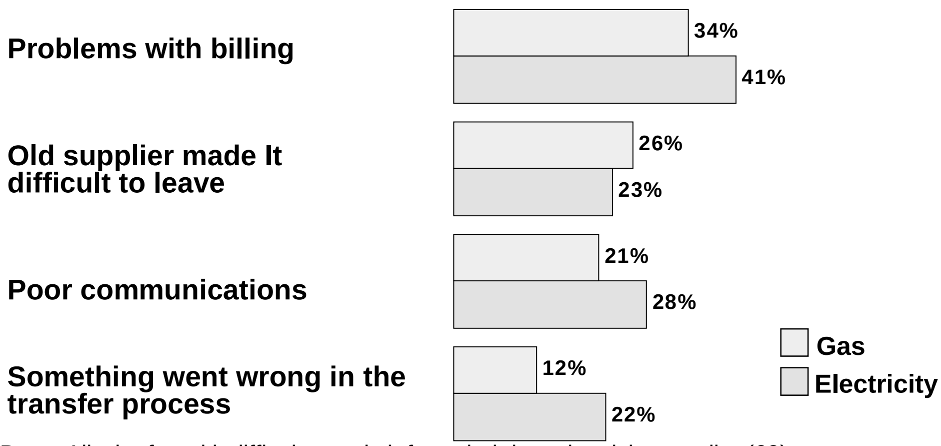
Source: MORI

7.26 Although, overall, perceptions are comparable with the previous two waves, there is one distinct difference relating to electricity switching. Electricity switchers are much more inclined to regard the switching process as **very** easy (70% compared to 60% last year).

7.27 As last year, the main reason given by electricity and gas switchers for finding the switching process difficult relate to problems with billing (as last year), especially in the case of electricity. Poor communications and problems with the transfer process were also issues, again especially in the case of electricity. Around a quarter of those who found the process difficult (ie fewer than 2% of switchers as a whole) said this was because their old supplier made it difficult for them to leave.

Why Was It Difficult to Switch? Switchers

Q Why was it difficult to change supplier?



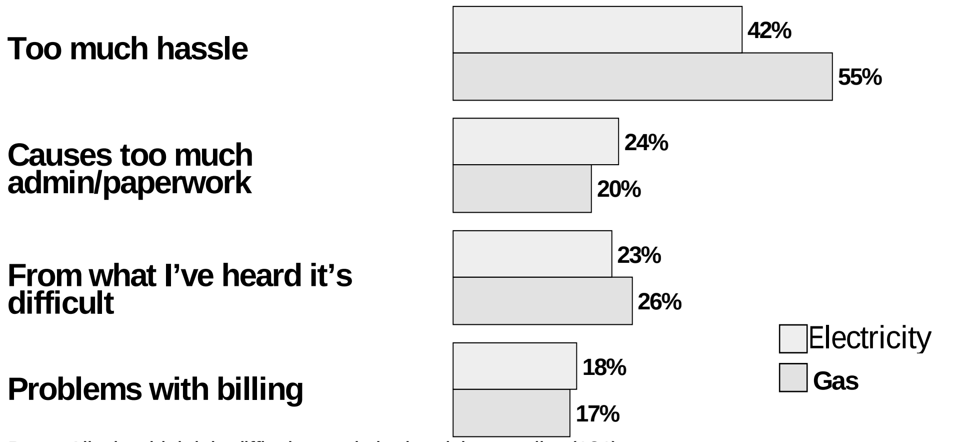
Base: All who found it difficult to switch from their last electricity supplier (60)
Base: All who found it difficult to switch from their last gas supplier (59)

Source: MORI

7.28 The majority of switchers who found it easy to change supplier feel this way because they encountered no problems (three in five) and/or their new supplier did it all for them, creating the minimum of hassle (a little under half).

7.29 Among non-switchers, the perceived difficulties with switching are less specific than those encountered in reality. But, as the following chart illustrates, the top fears non-switchers have about switching relate to hassle (just what many switchers specifically say is not the case). The perceived hassle-factor is also a frequent reason given for not switching. Related to this is a feeling that it would cause them too much admin or paperwork. Others mention that they think there could be problems with billing (maybe as a result of what they have heard from some switchers, though it could also be from the media), while others simply say they have heard it is difficult.

Q Why do you think it is difficult to change supplier?



Base: All who think it is difficult to switch electricity supplier (131)
Base: All who think it is difficult to switch gas supplier (102)
Source: MORI

Satisfaction with outcome of switching

7.30 As well as generally thinking the switching process is easy, those who have switched their electricity or gas supplier are generally satisfied with the process and the outcome. Eight in ten feel satisfied with the time it took to transfer over to the new supplier; indeed nearly four in ten are 'very' satisfied with this. Seven in ten or more are satisfied (more than a quarter 'very' satisfied) with the accuracy of the information they received from their new supplier and with the timeliness of their bills. Almost as many (around two-thirds satisfied, one in five 'very' satisfied) say the same of the sales or marketing methods used by the new supplier and/or with the savings they have actually achieved on their bill.

7.31 Few are actively dissatisfied with any of these things – at most, just short of one in ten are dissatisfied with the time it took to transfer them to a new supplier. The remainder has a neutral opinion or no opinion at all; in some cases (eg savings), it may simply be too early for them to tell.

Q	How satisfied are you with the new. . . . . supplier regarding each of the following aspects?				
		Electricity		Gas	
		Satisfied	Dis-satisfied	Satisfied	Dis-satisfied
	Base: All switchers	(842) %	(842) %	(693) %	(693) %
A	Savings achieved on electricity/gas bill	62	4	68	3
B	Sales or Marketing methods used by new supplier	64	6	67	5
C	Accuracy of information received from new supplier	72	7	75	7
D	The time taken to transfer to the new supplier	81	9	82	8
E	Timeliness of new supplier's bills	70	3	73	6

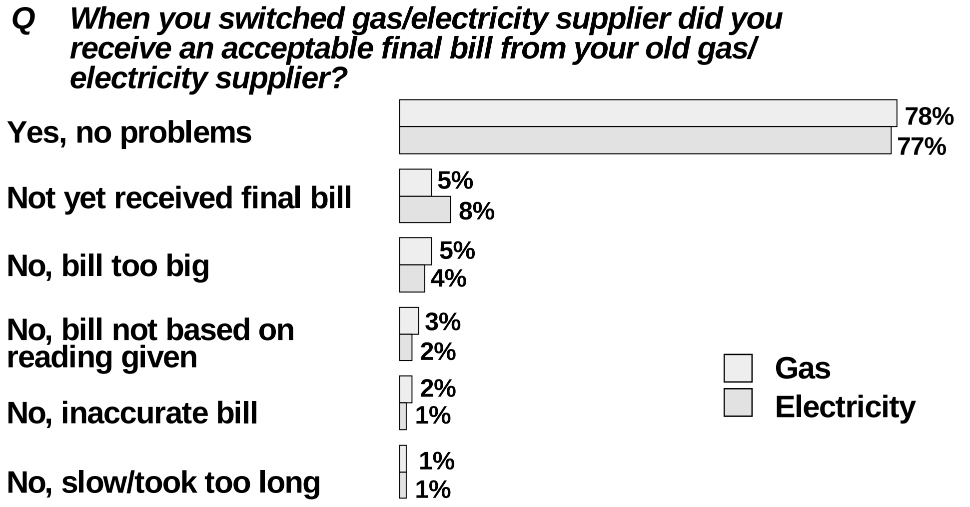
Source: MORI

Did switchers have problems with their final bill?

7.32 In addition, nearly four out of five gas and electricity switchers say they received an acceptable final bill. One in six did have a problem, however.

7.33 One of the main problems encountered was not having received their final bill yet (5% of gas switchers and 8% of electricity switchers say this, and a further 1% say it took too long). As we can see above, though, only 3% are actually dissatisfied with the timeliness of their **new** supplier's bill. Another problem was that the bill was too large (around 5% of both), not based on the meter reading or inaccurate (3-4%).

Problems with Final Bill



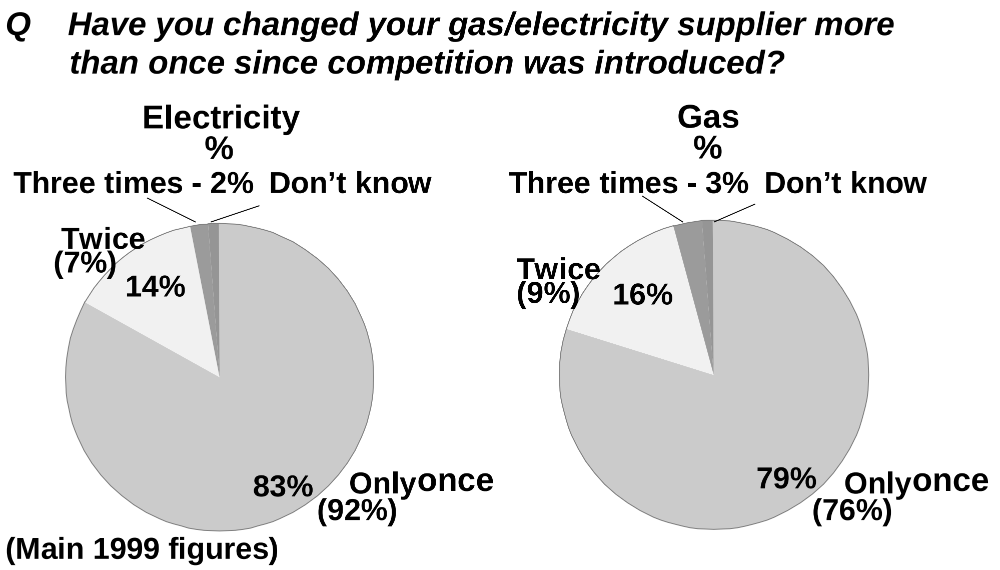
Base: All gas (693) & electricity (842) switchers

Source: MORI

Multiple switching

7.34 The proportion of switchers who have switched supplier more than once has increased significantly over the past 12 months. Among electricity switchers, the figure has risen 9 percentage points to 16%, while among gas switchers, it is up 11 percentage points to 20%. Most of these have switched just one more time (ie twice in total) but a small number say they have switched three or more times (2% of electricity switchers and 4% of gas switchers). Nearly half have returned to their original supplier (44% in the case of electricity and 48% in the case of gas).

Multiple Switching



(Main 1999 figures)

Base: All electricity (842) and gas (693) switchers

Source: MORI

7.35 In addition, a little over one in ten switchers (12% in the case of gas and 13% in the case of electricity) say they are likely to change supplier again in the next 12 months. They are mainly 'fairly likely' rather than 'very likely' or 'certain to', however. This is much the same picture as in 1999.

Q	How likely or unlikely are you to switch electricity/gas supplier again in the next 12 months?			
	Electricity		Gas	
	1999 %	2000 %	1999 %	2000 %
Base:All electricity/gas switchers	(667)	(842)	(684)	(693)
Certain to	1	1	3	1
Very likely	3	4	2	2
Fairly likely	8	8	5	8
Fairly unlikely	17	16	14	16
Very unlikely	40	37	33	37
Certain not to	21	24	23	28
Don’t know	10	9	20	7
Source: MORI				

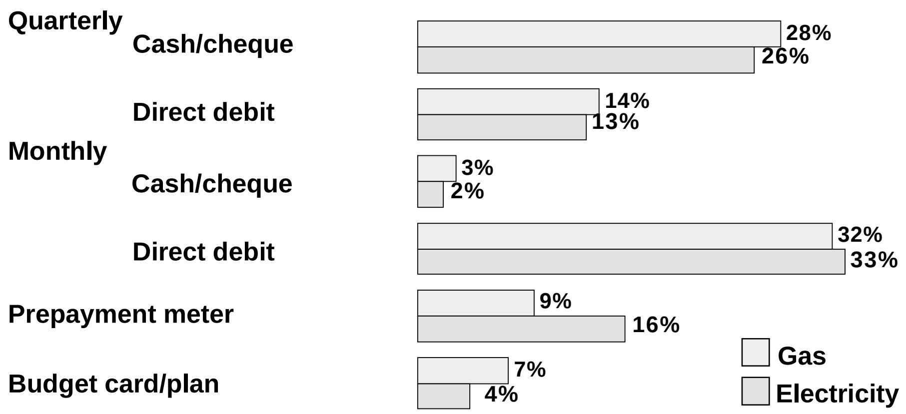
8. Method of Payment

Current method of payment

8.1 The single most popular method of paying electricity and gas bills continues to be monthly direct debit, followed by quarterly payment by cash or cheque. On the whole, there are no differences between gas and electricity payment, except more electricity customers pay by prepayment meter.

Current Method of Payment

Q In which of these ways do you normally pay for your ……?

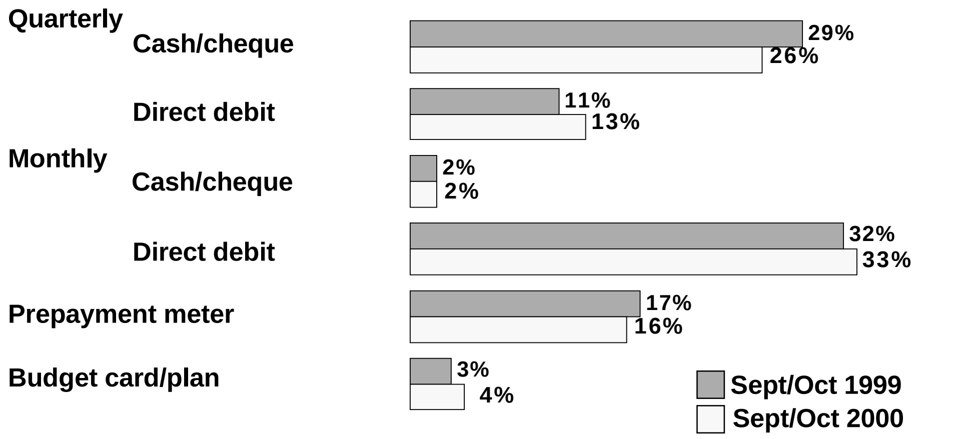


Base: All respondents (2,238) & all those on mains gas (1,975) Source: MORI

8.2 Nearly half (48%) of those in social groups AB pay for their electricity by monthly direct debit, compared to only 11% of those in social group E. In total 72% of those in social group AB pay their electricity bill by direct debit and standing order (either monthly or quarterly) whereas only 17% of those in social group E pay by this method. In addition, customers on very low incomes are less likely to pay by monthly direct debit compared to customers on high incomes (13% of very low income earners do, whereas 46% of high income earners do). Electricity customers are also less likely to pay by monthly direct debit if they live in rented Local Authority/Housing Association accommodation (9%) rather than if they are an owner occupier (41%).

Current Method of Payment - Electricity

Q In which of these ways do you normally pay for your electricity?

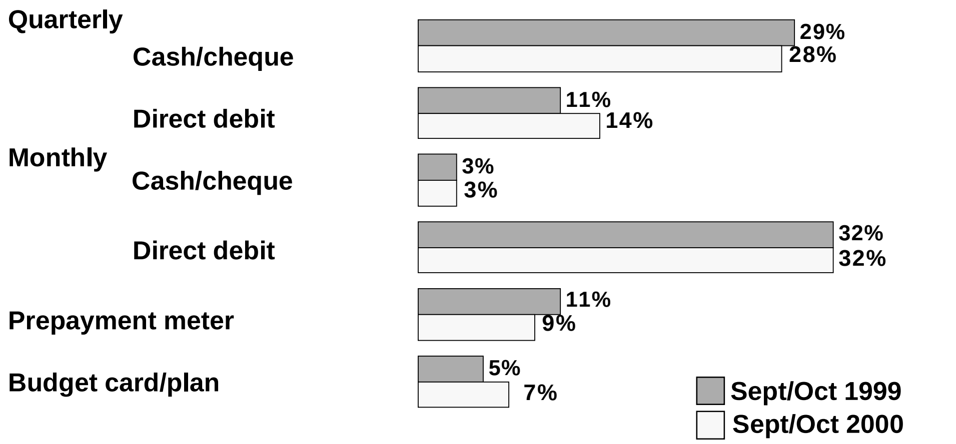


Base: All respondents (2,238) Source: MORI

8.3 The same pattern is seen with gas customers. For example, 46% of those in social groups AB pay by monthly direct debit compared to 10% of those in social group E. Furthermore, only 14% of very low income households pay by monthly direct debit, compared to 45% of households with high incomes. Also, 40% of owner occupiers pay by this method, while only 10% of those living in rented LA/HA accommodation do.

Current Method of Payment - Gas

Q In which of these ways do you normally pay for your gas?



Base: All on mains gas (1,975) Source: MORI

8.4 Only 16% of electricity customers and 9% of gas customers use prepayment meters – so who are these customers typically? Prepayment meters appear to be most favoured by those in social groups DE. Indeed, 18% of these customers use this method of payment for gas and 32% for electricity. Customers in social group E use this method more frequently (21% use PPMs for gas and 37% for electricity). In contrast, only 2% of those in social groups AB use PPMs for electricity payment and only 1% use PPMs for gas. Lower income households are also more likely to use PPMs (37% of very low income household use PPMs to pay for electricity, compared to only 7% of high income households). Similarly, options such as monthly direct debit are not a viable means of payment for customers without a bank or building society account. Hence 52% of those without a bank account pay for their electricity by PPM. Even so, about three quarters of electricity and gas PPM customers have bank accounts or building society accounts. It is also logical that 88% of customers who pay for their gas by PPM also pay for their electricity by PPM. However, prepayment meters are not the exclusive domain of these groups, with 2% of those in social groups AB and 8% of those in social group C1 paying in this way.

8.5 The first table on the following page gives details of method of payment divided up into various measures of 'disadvantaged customers'. In general, these groups are more likely than average to use a prepayment meter. The second table notes the overlap between these various measures of 'disadvantaged customers'. It shows that there is not always a wide overlap between these various measures, and so it is difficult to use one single measure for 'disadvantaged'.

Method of payment

	All	Social group E	One parent families	HH income under £4.5k	Receive Benefits	Electricity PPM	Gas PPM	State pension only	No bank/BS account
Electricity (Base:All, weighted)	(2238)	(334)	(134)	(152)	(443)	(349)	(194)	(205)	(173)
	%	%	%	%	%	%	%	%	%
PPM	16	37	51	37	38	100	88	13	52
Quarterly/ monthly DD/SO	49	17	18	19	21	0	4	35	5
Quarterly/ monthly cash/cheque	28	29	7	27	25	0	2	44	19
Budget card/ plan	4	12	13	11	10	0	2	4	16
Regular cash scheme	2	3	10	3	4	0	2	1	4
Other	1	1	0	2	1	0	0	2	2
Gas (Base:All, weighted)	(2216)	(330)	(113)	(136)	(423)	(256)	(150)	(218)	(148)
	%	%	%	%	%	%	%	%	%
PPM	9	21	40	20	24	49	100	4	30
Quarterly/ monthly DD/SO	49	17	15	23	21	14	0	36	4
Quarterly/ monthly cash/cheque	30	32	11	27	29	14	0	42	29
Budget card/ plan	7	15	17	17	14	12	0	11	17
Regular cash scheme	3	11	14	8	10	8	0	1	14
Other	1	2	2	2	1	1	0	3	3

Source: *MORI*

Overlap between disadvantaged groups

	All	Social group E	One parent families	HH income under £4.5k	Receive benefits	Electricity PPM	Gas PPM	State pension only	No Bank/ BS account
(Base: All, weighted)	(2238)	(334)	(134)	(152)	(443)	(349)	(194)	(205)	(173)
	%	%	%	%	%	%	%	%	%
Age									
16-34	35	32	63	35	42	56	57	0	40
35-64	44	35	36	32	38	37	36	15	35
65+	21	33	1	32	20	8	6	85	25
Social group									
AB	18	0	2	1	2	2	1	4	0
C1	24	0	16	11	10	13	12	14	7
C2	28	0	14	7	13	25	25	16	20
DE	29	100	68	81	75	60	61	66	73
E	15	100	53	63	55	35	35	55	65
Non-working	41	97	62	91	72	49	51	89	87
One parent families	6	21	100	26	24	20	27	0	23
Rent from LA / HA	20	61	61	58	55	57	62	35	71
No bank / BS account	8	34	30	28	26	26	27	18	100
HH income <£4.5k	7	28	29	100	26	16	16	12	24
Receive benefits other than state pension	20	73	78	75	100	49	55	33	66
Electricity PPM customers	16	37	51	37	38	100	88	13	52
Gas PPM customers	9	20	40	20	24	49	100	4	30

MORI

Have switchers changed their payment method?

8. 6 Among gas and electricity switchers there has been a move away from quarterly cash/cheque to direct debit – primarily monthly, but also quarterly direct debit. Over half now pay by direct debit. Having said this, a quarter continue to pay by quarterly cash/cheque and, though prepayment meters are much less popular among switchers than non-switchers, they are used.

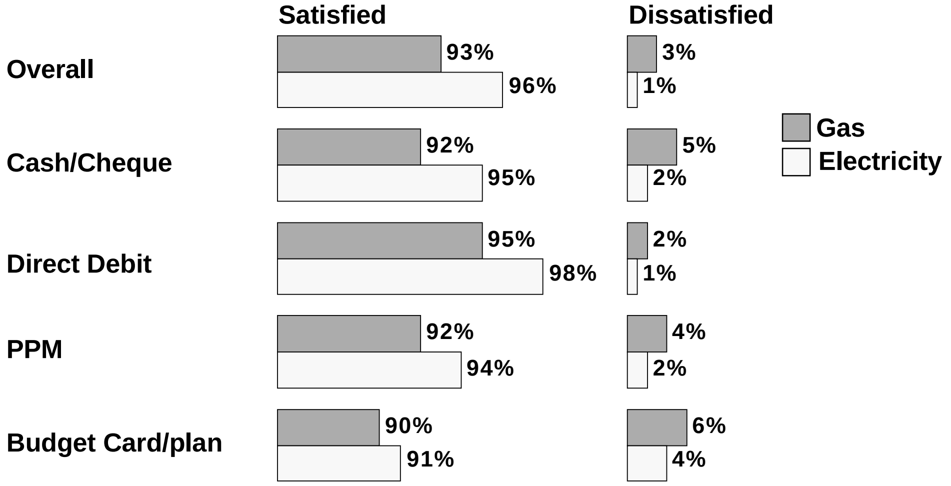
Q Current/Previous Methods of Payment – Switchers				
	Electricity		Gas	
	Current	Previous	Current	Previous
Base: All switchers	(842)	(842)	(693)	(693)
	%	%	%	%
Monthly direct debit	37	29	39	29
Quarterly cash/cheque	25	31	26	35
Quarterly direct debit	18	17	15	12
Prepayment meter	7	7	3	4
Budget card/plan	4	4	5	4
Monthly standing Order	2	2	2	1
Regular weekly Payments	2	2	5	3
Monthly cash/cheque	2	3	2	3
Quarterly standing Order	1	1	1	1
Other	1	1	*	1
Source: MORI				

Satisfaction with payment method

8.7 As with the overall supplier satisfaction ratings, few customers are dissatisfied with their payment method. Most dissatisfaction arises from budget card/plan customers and those paying by PPM, although more than nine out of ten of customers paying by these methods are satisfied nonetheless.

Satisfaction with Method of Payment

Q How satisfied are you with the method you use to pay for . . . . . .?



Base: All respondents (2,238)/all with mains gas (1,975) Source: MORI

Reasons for Present payment method

8.8 Most customers (around 70% in electricity and gas) cite 'easy/convenient' as the reason for using their present payment method. This might mean different things to different customers. Those without bank accounts, for example, would no doubt find the use of cash more convenient than organising a standing order.

8.9 Additionally, budgeting and having control over payments are key considerations for those with prepayment meters and budget card/plans. Perhaps surprisingly, given the discounts that can be obtained, only 13% mention that they pay by direct debit because it is cheaper.

Reasons for Choice of Method - Gas

Q Why do you pay your gas bill by . . . . .

	Cash/ cheque (599) %	Direct Debit (1014) %	PPM (150) %	Budget card/plan (116) %
Easy/convenient	57	82	63	48
Best way of budgeting	16	25	38	48
Always paid this way	21	8	5	2
Cheaper	2	13	2	0
Have control over payments	10	3	11	20
Dislike Direct Debit	12	*	*	1
Pay when bill arrives	11	*	1	0
Pay for what used, when I use it	2	*	16	13

Base: All who pay for gas by each method Source: MORI

Reasons for Choice of Method - Electricity

Q Why do you pay your electricity bill by . . . . .

	Cash/ cheque (663) %	Direct Debit (1099) %	PPM (301) %	Budget card/plan (98) %
Easy/convenient	**57**	**82**	**53**	**51**
Best way of budgeting	**15**	**26**	**38**	**57**
Always paid this way	**24**	**7**	**8**	**1**
Cheaper	**1**	**14**	**3**	*****
Have control over payments	**12**	**5**	**20**	**12**
Dislike Direct Debit	**16**	*****	**1**	**3**
Pay when bill arrives	**9**	*****	*****	**0**
Pay for what used, when I use it	**3**	**1**	**14**	**12**

Base: All who pay for electricity by each method

Source: MORI

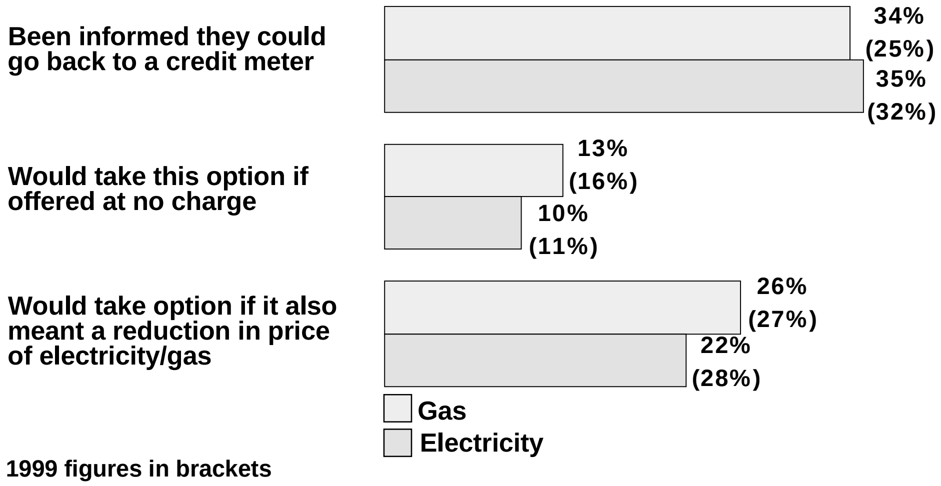
8.10 The inertia of customers who pay by cash and cheque seems to be continuing. Nearly a quarter (21%) pay for gas by this method because they "always have paid this way" – compared to 22% last year. The same is true of electricity.

Returning to a credit meter

8.11 When prepayment meter customers are asked about returning to a normal credit meter, a third (34%) say they have been informed that this is a possibility by their gas supplier (an increase of 9 percentage points on last year). This corresponds to the 35% of electricity PPM customers who have been informed, although this figure is not significantly more than last year.

8.12 Similar numbers (around one in ten) compared with Autumn 1999 would change to an ordinary credit meter if they could do so at no extra charge. This illustrates that the "budgeting" aspect of their payment method holds importance with PPM customers. This is further supported when we learn that, for another consecutive wave of research, just over a quarter would change meters if it resulted in cheaper fuel bills – the remaining three-quarters preferring to pay more and stay with the current method.

Prepayment meters - Returning to Credit Meter



Base: All PPM customers - Electricity (301) & Gas (150)

Source: MORI

8.13 Those who would opt for a normal credit meter would choose a variety of alternative payment schemes – a third would choose direct debit. Many, though, would choose methods which give them something close to the level of control they had with their PPM – a budget plan or cash payment scheme.

Q How would you pay for your electricity/gas if you did change back to a normal electricity/gas credit meter?

	Gas	Electricity
Base: All would change to a normal credit meter – gas (41), electricity (84)	%	%
Budget plan	28	19
Monthly DD	24	32
Cash payment scheme	22	25
Quarterly bills/SO	9	16
Fuel direct	4	*
Savings stamps	1	2
Don't know	8	4

Source: MORI

9. Service Standards

Standards of performance

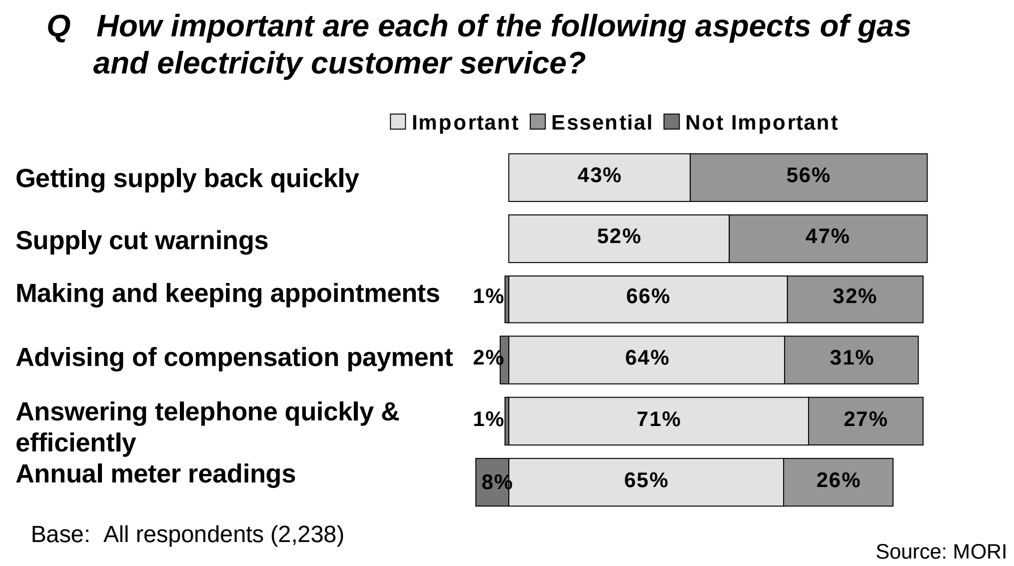
9.1 Respondents were asked to rate twelve different aspects of service with regard to electricity and gas suppliers.

9.2 As all twelve are felt to be at least fairly important to the great majority of customers, a more useful measure is to look at the degree to which they are thought to be 'essential'. This is therefore how they have been ranked in the charts below.

9.3 Findings suggest that the two most important aspects relate to power cuts – restoring power and advising of impending power failures. Comparing views according to the number of power cuts experienced suggests that customers' views are relatively insensitive to the number of power cuts.

9.4 Customers also rate keeping appointments, advising customers of compensation payments, where relevant, and answering the telephone quickly and efficiently, as important standards.

Standards of Performance

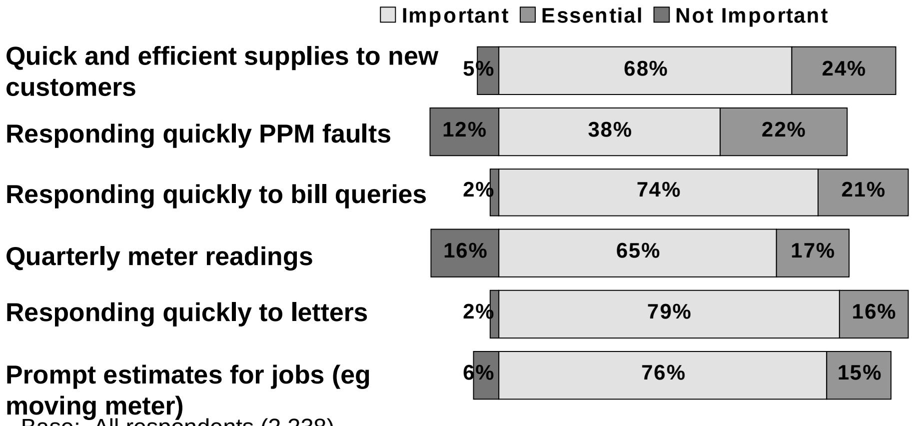


9.5 Interestingly, annual meter readings are more likely to be favoured than quarterly meter readings, though both are deemed important by a large majority.

9.6 Responding quickly to PPM faults is most important to those who pay by prepayment meter – 50% of electricity PPM payers and 54% of gas PPM payers think this is essential – but even those who do not pay in this way can appreciate its importance.

Standards of Performance - Contd

Q How important are each of the following aspects of gas and electricity customer service?



Base: All respondents (2,238)

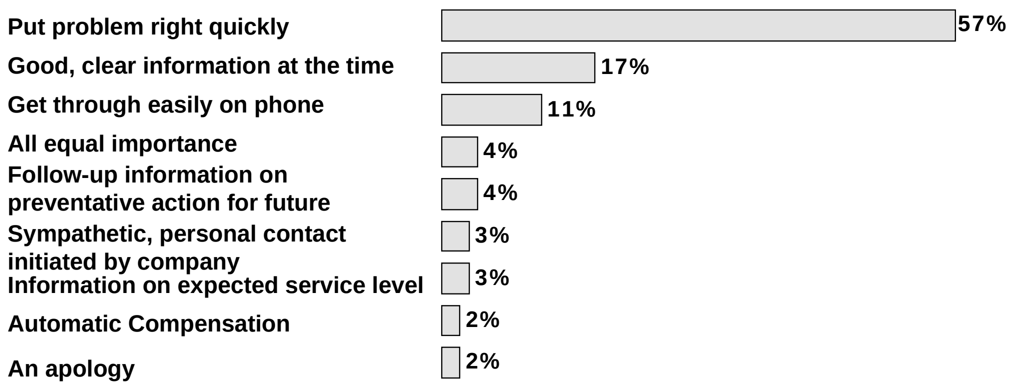
Source: MORI

Priorities when things go wrong

9.7 Customers appear to have very definite opinions about their priorities in the event of something going wrong with their gas or electricity supply. The most important priority is to put the problem right quickly, followed (after a large gap) by providing good, clear information at the time, and being able to get through easily on the phone.

Priorities When Things Go Wrong

Q Which one of these aspects is most important should things go wrong with your gas or electricity supply?



Base: All respondents (2,238)

Source: MORI

Minimum standards of performance

9.8 Respondents were given a showcard with the following information on it:

> *"Currently, all electricity and gas companies have to meet various minimum standards of performance set by Ofgem, the regulator. These govern things like, how quickly the supplier must restore supply after a power cut, how often they need to read the meter and so on. One option for the future might be to abolish such minimum standards of performance and, instead, for Ofgem to publish the actual performance of the different suppliers on various performance criteria, to enable customers to choose their suppliers on this basis. This might, for instance, mean that different suppliers offer different levels of service and that this is reflected in their pricing structure – lower levels of service and lower prices vs higher levels and higher prices.*

9.9 Customers were given the hypothetical choice between keeping the current minimum Standards of Performance for all companies, or abolishing these Standards, and instead for Ofgem to publish the actual performance of each supplier, in order to give a range of choices between prices and service.

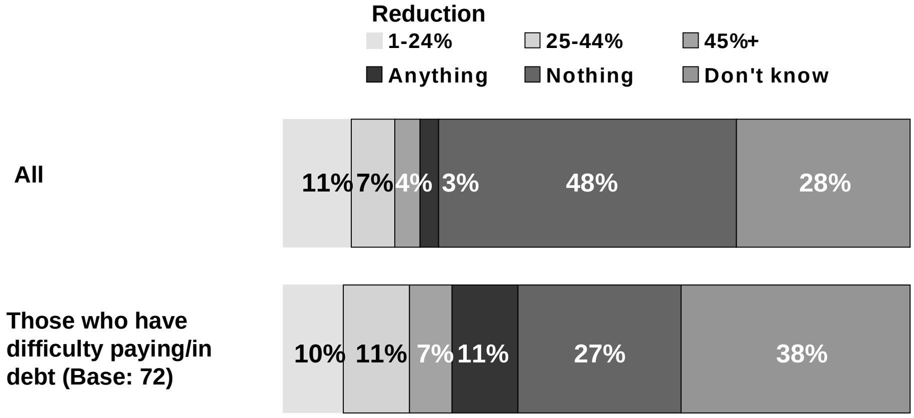
9.10 A clear majority of customers (67%) favour keeping the current minimum standards of performance. However, around a quarter (23%) say that they prefer the second option. A further 5% do not have a preference either way. Those in social groups AB are more likely to want to keep the current standards than those in social groups DE (75% compared to 59%), as are those with high electricity and gas bills (71%). State pensioners and households currently paying for their electricity and gas by quarterly direct debit are also more likely (both 71%) to prefer the current method.

Q Which of these two options would you prefer:					
		Electricity		Gas	
	All	Switchers	Non-Switchers	Switchers	Non-Switchers
Base: All	(2238)	(842)	(1396)	(693)	(1282)
	%	%	%	%	%
To keep the current min standards of performance for all suppliers	67	66	67	64	68
To abolish these minimum standards of performance and instead for Ofgem to publish the actual performance of each supplier on various criteria	23	24	23	26	22
No preference	5	6	5	5	5
Don't know	5	4	5	5	5

Source: MORI

9.11 Even when enticed by a reduction in price (usually the main motivator which causes customers to switch suppliers), the majority continue to prefer the current standards. Indeed, half (48%) of those who immediately say they would prefer to keep the current standards, say that no amount of price reduction would change their opinion, while a further 28% don't know. Nonetheless, one in ten (11%) would accept the new proposal if it resulted in a reduction of their bill by up to 24%. Those who would favour dropping the standards for a reduction in price, wish to see the price reduced by an average of 29%. Even among those who have difficulty in paying their bills or are in debt, 27% feel that no price reduction would persuade them to drop the current minimum standards, with an average reduction of 32% being required by those who would be tempted by such a reduction.

Q What price reduction would make it worth while to drop the minimum standards of service



Base: All respondents who want to keep current standards (1,491)

Source: MORI

Power cuts

9.12 Half (51%) of all customers have experienced a power cut in the last year; one in seven (14%) have noticed three or more. There is a clear difference between those living in rural areas and those in urban neighbourhoods. There is a much higher probability of experiencing power failure if your home is located in the former – with power cuts being both more widespread and more frequent in rural areas. The table below summarises urban and rural customers' experiences of power cuts.

Q How many electricity power cuts have you noticed in the past year ?

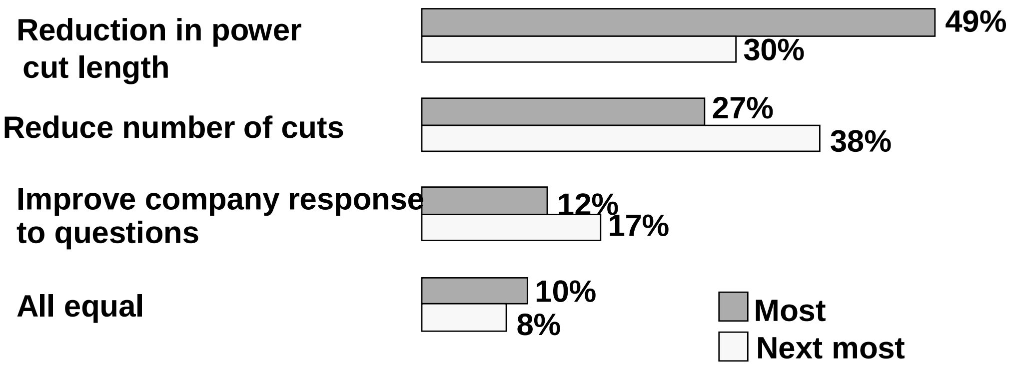
	Urban	Rural
Base : All	%	%
1	20	18
2	13	19
3	4	12
4	2	6
5-9	2	6
Over 10	*	5
None	54	30
Don't know how many times, but have noticed some	3	3

Source : MORI

9.13 When faced with the choice of what companies should focus their resources on regarding the issue of power cuts, most customers say that the first objective should be to reduce the duration of power cuts, followed by reducing the frequency with which they happen. Less of a priority is responding to questions during a power cut. 10% of customers say that the three are of equal importance when asked which is the most important. 8% of customers, having chosen a 'Most important' option, identified 'All equal importance' as their 'Next most important' option. The following chart illustrates the breakdown.

Standards of Performance - Power Cuts

Q….. Which of the following would be most important for companies to do?



Base: All respondents (2,238)

Source: MORI

9.14 This order of priority is true across all customer sub-groups. However, electricity and gas customers who are likely to switch place more emphasis than average on reducing the duration of power cuts (60% and 55% respectively). Those in social groups AB are also more likely to give importance to reducing the length of power cuts (56%) compared to those in social group E (40%). Similarly, customers with high incomes (58%) are more likely than average to want this to be the suppliers' top priority.

Appendix 1

Statistical Reliability

Any survey which is conducted among a sample drawn from the total population rather than among the entire total population is open to certain sampling tolerances. The table below shows the confidence intervals for different sample sizes.

Confidence intervals applicable to findings at or near these percentages *

Sample size	10% or 90%	30% or 70%	50%
	±	±	±
2,500	1	2	2
2,000	1	2	2
1,500	2	2	3
1,000	2	3	3
800	3	4	4
400	3	5	5
200	4	6	7
100	6	9	10

* based on 95% confidence level

For example, for a finding that 70% of respondents (in a sample of approximately 100) give a particular answer, the chances are 95 in 100 that the 'true' results which would have been obtained by interviewing every respondent, instead of a sample of 100, falls between 61% and 79% (70% ± 9%). However, the result is proportionately more likely to be near the centre (70%) of this confidence interval than its extremes (61% or 79%).

As well as the overall sample reliability, comparisons between sub-groups of the sample also have to fulfil certain statistical requirements. The table below gives the differences required for results for sub-groups to be regarded as significantly different.

Differences required for findings to be regarded as statistically different at or near these percentages *

Sub-groups compared	10% or 90%	30% or 70%	50%
	±	±	±
2,000 and 1,500	2	3	3
1,500 and 1,000	2	4	4
1,000 and 1,000	3	4	4
1,000 and 800	3	4	5
1,000 and 400	4	5	6
800 and 400	4	6	6
400 and 200	5	8	9
200 and 100	7	11	12

* based on 95% confidence level

Appendix 2

Definitions

In the text, charts and some tables, "PPM" is an abbreviation for prepayment meter and "PES" for public electricity supplier.

In addition, the people referred to as being "in debt/having difficulty paying bills" (125 people) are defined as those who agree to either (or both) of the following statements at Q63:

- I am often unable to pay for my electricity within the time required (5% agree)

- I currently have an outstanding debt with my electricity or gas supplier which is more than six months old (3% agree)

This definition was redefined for the 2000 survey. It is actually based on fewer statements than the 1999 research, which was based on a further two statements; hence a greater proportion of the population was classified as "in debt/having difficulty paying bills" in 1999. Because of this, the findings in the 2000 survey cannot be directly compared with those in 1999.

Those referred to as "special needs" are customers who fit into one of more of the following categories:

- Pensioner only household (ie no children or other adults)

- Disabled (ie in receipt of one or more of the following benefits):

  (i) War Disablement Pension

  (ii) Disabled Person's Tax Credit (replaced Disability Working Allowance, as recorded in 1999 study)

  (iii) Severe Disablement Allowance (SDA was a new benefit classification in the 2000 study)

  (iv) Disability Living Allowance

- (Very) Low income (ie Annual household pre-tax income is under £4,500)

When looking at all the bands of household income, the following definitions are used for the annual household pre-tax income. In order to isolate the very disadvantaged families, four bands have been created for the 2000 analysis:

- Very Low (under £4,500) – classified as Low in 1999
- Low (4,500 - £9,499)
- Medium (£9,500 - £21,499)
- High (£21,500+)

Disadvantaged customers are identified as those who fit into one or more of the following classifications:

- Very low income customers, with a household income of less than £4,500 per annum
- Those in social groups D and E (particularly E)
- Benefit recipients (such as income support, housing benefit, council tax benefit)
- The elderly (particularly, those who receive a state pension only rather than an additional occupational pension)
- Those without a bank or building society account
- Single parent families
- Prepayment meter customers
- Those who have difficulty paying their bills - as defined above

Appendix 3

Social Group

Social group is defined as follows, based on occupation of the chief income earner (CIE) in the household:

Social Group		Occupation of Chief Income Earner
A	Upper Middle Class	Higher managerial, administrative or professional
B	Middle Class	Intermediate managerial, administrative or professional
C1	Lower Middle Class	Supervisor or clerical and junior managerial, administrative or professional
C2	Skilled Working Class	Skilled manual workers
D	Working Class	Semi and unskilled manual workers
E	Those at the lowest levels of subsistence	State pensioners, etc, with no other earnings

Appendix 4

Previous Survey – Methodology

Ofgem Phase 2 Survey – September/October 1999

2,315 interviews were conducted with domestic electricity and gas consumers. Interviews were conducted with the person wholly or jointly responsible for paying the household's electricity and gas bills and who would make the decision to change supplier, either on their own or in consultation with another household member. The proportion of electricity 'switchers' was boosted to allow for their separate analysis.

To ensure that the results are representative of the GB population, the data have been weighted to the known profile of households by age, social class and working status of head of household, as well as by the MOSAIC life code of Enumeration Districts (EDs), and the percentage of electricity and gas switchers understood to be in these areas at the time of fieldwork - that is, 11% for electricity and 25% for gas. Data entry and analysis were carried out by Independent Data Analysis.

All interviews were conducted face-to-face, in-home, between 6th September and 13th October 1999. Fieldwork was carried out by MORI/Field & Tab. Interviewers were provided with a list of addresses within each sampling point (ED). They were instructed to leave at least three doors between each call. Half the interviews conducted by each interviewer were carried out in the evenings or at the weekend.

Appendix 5

Marked-Up Questionnaire

MORI/13466/1

Experience of the Competitive Market
Topline Findings

October 2000

INTERVIEWS WERE CONDUCTED IN-HOME, FACE-TO-FACE AMONG A REPRESENTATIVE CROSS SECTION OF THE GENERAL PUBLIC ACROSS GREAT BRITAIN. DATA ARE EDITED AND WEIGHTED TO THE KNOWN POPULATION PROFILE. ALL FIGURES ARE IN PERCENTAGES. AN ASTERISK REPRESENTS A FIGURE SMALLER THAN 0.5%, BUT GREATER THAN 0. WHERE TOTALS DO NOT SUM 100% THIS IS EITHER DUE TO WEIGHTING OR NOT STATEDS. ALL QUESTIONS ARE BASED ON THE TOTAL SAMPLE SIZE UNLESS OTHERWISE STATED. 2,238 INTERVIEWS WERE COMPLETED IN TOTAL, INCLUDING A BOOSTER SAMPLE OF ELECTRICITY SWITCHERS. THE MAIN STAGE WAS CONDUCTED ACROSS 151 SAMPLING POINTS AND THE BOOSTER INTERVIEWS WERE CONDUCTED IN 31 SAMPLING POINTS.

Sex	%
Male	44
Female	56

Age of respondent:

	%
16-24	7
25-34	28
35-44	19
45-54	13
55-64	12
65+	21

Respondent is:	%
CIE	62
Not CIE	37

Respondent is head of household	%
Yes	67
No	32

REMEMBER TO PROBE FULLY FOR PENSION CODE BELOW

	%
AB	18
C1	24
C2	28
D	14
E	15

Sex of Head of Household

	%
Male	71
Female	28

Age of Head of Household is:

	%
16-34	30
35-54	35
55+	34

Working Status of Head of Household	%
Working full time (30hrs+)	52
Working part time (8-29 hrs/wk)	6
Self employed	1
Waiting to start a job	*
Unemployed (registered)	2
Unemployed (not registered but looking for work)	*
Working student	*
Working on a Government training scheme	*
Working other	*
Not working -Long term sick/ permanently ill	3
Not working –Retired	25
Not working -Housewife	7
Not working -At home and not seeking work	1
Non-working student	1
Not working -Disabled	1
Not working Other	1

Household is:	%
Pensioner(s) only (ie no children or other adults)	20
Adults and contains no children under 15	39
Adults with child/children under 15 - two parent household	33
Adult with child/children under 15 - one parent household	6

Type of housing	%
Detached house	16
Semi-detached house	39
Terraced house	31
Flat or maisonette	12
Other	2
Don't know/not stated	1

Housing tenure

	%
Being bought on mortgage	45
Owned outright by household	27
Rented from Local Authority	13
Rented from Housing Assoc./Trust	6
Rented from private landlord	7
Other	1

SHOWCARD FF (R) Using this card, approximately how much would you estimate your household's bill was for electricity over the last 12 months? Please include both winter and summer bills. Just read out the letter next to the category which is your best estimate.

		%
A)	Less than £100	2
B)	£100-199	16
C)	£200-299	29
D)	£300-399	18
E)	£400-499	9
F)	£500-599	4
G)	£600-699	2
H)	£700-799	1
I)	£800 or more	2
	No idea	16
	Refused	1

SHOWCARD FF (R) AGAIN And, using this card, approximately how much would you estimate your household's bill was for gas over the last 12 months? Please include both winter and summer bills. Just read out the letter next to the category which is your best estimate.

		%
A)	Less than £100	4
B)	£100-199	15
C)	£200-299	25
D)	£300-399	20
E)	£400-499	10
F)	£500-599	4
G)	£600-699	1
H)	£700-799	1
I)	£800 or more	1
	No idea	17
	Refused	1

Household Income

SHOWCARD GG (R) Which of the categories on this card represents your annual household income before tax? Just read out the number of the category which applies.

		%
A	Under £2,500	2
B	£2,500 - £4,499	5
C	£4,500 - £6,499	5
D	£6,500 - £7,499	2
E	£7,500 - £9,499	3
F	£9,500 - £11,499	3
G	£11,500 - £13,499	4
H	£13,500 - £15,499	3
I	£15,500 - £17,499	4
J	£17,500 - £21,499	5
K	£21,500 - £24,999	5
L	. £25,000 - £29,999	8
M	£30,000 - £39,999	8
N	£40,000 or over	8
	Refused/ Don't know	36

Do you have a bank or building society account?

	%
Has a bank account	85
Has a building society account	35
Neither	8

Do you pay any bills by direct debit?

	%
Yes	74
No	26

Would it be possible for you to pay some of your bills by direct debit through your bank/building society account if you wanted to or not? Base: All who do not pay their bills by DD (601)

	%
Yes, is possible	70
No, not possible	20
Don't know	10

SHOWCARD HH (R) Which of the items, if any, on this card are you in receipt of? MULTICODE OK.

		%
A	NI retirement pension/Over 80 pension/Old persons pension/State pension	21
B	Occupational pension	16
C	Other pension (eg war pension)	1
D	War Disablement pension	*
E	Income support	8
F	Job seeker's allowance (formerly unemployment benefit or income support for unemployed people)	2
G	Extra Child Benefit for lone parents	2
H	Child benefit	36
I	Working families Tax Credit/Family credit	3
J	Back to work bonus	*
K	Family credit	1
L	Disabled person's tax credit (formerly Disability working allowance)	*
M	Severe disablement allowance (SDA)	1
N	Disability living allowance	4
O	Invalid care allowance	1
P	Attendance allowance	1
Q	Incapacity benefit (previously sickness and/or invalidity benefit)	4
R	Widows benefit	1
S	Council tax benefit	12
T	Housing benefit	10
U	Winter fuel payments	10
	None of these	30

What type of fuel do you mainly use to heat your home?

	%
Coal/Solid Fuel	1
Electricity storage radiators	3
Other forms of electric heating	2
Mains gas	92
Bottled gas	1
Oil	*
Other	*

Location

	%
Town/City	76
Village/countryside	21

Telephone service (fixed line, ie

excluding mobile phones) supplied by:

	%
BT	69
Other telecoms supplier	23
No telephone	6

INTERVIEWER RECORD FROM APPEARANCE: DO NOT ASK

	%
White	94
Afro-Caribbean	2
Asian	2

CONTACT WITH SUPPLIERS

Q1. SHOWCARD A (R) **Which of these companies are you aware of selling <u>electricity</u> in this area? Just read out the letter which applies** MULTICODE OK. **(BASE: ALL)**

Q2. SHOWCARD A (R) AGAIN **And which of these companies currently supplies your <u>electricity</u>?** SINGLE CODE ONLY. **(BASE: ALL)**

Q3. SHOWCARD A (R) AGAIN **Which of these companies are you aware of selling <u>gas</u> in this area?** MULTICODE OK. **(BASE: All with mains gas (1975)**

Q4. SHOWCARD A (R) AGAIN **And which supplies your <u>gas</u>?** SINGLE CODE ONLY. **(BASE: All with mains gas (1975)**

		Q1 Electricity Companies	**Q2 Current Electricity Supplier**	Q3 Gas Companies	**Q4 Current Gas Supplier**
		%	%	%	%
A	Amerada.co.uk	3	*	2	*
B	Amerada	5	*	4	*
C	Beacon Gas	4	*	7	2
D	British Gas / Scottish Gas	61	14	87	63
E	Cambridge Gas Co	1	*	1	*
F	Countrywide Gas	*	0	1	0
G	CPL British Fuels	1	0	1	*
H	Crown Oil	*	0	*	0
I	Eastern Electricity and Natural Gas	19	6	10	2
J	Eastern Energy	10	3	6	2
K	Enron Direct / Energy Supplies UK	1	*	*	0
L	The Gas Supply Company	1	0	1	*
M	Gas West	1	*	1	*
N	Independent Energy	2	*	1	*
O	London Electricity	12	6	4	1
P	Manweb	12	5	6	1
Q	Midlands Gas	5	*	5	*
R	Midlands Shires Farmers	1	0	*	0
S	North Wales Energy	1	0	1	*
T	Northern Electric and Gas	12	5	9	3
U	Northern Energy/ Energy Supplies UK	3	*	1	0
V	Norweb Gas / ENERGI	20	9	15	4
W	Npower	17	6	10	4
X	PowerGen	34	9	19	3
Y	Scottish Hydro/Scottish and Southern Energy	6	2	3	1
Z	Scottish Power	23	5	14	3

AA	SEEBOARD	14	7	5	1
BB	Servista	*	0	*	0
CC	Southern Electric / Southern Electric Gas	16	8	8	2
DD	SWALEC / SWALEC Gas	9	4	8	2
EE	SWEB / SWEB Gas	9	4	5	1
FF	Utility Link	*	0	*	0
GG	Virgin	1	0	*	0
HH	Yorkshire Electricity	12	6	8	2
II	York Gas	1	*	2	*
	Don't know/Not stated	2	3	3	3

Q5. SHOWCARD B (R) **How satisfied or dissatisfied are you with the following from your present <u>electricity</u> supplier?** ALTERNATE ORDER OF ASKING AND TICK START BOXES. SINGLE CODE PER ASPECT. **Base: All**

		Very satisfied	Fairly satisfied	Neither satisfied nor dissatisfied	Fairly dissatisfied	Very dissatisfied	No opinion/ Not stated
		%	%	%	%	%	%
❑	A Ease of contacting your supplier with questions and/or to report a problem	33	40	11	3	1	13
	B Ease of obtaining a satisfactory answer to your question/ problem	28	39	13	3	2	16
	C Accuracy of bills	36	44	7	3	2	9
	D Frequency of billing	37	47	6	1	1	8
	E Energy efficiency advice	20	33	20	4	2	21
❑	F **Overall service**	38	51	5	2	1	3

Q6. SHOWCARD B (R) AGAIN **And how satisfied or dissatisfied are you with the following from your present <u>gas</u> supplier?** ALTERNATE ORDER OF ASKING AND TICK START BOXES. SINGLE CODE PER ASPECT. Base: All with mains gas (1975)

		Very satisfied	Fairly satisfied	Neither satisfied nor dissatisfied	Fairly dissatisfied	Very dissatisfied	No opinion/ Not stated
		%	%	%	%	%	%
❑	A Ease of contacting your supplier with questions and/or to report a problem	34	40	9	3	2	12
	B Ease of obtaining a satisfactory answer to your question/ problem	31	38	11	4	3	13
	C Accuracy of bills	36	45	6	3	2	7
	D Frequency of	37	47	6	1	1	7

		billing						
	E	Energy efficiency advice	22	33	20	3	2	20
❑	F	**Overall service**	40	48	6	2	1	3

Q7 SHOWCARD C (R) **In which of these ways, if any, have you had communication with/from the new electricity or gas suppliers in this area?** Read out the letters which apply MULTICODE OK. **BASE: ALL**

		Q7 Contact
		%
A	Visited by doorstep salesperson	62
B	Telephone sales call from supplier	22
C	You have contacted the supplier to ask for information	5
D	Leaflet through the door	39
E	TV advertisement	28
F	Radio advertisement	6
G	Press advertisement (newspaper, magazines etc)	13
H	Encounter on street/shopping centre	14
I	Internet advertisement	1
J	Internet website	1
K	In store promotion/exhibition	10
L	Other (WRITE IN & CODE 'Y')	*
	Through business / my employer	*
	Letter from supplier	*
	None of these	12
	Don't know	2

PRICE

Q8 Have you seen or received any information on the gas or electricity prices that the various suppliers are currently charging?
SINGLE CODE ONLY. BASE: ALL

	%	
Yes	36	ASK Q9
No	60	GO TO Q13
Don't know	3	

Q9 SHOWCARD D (R) Where did you see or hear this information on prices? Read out the letters which apply MULTICODE OK. BASE: All who have seen / heard something on prices (825)

		%
A	Newspapers or magazine article	18
B	Which?/consumer magazine	1
C	By phoning or writing to Ofgem	2
D	Ofgem website	*
E	Other website	2
F	From my current supplier	36
G	From competitor supplier(s)	51
	Letter/Leaflet through the door	10
	In Shop/Supermarket	4
	TV	3
	Caller at door/Canvasser	2
	In the street/stand in shopping mall	1
	Other (WRITE IN & CODE '8')	1
	Can't recall	4

Q10 SHOWCARD E(R) How easy or difficult have you found it to compare the different prices available from the various electricity and gas suppliers? SINGLE CODE ONLY.
Base: All who have seen / heard something on prices (825)

	%	
Very easy	13	GO TO Q12
Fairly easy	29	
Fairly difficult	17	
Very difficult	16	GO TO Q11
Don't know	5	GO TO Q13
Never tried to compare	20	

Q11 Why do you say that? DO NOT PROMPT. MULTICODE OK.
Base: All who found it difficult to compare prices (268)

	%	
Lack of information/no information to go to	18	
Nothing to compare figures to yet	13	
Confusing/not clear	46	
None of them give you an exact price	15	
Difficult to compare like with like	36	
Always say their prices are lower	10	
Difficult to understand	22	
I don't know how much electricity or gas I use in a year, so I can't estimate the bill	3	GO TO Q13
Other (WRITE IN & CODE '9')	1	
Don't know	3	

Q12 Why do you say that? DO NOT PROMPT. MULTICODE OK.
Base: All who find it easy to compare prices (364)

	%	
Prices for different regions well set out	8	CONTINUE
Easy to understand how much standing charges and unit rates are	36	
Prices for each supplier well set out	25	
Comparison was for annual bills rather than just prices	11	
Comparison gave annual savings compared to local electricity company or British Gas	11	
Gave examples / Tables / Calculations	3	
Phoned / Spoke to Salesperson	1	
Other (WRITE IN CODE '6')	2	
Don't know	12	

Q13. Do you think the prices offered by the new electricity suppliers are higher or lower than those offered by your local electricity company, or are they about the same, or are some higher and some lower? SINGLE CODE ONLY.
Base: All respondents

	%
Higher than local company	2
About the same as local company	28
Lower than local company	22
Some are higher, some are lower	10
Not looked at information, so could not say	22
No Opinion	16

Q14. Do you think the prices offered by the new gas suppliers are higher or lower than those offered by British Gas, or are they about the same, or are some higher and some lower? SINGLE CODE ONLY.
Base: All with mains gas (1975)

	%
Higher than British Gas	3
About the same as British Gas	27
Lower than British Gas	22
Some are higher, some are lower	9
Not looked at information, so could not say	22
No Opinion	17

Switching electricity supplier

Q15. Have you changed or signed a contract to change electricity supplier? SINGLE CODE ONLY. Base: All

	%	
Yes, changed or signed contract	19	ELECTRICITY SWITCHER - ASK Q 26 – 34
No	81	ELECTRICITY NON-SWITCHER – ASK Q16 – 25

Q16 **What are your main reasons for staying with your current <u>electricity</u> supplier**? DO NOT PROMPT. MULTICODE OK.
Base: All electricity non-switchers (1396)

Q17 SHOWCARD F (R) **And which of these reasons, if any, had an influence on your decision?** MULTICODE OK.
Base: All electricity non-switchers (1396)

		Q16 Spontaneous %	Q16/Q17 Spontaneous & Prompted %
A	Unable to change	2	2
B	Tried to change but in the end didn't	1	1
C	See no reason to change/satisfied with current supplier	70	76
D	Can't be bothered/changing is too much hassle	17	27
E	Waiting to see what happens	2	8
F	Suspicious that lower prices will not be maintained	3	10
G	Suspect that other suppliers will offer poorer service than current supplier	1	5
H	Have not been approached by another supplier	2	5
I	Don't know enough about other suppliers	3	11
J	Don't trust other suppliers	2	7
K	The savings are not large enough to make it worthwhile	3	9
	Planning to move house soon/ just moved	2	2
	Payment Method	1	1
	Keep together / one company	1	1
	Local	1	1
	Want to keep separate	*	*
	Cheaper/Cheapest	1	1
	Don't know	2	10
	Other (WRITE IN & CODE 'Y')	1	1

Q18. **Why were you unable to change electricity supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All who were unable to switch electricity supplier (32)

		%
A	Told that if you are in debt you can't change supplier	21
B	New supplier did not seem interested in having me	4
C	Current supplier stopped the transfer	0
D	No suitable payment method offered	5
E	Would have had to change to direct debit	*
F	Would not have been able to continue with my present weekly budget payment scheme	7
G	Would not have been able to use prepayment meter	43
H	Had to change payment method (unspecified)	4
	Not allowed – Sheltered housing	10
	Other (WRITE IN & CODE '9')	15
	Not stated	4

Q19 Who told you this? MULTICODE OK.
Base: All who could not change electricity supplier because of debt (4)

	%
Current supplier	32
New supplier	29
Family/friends	0
Read it/heard it somewhere	0
Other (WRITE IN & CODE '5')	0
Can't recall	39

Q20 If you tried to switch but in the end didn't, what prevented you from changing electricity supplier? MULTICODE OK.

Base: All who tried to switch but didn't in the end (14)

	%
Old supplier persuaded me to stay	*
Old supplier objected to/prevented me from transferring to new supplier	0
The new supplier wouldn't let me pay by my preferred method	0
The new supplier said that I couldn't transfer because I had the wrong type of meter	9
The new supplier said that I couldn't transfer because the new supplier couldn't get the necessary information from the old supplier	5
Changed my mind / had second thoughts	19
Something went wrong in the process of transferring to new supplier and I gave up	31
Other (WRITE IN & CODE '7')	0
Can't recall/Not stated	36

ASK ALL ELECTRICITY NON-SWITCHERS

Q21. SHOWCARD G (R) **How likely are you to change your <u>electricity</u> supplier in the next 12 months?** SINGLE CODE ONLY.

Base: All electricity non – switchers (1396)

	%
Certain to	1
Very likely	1
Fairly likely	5
Fairly unlikely	15
Very unlikely	39
Certain not to	31
Don't know/Not stated	8

Q22. **If you were to change <u>electricity</u> supplier, what factors would be most important to you when choosing a new <u>electricity</u> supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All electricity non – switchers (1396)

Q23. SHOWCARD H (R) **And which 2-3 of these factors would be most important when choosing a new electricity supplier?** JUST READ OUT THE NUMBERS THAT APPLY. CODE UP TO 3 RESPONSES. MULTICODE OK.
Base: All electricity non – switchers (1396)

		Electricity Q22 Spontaneous	Q22&Q23 Spontaneous & Prompted
		%	%
A	Reduced cost of electricity	63	71
B	Quality of service	14	29
C	Experience of supplier in electricity supply	1	5
D	Well known company	2	11
E	Reliable/trustworthy company	6	17
F	Choice of convenient payment methods	2	9
G	Experience of people I know	1	3
H	Ease of switching	3	12
	Good communications / Answer Letters	1	1
	Constant Supply / No Cuts	*	*
	Able to keep meter	*	*
	None / would not change	4	4
	Safety	*	*
I	Guaranteed prices/keep prices down	8	24
	Other (WRITE IN & CODE '0')	1	1
	Don't know/Not stated	14	17

Q24. SHOWCARD I (R) **How easy or difficult do you think it is to change <u>electricity</u> supplier?** SINGLE CODE ONLY.
Base: All electricity non-switchers (1396)

	%
Very easy	33
Fairly easy	38
Fairly difficult	7
Very difficult	3
No opinion/Not stated	19

Q25. **Why do you say that it is.....** (READ OUT RESPONSE AT Q24) **to change electricity supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All those who think it is difficult to change electricity supplier (131)

	%
Causes too much admin/paperwork	24
From what I've heard it's difficult	23
Too much hassle	42
Problems with billing	18
New / Do not know how to	1
Getting accurate information	3
Do I need to have new wires?	1
Other (WRITE IN & CODE '6')	3
Don't know/Not stated	8

Q26. **What were the main reasons why you decided to change your <u>electricity</u> supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All electricity switchers (842)

Q27. SHOWCARD J (R) **And, which of these reasons, if any, influenced your decision to change your <u>electricity</u> supplier?** JUST READ OUT THE LETTERS THAT APPLY - MULTICODE OK.

		Q26 Spontaneous	Q26 & Q27 Spontaneous & Prompted
		%	%
A	Cheaper prices	70	76
B	Better service from new supplier	5	8
C	Poor service from previous supplier	4	6
D	Persuasive doorstep salesman	9	12
E	Advertising by new electricity supplier	2	4
F	Ability to buy gas and electricity from the same company	13	24
G	Wanted to take electricity from my existing gas supplier because they offered an additional discount to do so	2	6
H	Wanted to take electricity from my existing gas supplier for some other reason	1	3
I	Believed it would be easy to switch	1	6
J	Wanted to receive advice on energy efficiency	0	*
K	Only one bill for gas/electricity	7	13
	Didn't decide, tricked into it	1	1
	Payment Methods	1	1
	Better Billing	*	*
	Wanted to try new supplier	4	8
	Other (WRITE IN & CODE '1')	2	2
	Don't know/Not stated	1	7

Q28. SHOWCARD K (R) **How easy or difficult was it for you to leave your last <u>electricity</u> supplier?**
SINGLE CODE ONLY.
Base: All electricity switchers (842)

	%
Very easy	70
Fairly easy	20
Fairly difficult	3
Very difficult	4
Don't know	3

Q29 Why do you say that?
DO NOT PROMPT. MULTICODE OK.
Base: All those who found it easy to leave their last supplier (750)

	%
No problems	59
New supplier did it all	46
Only had to contact new supplier	3
It just took one phone call or visit by new supplier	4
Other (WRITE IN & CODE '5')	1
Can't recall/no answer	1

Q30 Why do you say that it was difficult to leave your last electricity supplier?
DO NOT PROMPT. MULTICODE OK.
Base: All who found it difficult to leave their last supplier (60)

	%
Caused too much admin/paperwork	23
Problems with billing/no bill yet	41
Poor communications/didn't answer letters/phone calls	28
Old supplier raised objections/made it difficult to leave	23
Something went wrong in the process of transferring to new supplier	22
I had overpaid my old supplier and it took a long time to get a refund	13
Problems with meter readings/Didn't read the meter	7
Time/took too long	2
Had problems (unspecified)	4
Other (WRITE IN & CODE '8')	3
None/no answer	0

Q31A Have you changed <u>electricity</u> supplier more than once since competition was introduced or only the once? IF YES How many times?
SINGLE CODE ONLY. Base: All electricity switchers (842)

	%
Only once	83
Twice	14
Three times	2
Four times	*
Five times plus	*
Don't know	1

Q31B Did you return to your original local electricity supplier or not?
SINGLE CODE ONLY. Base: All electricity switchers who changed electricity supplier more than once (133)

	%
Yes	44
No	56
Don't know	1

ASK ALL SWITCHERS
Q32. SHOWCARD L (R) **How likely or unlikely are you to switch <u>electricity</u> supplier again in the next 12 months?** SINGLE CODE ONLY.
Base: All electricity switchers (842)

	%
Certain to	1
Very likely	4
Fairly likely	8
Fairly unlikely	16
Very unlikely	37
Certain not to	24
Don't know/Not stated	10

Q33. SHOWCARD M (R) **How satisfied are you with the new <u>electricity</u> supplier regarding each of the following aspects?**
SINGLE CODE FOR EACH ASPECT. ALTERNATE START & TICK BOX
Base: All electricity switchers (842)

			Very satisfied	Fairly satisfied	Neither satisfied nor dissatisfied	Fairly dissatisfied	Very dissatisfied	No opinion /Not stated
			%	%	%	%	%	%
❑	A	Savings achieved on electricity bill	23	39	16	2	2	18
	B	Sales or marketing methods used by new supplier	19	45	20	3	3	10
	C	Accuracy of information received from new supplier	25	47	12	5	2	9
	D	The time taken to transfer to the new supplier	37	44	6	4	4	4
❑	E	Timeliness of new suppliers' bills	26	44	12	1	1	15

Q34. When you switched your <u>electricity</u> supplier did you receive an acceptable final bill from your old electricity supplier? If no, in what way was it unacceptable? MULTICODE OK.
Base: All electricity switchers (842)

	%
Yes received an acceptable final bill	77
No, The bill was too big	4
No, bill was too small	*
No, The bill was not based on actual reading I gave	2
Not yet received final bill	8
Given wrong information / inaccurate	1
Slow / Took too long	1
Other (WRITE IN & CODE '5')	1
Don't know/Not stated	7

Q35. Have you changed or signed a contract to change <u>gas</u> supplier?
SINGLE CODE ONLY.
Base: All on mains gas (1975)

	%
Yes, changed or signed contract	29
No	71
Don't know	0

Q36. **What are your main reasons for staying with your current <u>gas</u> supplier**? DO NOT PROMPT. MULTICODE OK.

Base: All gas non-switchers (1282)

Q37. SHOWCARD N (R) **Which of these, if any, had an influence on your decision?** JUST READ OUT LETTERS THAT APPLY. MULTICODE OK.

		Q36 %	Q36 & Q37 Spontaneous & Prompted %
A	Unable to change	2	2
B	**Tried to change but in the end didn't**	1	1
C	See no reason to change/satisfied with current supplier	73	78
D	Can't be bothered/changing is too much hassle	14	22
E	Waiting to see what happens	3	7
F	Suspicious that lower prices will not be maintained	2	10
G	Suspect that other suppliers will offer poorer service than current supplier	2	6
H	Have not been approached by another supplier	2	4
I	Don't know enough about other suppliers	4	11
	Cheaper / the cheapest	1	1
	Want to keep separate	*	*
	Payment Method	*	*
	Keep together / one company	1	1
	Planning to move house soon / just moved	1	1
J	Don't trust other suppliers	2	7
K	The savings are not large enough to make it worthwhile	2	8
	Other (WRITE IN & CODE 'Y')	1	1
	Don't know/Not stated	2	11

Q38. **Why were you unable to change gas supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All who were unable to switch gas supplier (24)

	%
Told that if you are in debt you can't change your supplier	28
Would not have been able to use prepayment meter	19
New Supplier did not seem interested in having me	12
Current supplier stopped the transfer	11
Not allowed/Sheltered Housing	6
No suitable payment method offered	4
Had to change payment method (unspecified)	4
Would not have been able to continue with my present weekly budget scheme	3
Other (WRITE IN & CODE '9')	23
Don't Know/Can't recall	1

Q39 **Who told you this?** DO NOT PROMPT. MULTICODE OK.

Base: All those who could not switch gas supplier because of a debt (6)

	%
Current supplier	46
New supplier	54
Family/friends	0
Read it/heard it somewhere	0
Other (WRITE IN & CODE '5')	0
Can't recall	0

Q40. If you tried to switch but in the end didn't, what prevented you from changing supplier? MULTICODE OK. DO NOT PROMPT
Base: All those who tried to switch but didn't in the end (14)

	%
Old supplier persuaded me to stay	0
Old supplier objected to/prevented me from transferring to new supplier	3
The new supplier wouldn't let me pay by my preferred method	9
The new supplier said that I couldn't transfer because I had the wrong type of meter	0
The new supplier said that I couldn't transfer because the new supplier couldn't get the necessary information from the old supplier	0
Changed my mind / had second thoughts	10
Something went wrong in the process of transferring to new supplier and I gave up	36
Other (WRITE IN & CODE '7')	20
Can't recall/Don't know/Not stated	21

Q41. SHOWCARD O (R) **How likely are you to change your gas supplier in the next 12 months?** SINGLE CODE ONLY.
Base: All gas non-switchers (1282)

	%
Certain to	1
Very likely	1
Fairly likely	6
Fairly unlikely	15
Very unlikely	37
Certain not to	32
Don't know/Not stated	9

Q42. **If you were to change gas supplier, what factors would be most important to you when choosing a new gas supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All gas non-switchers (1282)

Q43. SHOWCARD P (R) **And which 2-3 of these factors would be most important when choosing a new gas supplier?** JUST READ OUT THE LETTERS THAT APPLY. CODE UP TO 3 RESPONSES.

		Gas Q42 Spontaneous %	Q42 & Q43 Spontaneous & Prompted %
A	Reduced cost of gas	62	68
B	Quality of service	17	32
C	Experience of supplier in gas supply	3	8
D	Well known company	2	12
E	Reliable/trustworthy company	7	18
F	Choice of convenient payment methods	3	8
G	Experience of people I know	1	3
H	Ease of switching	4	11
	None / would not change	3	3
	Constant supply, no cuts	*	*
	Good communications / answer letters	*	*
	Safety	*	*
I	Guaranteed prices/keep prices down	8	22
	Other (WRITE IN & CODE '0')	1	1
	Don't know/Not stated	14	16

Q44. SHOWCARD Q (R) **How easy or difficult do you think it is to change gas supplier?** SINGLE CODE ONLY.
Base: All gas non-switchers (1282)

	%
Very easy	31
Fairly easy	39
Fairly difficult	6
Very difficult	3
No opinion/Not stated	21

Q45. **Why do you say that it is.....** (READ OUT RESPONSE AT Q44) **to change gas supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All who think it is difficult to change gas supplier (102)

	%
Causes too much admin/paperwork	20
From what I've heard it's difficult	26
Too much hassle	55
Problems with billing	17
Getting accurate information	2
New / do not know how to	*
Do I need to have new pipes?	1

Other (WRITE IN & CODE '6')	2
Don't know/Not stated	3

Q46. **What were the main reasons why you decided to change your <u>gas</u> supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All gas switchers (693)

Q47. SHOWCARD R (R) **And, which of these reasons, if any, influenced your decision to change your <u>gas</u> supplier?** JUST READ OUT THE LETTERS THAT APPLY - MULTICODE OK.
Base: All gas switchers (693)

		Q46 Spontaneous %	Q46 & Q47 Spontaneous & Prompted %
A	Cheaper prices	72	77
B	Better service from new supplier	4	7
C	Poor service from previous supplier	5	7
D	Persuasive doorstep salesman	9	13
E	Advertising by new gas supplier	*	1
F	Ability to buy gas and electricity from the same company	11	21
G	Wanted to take gas from my existing electricity supplier because they offered an additional discount to do so	3	8
H	Wanted to take gas from my existing electricity supplier for some other reason	1	1
I	Believed it would be easy to switch	2	5
J	Wanted to receive advice on energy efficiency	0	1
K	Only one bill for gas/electricity	6	11
	Didn't decide / tricked into it	1	1
	Better billing	*	*
	Payment methods	1	1
L	Wanted to try new supplier	3	6
	Other (WRITE IN & CODE '1')	4	4
	Don't know/Not stated	2	7

Q48. SHOWCARD S (R) **How easy or difficult was it for you to leave your last <u>gas</u> supplier?** SINGLE CODE ONLY.
Base: All gas switchers (693)

	%	
Very easy	66	GO TO Q49
Fairly easy	22	
Fairly difficult	5	GO TO Q50
Very difficult	4	
No opinion/Not stated	3	GO TO Q51A

Q49. **Why do you say that it was easy to leave your last gas supplier?** PROBE FULLY. WRITE IN. MULTICODE OK.
Base: All who found it easy to leave last supplier (616)

	%
No problems	58
New supplier did it all	45
Only had to contact new supplier	4
It just took one phone call or visit by new supplier	7
Other (WRITE IN & CODE ‘5’)	*
Don’t recall/Not stated	2

Q50. **Why do you say that it was...... difficult to leave your last gas supplier?** PROBE FULLY. WRITE IN. MULTICODE OK.
Base: All who found it difficult to leave their last supplier (59)

	%
Caused too much admin/paperwork	9
Problems with billing/no bill yet	34
Poor communications/didn’t answer letters/phone calls	21
Old supplier raised objections/made it difficult to leave	26
Something went wrong in the process of transferring to new supplier	12
I had overpaid my old supplier and it took a long time to get a refund	10
Problems with meter readings / didn’t read the meter	10
No contact / still waiting	4
Had problems (unspecified)	8
Other (WRITE IN & CODE ‘8’)	8
None/Not stated	3

Q51a Have you changed gas supplier more than once since competition was introduced or only the once? IF YES How many times? SINGLE CODE ONLY.
All gas switchers (693)

	%
Only once	79
Twice	16
Three times	3
Four times	1
Five times plus	0
Don’t know/Not stated	1

Q51b Did you return to British Gas? SINGLE CODE ONLY.
All those who have switched more than once (159)

	%
Yes	48
No	52
Don't know	0

Q52. SHOWCARD T (R) **How likely or unlikely are you to switch gas supplier again in the next 12 months?** SINGLE CODE ONLY. All gas switchers (693)

	%
Certain to	1
Very likely	2
Fairly likely	8
Fairly unlikely	16
Very unlikely	37
Certain not to	28
Don't know/Not stated	8

Q53. SHOWCARD U (R) **How satisfied are you with the new gas supplier regarding each of the following aspects?**
SINGLE CODE ONLY. ALTERNATE START
Base: All gas switchers (693)

		Very satisfied	Fairly satisfied	Neither satisfied nor dissatisfied	Fairly dissatisfied	Very dissatisfied	No opinion /Not stated
		%	%	%	%	%	%
❑	A Savings achieved on gas bill	30	38	13	2	1	15
	B Sales or marketing methods used by new supplier	22	45	21	3	2	7
	C Accuracy of information received from new supplier	27	48	10	4	3	8
	D The time taken to transfer to the new supplier	38	44	5	4	4	5
❑	E Timeliness of new suppliers' bills	31	42	8	2	3	13

Q54 When you switched your gas supplier did you receive an acceptable final bill from your old gas supplier? If no, in what way was it unacceptable? MULTICODE OK.
Base: all gas switchers (693)

	%
Yes received an acceptable final bill	78
No, The bill was too big	5
No, bill was too small	*
No, The bill was not based on actual reading I gave	3
Took too long/slow	1
Given wrong information / wrong / inaccurate	2
Other (WRITE IN & CODE '5')	2
Don't know/Not stated	5

METHOD OF PAYMENT - ELECTRICITY (ASK ALL)

Q55. SHOWCARD V (R) **In which of these ways do you normally pay for your <u>electricity</u>? (If you have signed a contract to change supplier, which method will you use?). Please read out the letters which apply**
SINGLE CODE ONLY.
Base: All respondents (2238)
ELECTRICITY SWITCHERS ONLY (CODE 1 AT Q15). OTHERS GO TO Q57

Q56. SHOWCARD V (R) AGAIN **And how did you pay before you changed <u>electricity</u> supplier?**
SINGLE CODE ONLY.
Base: All electricity switchers (842)

		Q55 Current %	Q56 Past %
	Quarterly		
A	-Cash/cheque	26	31
B	-Direct debit	13	17
C	-Standing order	1	1
	Monthly		
D	-Cash/cheque	2	3
E	-Direct debit	33	29
F	-Standing order	2	2
G	Regular weekly/fortnightly cash scheme	2	2
H	Budget card/budget plan/pay as you go	4	4
I	Prepayment meter (card, key or token)	16	7
	Coin meter/money in the slot	*	0
J	Other (WRITE IN & CODE '0')	1	1
	Don't know/Not stated	*	4

Q57. **WHY DO YOU PAY YOUR ELECTRICITY BILL BY. . . .** (READ OUT RESPONSE AT Q55) DO NOT PROMPT. MULTICODE OK.
Base: All respondents (2238)

	%
Easy/Convenient	68
Best way of budgeting	27
Dislike Direct Debit	5
Have control over payments	10
Pay when bill arrives	3
Always paid in this way	11
Pay for what I have used, when I have used it	4
Cheaper	8
It was already here when I moved in	2
Unable to pay by direct debit	1
Not allowed to pay by direct debit	*
Other (WRITE IN & CODE 'Y')	1
Don't know	1

Q58. SHOWCARD W(R) **Overall, how satisfied or dissatisfied are you with the method you use to pay for electricity?** SINGLE CODE ONLY.
Base: All respondents (2238)

	%
Totally satisfied	47
Very satisfied	39
Fairly satisfied	10
Neither satisfied nor dissatisfied	1
Fairly dissatisfied	1
Very dissatisfied	*
Totally dissatisfied	*
Don't know	1

METHOD OF PAYMENT - GAS (ASK ALL ON MAINS GAS - CODE 1 AT QD). OTHERS GO TO Q63

Q59. SHOWCARD X (R) **In which of these ways do you normally pay for your gas? (If you have signed a contract to change supplier, which method will you use?). Read out the letters which apply** SINGLE CODE ONLY.
Base: All on mains gas (1975)
GAS SWITCHERS ONLY (CODE 1 AT Q35). OTHERS GO TO Q61

Q60. SHOWCARD X (R) AGAIN **And how did you pay before you changed gas supplier?** SINGLE CODE ONLY.

		Gas Q59 Current %	Q60 Past %
	Quarterly		
A	-Cash/cheque	28	35
B	-Direct debit	14	12
C	-Standing order	1	1
	Monthly		
D	-Cash/cheque	3	3
E	-Direct debit	32	29
F	-Standing order	2	1
	Coin meter / money in the slot	*	
G	Regular weekly/fortnightly cash scheme	3	3
H	Budget card/budget plan/pay as you go	7	4
I	Prepayment meter (card, key or token)	9	4
J	Other (WRITE IN & CODE '0')	1	1
	Don't know/Not stated	1	6

Q61. **WHY DO YOU PAY YOUR GAS BILL BY. . . .** (READ OUT RESPONSE AT Q59) DO NOT PROMPT. MULTICODE OK.
Base: All on mains gas (1975)

	%
Easy/Convenient	70
Best way of budgeting	26
Dislike Direct Debit	4
Have control over payments	7
Pay when bill arrives	4
Always paid in this way	11
Pay for what I have used, when I have used it	3
Cheaper	7
It was already here when I moved in	1
Unable to pay by direct debit	*
Not allowed to pay by direct debit	*
Other (WRITE IN & CODE 'Y')	1
Don't know/Not stated	4

Q62. SHOWCARD Y (R) **And overall, how satisfied are or dissatisfied you with the method you use to pay for gas?**
SINGLE CODE ONLY.
Base: All on mains gas (1975)

	%
Totally satisfied	46
Very satisfied	37
Fairly satisfied	10
Neither satisfied nor dissatisfied	1
Fairly dissatisfied	2
Very dissatisfied	1
Totally dissatisfied	1
Don't know/Not stated	2

ASK ALL

Q63. SHOWCARD Z (R) **Using the answers on this card, can you tell me if you agree or disagree with the following statements?** READ OUT ROTATE ORDER. TICK START.
SINGLE CODE FOR EACH STATEMENT.
Base: All respondents (2238)

			Strongly agree	Tend to agree	Neither	Tend to disagree	Strongly disagree	Don't know/no opinion	Not applic-able
			%	%	%	%	%	%	%
❑	A	**I am often unable to pay for my electricity or gas within the time required**	1	4	2	7	70	1	14
❑	B	**I currently have an outstanding debt with my electricity or gas supplier which is more than 6 months old**	2	2	1	4	76	2	14

ELECTRICITY PPM SECTION –
ASK ALL WITH ELECTRICITY PREPAYMENT METER, ITEM 9 AT Q55.
OTHERS GO TO FILTER AT Q68

Q64. **Have you been informed at any time that you could go back to a normal credit electricity meter?** SINGLE CODE ONLY.
Base: All electricity PPM customers (301)

	%
Yes	35
No	60
Don't know/Not stated	5

Q65. If the option to go back to a normal credit electricity meter was offered to you at no charge would you take it? SINGLE CODE ONLY.
Base: All electricity PPM customers (301)
ASK Q66 IF NO/DON'T KNOW AT Q65 (CODES 2 OR 3). OTHERS GO TO FILTER Q67

Q66. And if this option meant a reduction in the price you had to pay for electricity, would you take it? SINGLE CODE ONLY.
Base: All electricity PPM customers who would not return to a normal credit meter of no extra charge (259)

	Q65 No charge %	Q66 Reduction in price %
Yes	10	21
No	80	61
Don't know/Not stated	10	18

Q67. SHOWCARD AA (R) **How would you pay for your electricity if you did change back to a normal electricity credit meter?** SINGLE CODE ONLY.
Base: All who would change to a normal credit electricity meter (84)

		%
A	Quarterly Bills/standing order	16
B	Monthly Direct Debit	32
C	Weekly/fortnightly cash payment scheme	25
D	Budget plan/budget card/more frequent cash method	19
E	Fuel direct/deductions from income support	*
F	Saving stamps	2
G	Other (WRITE IN & CODE '7')	1
	Don't know/Not stated	6

GAS PPM SECTION, ASK ALL WITH A GAS PREPAYMENT METER, ITEM 9 AT Q59. OTHERS GO TO Q72

Q68. **Have you been informed at any time that you could go back to a normal credit gas meter?** SINGLE CODE ONLY.
Base: All gas PPM customers (150)

	%
Yes	34
No	61
Don't know/Not stated	5

Q69. If the option to go back to a normal credit gas meter was offered to you at no charge would you take it? SINGLE CODE ONLY.
Base: All gas PPM customers (150)
IF NO/DON'T KNOW AT Q69 ASK Q70. OTHERS GO TO FILTER AT Q71
Q70. And if this option meant a reduction in the price you had to pay for gas, would you take it? SINGLE CODE ONLY.
Base: All gas PPM customers who would not return to a normal credit meter at no extra charge (130)

	Q69 No charge %	Q70 Reduction in price %
Yes	13	15
No	76	67
Don't know/Not stated	11	18

ASK Q71 IF YES (CODE 1) AT EITHER Q69 OR Q70. OTHER GO TO Q72
Q71. SHOWCARD AA (R) AGAIN **How would you pay for your gas if you did change back to a normal gas credit meter?** SINGLE CODE ONLY.
Base: All PPM customers who would change to a normal credit gas meter (41)

		%
A	Quarterly Bills/standing order	9
B	Monthly Direct Debit	24
C	Weekly/fortnightly cash payment scheme	22
D	Budget plan/budget card/more frequent cash method	28
E	Fuel direct/deductions from income support	4
F	Saving stamps	1
	Other (WRITE IN & CODE '7')	0
	Don't know/Not stated	12

SERVICE STANDARDS/STANDARDS OF PERFORMANCE – ASK ALL

ASK ALL

Q72. SHOWCARD BB (R) For each of the following aspects of electricity and gas customer service, could you tell me using this card, how important it is to you personally?
SINGLE CODE FOR EACH ASPECT. ALTERNATE START
Base: All respondents (2238)

			Essential	Very important	Fairly Important	Not very Important	Not at all Important	Don't know/ Not stated
			%	%	%	%	%	%
❑	A	Getting the supply back quickly if it is cut off	56	40	3	*	*	1
	B	Warning me that the supply is likely to go off	47	47	5	*	0	1
	C	Providing supplies to new customers quickly and efficiently	24	53	15	2	2	3
	D	Giving prompt estimates for simple jobs, like moving the meter	15	50	25	4	2	4
	E	Responding quickly to prepayment meter faults	22	28	10	2	10	27
	F	Responding quickly to queries about my bill	21	58	16	1	1	3
	G	Making and keeping appointments	32	57	9	1	*	1
	H	Telling me when I am entitled to a compensation payment	31	50	14	2	*	3
	I	Carrying out meter readings at least annually	26	45	20	5	2	2
	J	Carrying out meter readings at least quarterly	17	38	28	12	4	2
	K	Responding quickly to letters	16	57	23	1	1	3
❑	L	Answering the telephone quickly and efficiently	27	58	13	1	*	1

Q73. SHOWCARD CC (R) Which one of these aspects is <u>most</u> important should things go wrong with your gas or electricity supply? SINGLE CODE ONLY.
Base: All respondents (2238)

		%
A	Good, clear information, at the time	17
B	Prior information on the level of service that you are entitled to expect	3
C	Sympathetic personal contact, initiated by the company	3
D	Automatic compensation	2
E	An apology	2
F	Follow-up information on what is being done to prevent something similar from happening in the future	4
G	Being able to get through easily on the telephone	11
H	Putting the problem right quickly	57
	All equal importance	4
	Don't know/Not stated	1

Q74. SHOWCARD DD (R) (showing full question wording) Currently, all electricity and gas companies have to meet various minimum standards of performance set by Ofgem, the regulator. These govern things like, how quickly the supplier must restore supply after a power cut, how often they need to read the meter and so on. One option for the future might be to abolish such minimum standards of performance and instead for Ofgem to publish the actual performance of the different suppliers on various performance criteria, to enable customers to choose their suppliers on this basis. This might, for instance, mean that different suppliers offer different levels of service and that this is reflected in their pricing structure – lower levels of service and lower prices, vs higher levels of service and higher prices.

Which of these two options would you prefer: SINGLE CODE ONLY.
Base: All respondents (2238)

		%	
A	To keep the current minimum standards of performance for all suppliers	67	GO TO Q75
B	To abolish these minimum standards of performance and, instead, for Ofgem to publish the actual performance of each supplier on various criteria	23	GO TO Q76
	No preference	5	
	Don't know	5	

Q75. If you had the choice between the current minimum standards for all suppliers and cheaper electricity and gas, what level of price reduction, if any, would make it worthwhile dropping the minimum standards of performance for all suppliers? SINGLE CODE ONLY.
Base: All those who want to keep current standards (1491)

	%
1%-4%	*
5%-9%	1
10%-14%	4
15%-19%	1
20%-24%	5
25%-34%	5
35%-44%	2
45%-54%	3
55%+	1
Nothing	48
Anything	3
Don't know	28

Q76. How many electricity power cuts have you noticed the last year? This includes all power cuts, from those which last only a few minutes, to those which last several hours/days?
Base: All respondents (2238)

	%
1	20
2	14
3	6
4	3
5-9	3
10-14	1
15-19	*
20-29	*
30-39	*
40+	*
None	49
Don't know how many, but have noticed some	3
Not stated	1

Q77a. SHOWCARD EE (R) Electricity cannot be guaranteed to be provided all the time because, for example, severe weather can damage equipment. Given that this is the case, please tell me which of the following would it be most important for the companies to do? SINGLE CODE ONLY.
And which would be next most important? SINGLE CODE ONLY.

Q77b. Base: All respondents (2238)

		Q77a %	Q77b %
A	Reduce the number of power cuts	27	38
B	Reduce the length of time that the power cuts last	49	30
C	Improve the way the electricity company responds to your questions about the power cut	12	17
	All of equal importance	10	8
	Don't know/Not stated	2	6