Experience of the competitive domestic electricity and gas markets

Research study conducted for Ofgem by MORI

November 2001

Summary

Progress of Competition

- Proportionately, electricity switching has increased at a faster rate than gas during the past 12 months - 38% of domestic customers now say they have switched electricity supplier compared to 37% of gas customers who say they have switched gas supplier.
- Some groups previously underrepresented among switchers (e.g. those paying by prepayment meter, very low income earners and ABs) have switched at a faster rate over the past year
- Nonetheless, certain demographic groups (eg pensioner only households) continue to trail behind

Energy Suppliers

- Awareness of different suppliers continues to grow
- Despite British Gas maintaining the largest share of familiarity, it has not developed awareness further
- Overall satisfaction with current electricity and gas suppliers remains extremely high - with less than 5% being dissatisfied
- Doorstep selling remains a key source of contact for customers - although less so for rural residents

Energy Prices

- Only a third have succeeded in making their own price comparisons between the different prices charged by the various suppliers.
- Of those that have made their own price comparisons, or been given price comparisons from suppliers, just over half feel informed about the prices available - more than one in ten do not feel at all informed
- Customers still rely heavily on pricing information provided by competitor and current suppliers
- When comparing prices, many customers still find it confusing and generally quite difficult

Switching

- Price continues to be the key factor in motivating customers to switch
- However, the benefits offered by other factors, particularly Dual Fuel (81% of switchers now take gas and electricity from the same company), are an increasing driver for switching
- Most switchers find it easy to switch and the little time taken to switch suppliers is a key source of satisfaction
- Slightly fewer multiple switchers are returning to their local ex-PES supplier than previously, although British Gas continues to win back some of its old customers
- Most returning to their original supplier do so as they believe the prices and quality of service are better

Non Switching

- Only a small minority have "tried and failed" - 3%. Reasons behind the failure are attributable to the new supplier, the old supplier and customer
- Most non switchers do not change supplier as they do not see a reason to do so - very few think they are unable to change
- Non switchers perceive the process as more difficult than switchers find it is in reality - they are particularly put off by the "hassle" factor. Nonetheless, most non switchers do think it is easy to switch.
- The main motivator for non switchers to switch is price - although it is less of a motivator than in 2000. Quality of service and trustworthiness are becoming increasingly important factors

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MORI/14944

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1 Preface

Background

1.1 The domestic gas market was first opened to competition in 1996 and by May 1998 was fully open across all of Great Britain. One year later (May 1999), the domestic electricity market was also fully open to competition. During this period, Ofgem – the gas and electricity regulator – has researched the effects of the competition and customers' experiences of energy suppliers. This research includes tracking the opinions of domestic customers. This report summarises the findings from the 2001 survey.

Survey objectives

1.2 The overall aim of the survey in 2001 was to review the competitive energy market - assessing how it is serving domestic electricity and gas customers nation-wide. Within this main objective, individual requirements included:

- an evaluation of how the competitive market is developing, looking at its impact on certain groups of customers, including the "disadvantaged";
- a measurement of customers' awareness, understanding and experience of the market and information sources;
- an investigation into the reasons behind switching/not switching, examining previous experiences of the process - failed and successful;
- an identification of any differences between the gas and electricity markets (eg service levels);
- a review of the findings in context with the 2000 research - highlighting significant differences.

Methodology

1.3 MORI conducted 2,310 interviews with domestic electricity and gas customers during August and September 2001. 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 customers in Scotland was boosted to allow for separate analysis (557 customers in Scotland were interviewed in total). Unlike previous years, the proportion of switchers (customers who have changed supplier) was not needed to be boosted, due to the growth of customers who have switched. All interviews were conducted face-to-face, in-home, between 13 August and 26 September 2001.

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. Unlike previous years, the data were **not** weighted to Ofgem's estimate of the percentage of electricity switchers (those who have already switched electricity supplier) and non-British Gas Trading customers (gas switchers), since these customers were not boosted this year. Data processing was carried out by Independent Data Analysis.

1.5 The survey questionnaire, together with the aggregate survey results, is included in the appendices.

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.

1.8 For explanation of some of the definitions and classifications used throughout the report, please refer to the section labelled "Definitions" in the appendices.

Publication of data

1.9 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 By the end of summer 2001, the proportions who had switched supplier in the gas and electricity markets had risen to 37% and 38% respectively. The electricity market, despite being opened for competition later than gas, has now caught up in terms of the extent of switching activity. Furthermore, consumer experiences are similar in both markets.

Energy suppliers

2.2 Satisfaction with suppliers continues to be overwhelmingly high across different service areas, with no more than 3% dissatisfied, and is closely comparable with last year. When compared to other service industries, gas and electricity suppliers continue to deliver service at greater levels of satisfaction than the average. People who have switched supplier tend, as previously, to be slightly less satisfied than those who have not. This may be linked to higher expectations or to simply having a benchmark for comparison.

2.3 The greatest satisfaction surrounds the frequency and accuracy of bills. Slightly fewer customers are satisfied with the way queries are answered and the energy efficiency advice given, though this is more due to lack of experience than actual dissatisfaction.

2.4 Awareness of different suppliers remains high – eight in ten are aware of at least two electricity suppliers, and seven in ten are aware of at least two gas suppliers. Customers who have switched supplier (in either market) are more likely to be aware of four or more suppliers. British Gas continues to be the main contender in both markets and has both the highest levels of awareness and more customers than any other supplier, although other suppliers are narrowing the gap. Awareness levels do not differ markedly between customer groups.

2.5 Most customers wait to be contacted by suppliers, rather than taking the initiative themselves – only 5% seek out information from alternative suppliers themselves. Most have been contacted by doorstep salespersons and this continues to be an effective medium to persuade people to change supplier. Leaflets posted through the door, telesales and TV advertisements all continue to be important methods, but a particular growth area is canvassing in shopping centres and on streets.

Energy prices

2.6 There is much ignorance and apparent confusion about the different prices offered by gas and electricity suppliers and only one third of customers have succeeded in making their own comparisons. In fact, half of switchers appear to have changed supplier without directly making their own comparisons. On the whole, customers appear to rely most on suppliers' own information and price comparisons – two-thirds have been approached by suppliers telling them how their prices compare. Very few consult independent bodies such as Which? or Ofgem for pricing information.

2.7 Only half of those who have been approached or who feel able to make comparisons also feel well informed about the different prices on offer and just two in five describe it as easy to compare prices.

2.8 There is no consensus about how new suppliers' prices compare to the incumbents – British Gas and the local ex-PES suppliers. A common answer is that they are about the same, and only one in five are convinced they are all lower. One third do not know how they compare.

Switching and non-switching

2.9 Approximately equal proportions of customers have now switched supplier in the gas and electricity markets – just under two in five. Much switching activity took place in the last three months, though some of this could be multiple, rather than fresh switching.

2.10 The incidence of switching electricity supplier among disadvantaged groups is, this year, much closer to that of the population as a whole. A similar process is apparent in the gas market, though it is less pronounced. Switching rates among customers who pay by prepayment meter have caught up with, or are approaching, those paying by cash or cheque. They continue to lag behind direct debit payers in their propensity to switch, but have closed the gap considerably since last year.

2.11 Geographically, Scotland lags behind England and Wales in electricity switching, though not in gas. The proportions of switchers, in electricity and gas, varies widely across the 14 PES areas and are lowest in the London Electricity area and highest in the Northern Electric area (gas) and the East Midlands Electricity area (electricity).

2.12 Seeking lower prices continues to be the main driver behind customers' decisions to change supplier - more than three-quarters cite this as a reason. However, other factors are becoming increasingly important. In particular this focuses on the continued rise in importance of dual fuel offerings - the ease of having one supplier, possibility of one bill and the discounts gained from converting to dual fuel. The desire to obtain better service is also increasingly a factor, as is the persuasiveness of the salesperson.

2.13 Non-switchers are likely to be motivated by similar attributes, with price and quality of service being the key factors (64% and 40% mentioning these respectively). However, lower prices are less of a priority than last year and price guarantees are becoming increasingly important (mentioned by 29%). Another factor growing in importance is the ability to buy fuel from a well known and trusted supplier – a concern perhaps linked to the mergers and name changes across both markets.

2.14 The main reason why non-switchers have decided not to switch continues to relate to the fact they see no reason to change as they are satisfied with their current supplier. Many non-switchers also think it will be too much hassle, with lots of paperwork involved – although switchers do not find this to be true in reality. That said, most switchers and non-switchers believe it is easy to switch and only a tiny minority have actually tried and failed to switch supplier.

2.15 Switchers are content with the service offered by their new supplier and seven in ten feel their expectations have been met. However, only 5% believe their expectations have been exceeded, so there remains room for improvement. Just 8% of electricity switchers and 9% of gas switchers feel the new company has failed to meet their expectations. Satisfaction is highest with the speed with which the transfers are made and the timeliness of the bills. Slightly fewer are satisfied with the savings achieved since switching, although this is more likely related to lack of knowledge than actual dissatisfaction. Very few switchers are dissatisfied with aspects of the change to their new supplier – with no more than one in ten showing signs of grievance in any area.

2.16 The proportion of multiple switchers continues to grow as the market becomes more mature, and, in view of the proportion of switchers likely to switch again in the next year, this is unlikely to slow down in the next 12 months. Fewer are returning to their local electricity supplier than last year, though British Gas continues to win back some of its old customers – particularly older customers.

Methods of payment

2.17 Direct debit continues to be the most popular way of paying for electricity and gas bills, with half paying by this method. In addition, there has been a shift from quarterly direct debit to monthly direct debit. Many disadvantaged groups continue to favour prepayment meters.

2.18 The majority of customers (95% gas and 96% electricity) are satisfied with their method of payment. Even prepayment meter customers are so satisfied with their meters that only three in ten would change their method of payment, even if it meant a reduction in price. Most customers are content with their current method because it fits their lifestyle – either through its convenience to them or its aid in budgeting.

3 Awareness of electricity and gas suppliers

3.1 As the competitive market matures, customers become a little more familiar with the different companies supplying electricity and gas. Over three-quarters (77%) electricity customers are aware of at least two suppliers, although over a third (35%) now recognise four or more electricity suppliers – the latter signifying a slight increase (three percentage points) on last year.

3.2 Compared to electricity, gas customers continue to be a little less aware of the different suppliers (69% are aware of at least two). Nonetheless, a quarter (23%) of gas customers are aware of four or more suppliers – an improvement (six percentage points) on 2000.

3.3 This said, just over a quarter (27%) of gas customers and one fifth (19%) of electricity customers are still only able to cite one supplier (presumably British/Scottish Gas in the case of gas and their local ex-PES supplier with respect to electricity).

Awareness Of Electricity & Gas Suppliers

	2000 Awareness					2001 Awareness			
	Gas*		Elec**	No. of mentions	Gas*		Elec**	
	29%		19%	1 Supplier	27%		19%	
	33%		25%	2 Suppliers	27%		24%	
68%	18%	78%	21%	3 Suppliers	19%	69%	19%	77%
	17%		32%	4+ Suppliers	23%		35%	

*Base: All on mains gas (c1,938)
**Base: All electricity customers (c2,310)

Source: MORI

3.4 As in 2000, exposure to other suppliers through the switching process does, unsurprisingly, make switchers more aware of the different companies competing in the market. Indeed, nearly half (48%) of all electricity switchers are able to recognise four or more suppliers, compared to just over one quarter (27%) of all electricity non-switchers.

3.5 The same is true of gas switchers, among whom nearly a third (31%) are aware of four or more suppliers, compared to under one fifth (18%) of all gas non-switchers.

3.6 Apart from switchers, other electricity customers who have higher levels of awareness (able to recognise four or more suppliers) than the average include, customers living in the MANWEB region (58%), households with a high income (47%), younger bill payers (41%), customers paying by direct debit (39%) and customers with high electricity bills (39%).

3.7 A very similar pattern is found with gas, where MANWEB residents (59%), households with a high income (33%), younger bill payers (29%) and customers paying by direct debit (28%) are more likely to be aware of four or more suppliers. Interestingly, it is the medium-sized gas bill payers who are more likely to be able to cite four or more suppliers, not the high group, as found with electricity.

3.8 Apart from electricity non-switchers, customers most likely to be aware of only one electricity supplier include people aged 65+ (35%), households on very low incomes (28%), customers living in Scotland (26%) and DEs (23%).

3.9 When comparing this profile to gas, we see a similar, yet not identical, picture. Indeed, looking at the profile of gas customers most likely to be aware of only one supplier, it is the low (40%), not very low (28%), income earners who are least aware compared to the average (27%). Similarly, there is no significant difference between customers living in Scotland (24%) and the rest of Great Britain (27%) as to whom is more likely to name only one gas supplier. Nonetheless, generally speaking, the profiles match those of electricity, with over 65s (42%) and DEs (33%) also being more likely to name only one gas supplier.

Awareness of electricity and gas suppliers – prompted

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

	Gas*		Electricity**	
	2000	**2001**	**2000**	**2001**
	%	%	%	%
British/Scottish Gas	87	87	61	61
Powergen	19	24	35	36
Scottish Power	14	18	23	28
Norweb Gas/ENERGI	15	17	20	19
Npower/Npower Direct/Independent Energy	10[A]	16	17[A]	22
Eastern Elec/Natural Gas/Eastern Energy	10[B]	14	19[B]	21
Southern Electric/Southern Electric Gas	8	11	16	17
Northern Electric & Gas	9	10	12	11
Seeboard/Beacon Gas	5[C]	10	14[C]	14
Yorkshire Elec	8	7	12	13
Manweb	6	7	12	12
Amerada/Amerada.co.uk/Midlands Gas	3[D]	6	5[D]	6
London Elec	4	6	12	13
SWALEC/SWALEC Gas	8	5	9	6
SWEB/SWEB Gas	5	5	8	8
Virgin	*	4	1	5
Scottish Hydro/Scottish and Southern Energy	3	3	6	6
York Gas	2	2	1	1
The Gas Supply Co	1	2	1	1
Northern Energy/Energy Supplies UK	1	2	3	3
Cambridge Gas Co	1	2	1	1
Energy Supplies UK	*[E]	1	1[E]	2
Countrywide Gas	1	1	*	*
Western Gas	N/A	1	N/A	1
North Wales Gas/Energy	1	1	1	1
Severn Trent Energy	N/A	1	N/A	3
Gas West	1	1	1	*
Atlantic Electricity & Gas Imperial Power	N/A	1	N/A	1
Enron Direct	*[F]	*	1[F]	*
Servista	*	*	*	*
Midlands Shires Farmers	*	*	1	*
Utility link	*	*	*	*
Don't know	3	4	2	4

* Base: All respondents on mains gas (c1,938)
** Base: All respondents (c2,310) ***Source: MORI***

[A] Npower only, [B] Eastern Elec & Natural Gas only, [C] Seeboard only, [D] Amerada only,
[E] Includes Enron direct, [F] Includes Energy Supplies UK

3.10 British/Scottish Gas continues to reign above all other suppliers – in both the electricity and gas markets. However, awareness of the company has not increased since last year – whereas some of the other suppliers have seen a small increase in awareness. Powergen continues to chase British/Scottish Gas in awareness terms, although with just over a third (36%) recognising it for electricity supply and a quarter (24%) for gas, it is still some way behind.

3.11 Despite British/Scottish Gas not increasing its awareness, it continues to win over electricity customers (20% currently take their electricity from British/Scottish Gas, compared to 14% last year). At the same time, its share of the gas market has fallen slightly from a year ago.

4 Satisfaction with current supplier

Overall satisfaction

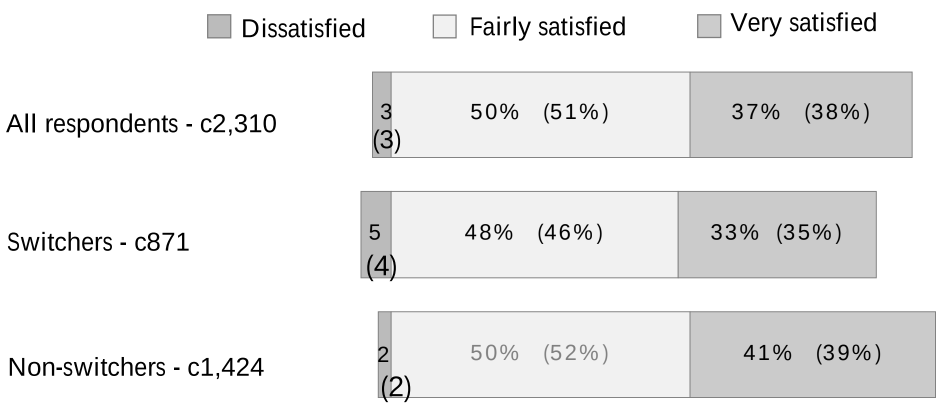
4.1 Overall satisfaction with suppliers remains extremely high, with nearly nine in ten satisfied throughout and very few customers (3% electricity and 4% gas) dissatisfied with the level of service provided. This is consistent with satisfaction levels in 2000.

4.2 Customers most likely to be very satisfied with the overall level of service provided by their supplier tend to be non-switchers (41% electricity, 41% gas), pensioner only households (47% electricity, 48% gas) and disabled customers (49% electricity, 46% gas).

4.3 Customers most likely to be dissatisfied (very or fairly) are switchers (5% electricity, 6% gas), non-switchers likely to change supplier in the future (10% electricity, 17% gas) and customers with high fuel bills (5% electricity, 8% gas). Customers who have difficulty in paying on time and/or are in debt, are also more likely to be dissatisfied (16%) with their current gas supplier – although it is important to remember that this dissatisfaction still represents the minority opinion.

Satisfaction With Current Electricity Supplier

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



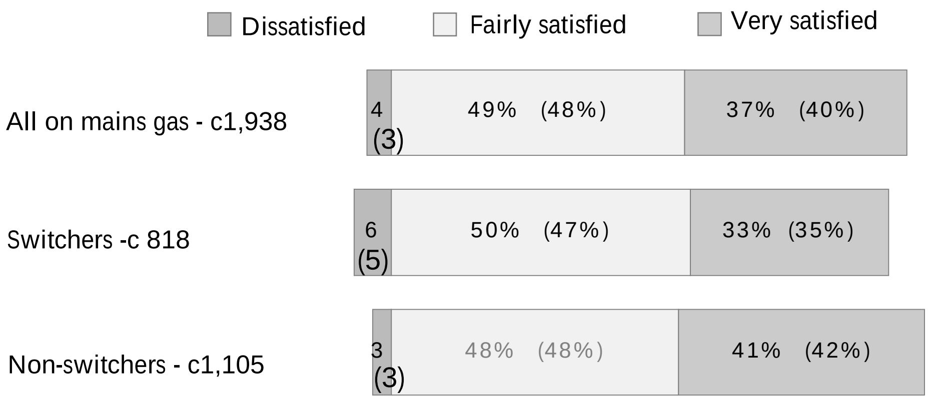
(2000 figures in brackets)

Base: Indicated adjacent to each group

Source: MORI

Satisfaction With Current Gas Supplier

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



(2000 figures in brackets)

Base: Indicated adjacent to each group

Source: MORI

4.4 To put the findings in context, it is useful to compare the satisfaction ratings of electricity and gas suppliers with those of other services in the private and public sectors. The following figures are taken from MORI's People's Panel (Spring 2000)[1] and are based on 1,086 face-to-face interviews with panel members. By making these comparisons, it is evident that gas and electricity suppliers are outshining other core services (by far, in some cases).

Q How satisfied or dissatisfied are you with the quality of ...?

Base: All general public (1,086)	**Very Satis-fied**	**Fairly Satis-fied**	**Neither**	**Fairly Dissat-isfied**	**Very Dissat-isfied**	**No opinion**
	%	*%*	*%*	*%*	*%*	*%*
Child support Agency	5	35	19	24	17	1
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

Source: MORI

[1] Data are not available for 2001, as they have not been updated since Spring 2000.

Q How satisfied or dissatisfied are you with the quality of ...?

Base: All general public (1,086)	Very Satis-fied	Fairly Satis-fied	Neither	Fairly Dissat-isfied	Very Dissat-isfied	No opinion
	%	%	%	%	%	%
The Courts	8	41	29	14	2	7
Train companies	8	50	17	16	6	3
In comparison						
Gas 2001	**37**	**49**	**6**	**2**	**2**	**2**
Electricity 2001	**37**	**50**	**6**	**2**	**1**	**3**

Source: MORI

Satisfaction with aspects of service

4.5 When considering specific aspects of service provided by electricity and gas suppliers, customers continue to be overwhelmingly positive (as found in 2000). Once again, the perceived level of service is uniform in both the electricity and gas markets.

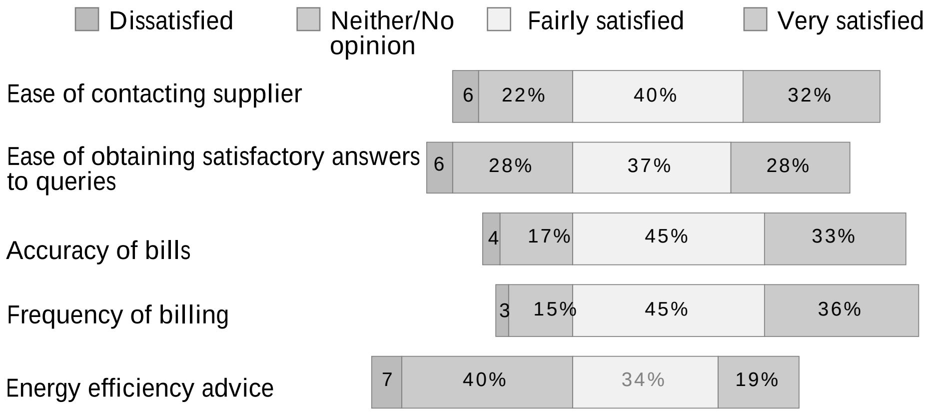
4.6 Customers remain most positive about the billing system – accuracy and frequency – where at least a third are still very satisfied. It should be noted that when rating these aspects, customers are likely to be more informed, as they experience the process on a regular basis, unlike perhaps “contacting the supplier” where their rating may be based on little or no actual experience.

4.7 Nonetheless, the majority of customers are positive about their experience of contacting their supplier, with three-quarters stating they are satisfied (a third very satisfied) about how easy it is. Slightly fewer are satisfied with the ease of obtaining satisfactory answers to their queries, but on the whole most (two-thirds) are satisfied – this is true for both electricity and gas customers.

4.8 Fewer electricity and gas customers are satisfied with the energy efficiency advice given to them by their current supplier, although this lower satisfaction is not a result of higher dissatisfaction, but a lack of experience - presumably customers cannot comment either way because they have not received, or tried to obtain, such advice to date.

Satisfaction With Current Electricity Supplier

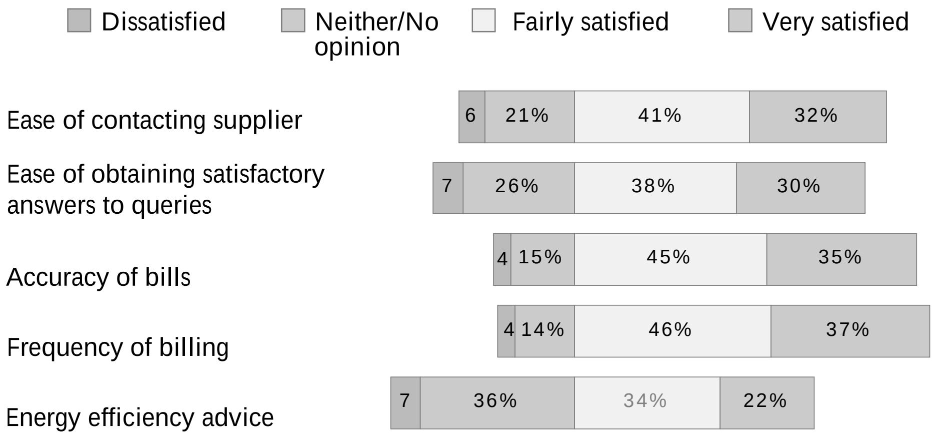
Q *How satisfied or dissatisfied are you with the following from your present electricity supplier?*



Base: All respondents (2,310) 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 (1,938) Source: MORI

5 Contact with electricity and gas suppliers

5.1 Doorstep selling remains the main source of contact for customers finding out about different suppliers - three in five continue to receive information in this way. Similarly, leaflets posted through the door are still a popular medium among suppliers – with a third of customers recalling this approach (although this is slightly fewer than last year). Telephone sales calls are also growing steadily in popularity as a way of reaching potential customers, but this is not such a growth area as it was two years ago – the telephone preference service (TPS)[2] may be a reason for its deceleration. Shopping centre/on-street canvassing also appears to be a growing way of reaching customers, with nearly one fifth receiving information in this manner (a four percentage point increase on 2000).

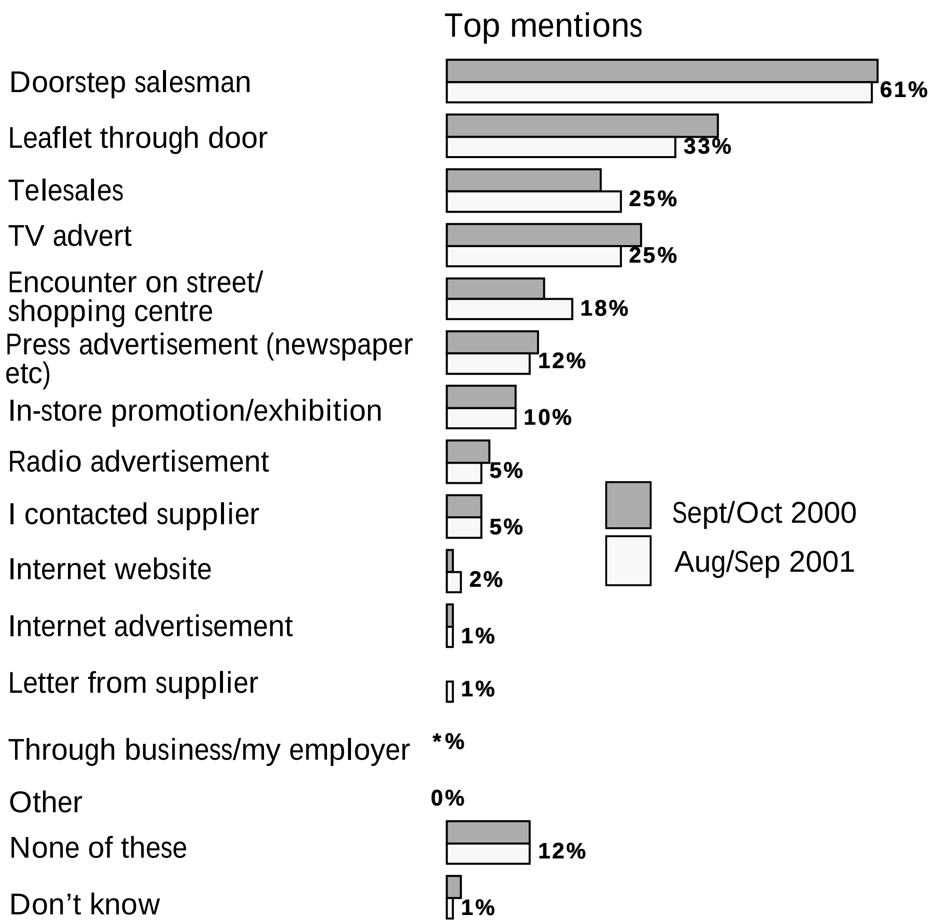
5.2 Crucially, the key ways of communicating with new suppliers continue to be reactive, rather than proactive, with very few customers (still 5%) actively seeking out the information for themselves.

5.3 Three-quarters of all switchers recall being contacted by doorstep salesmen, highlighting the efficacy of this type of approach. In addition, customers who are more likely to be at home, and thus available for calls, during the day are also more likely than average to be contacted by door-to-door salesmen (eg 66% of DEs, 70% of the disabled); although interestingly, the elderly do not appear to be more likely to be contacted by this medium.

[2] The TPS was introduced at the end of the 1990's to protect the general public from excessive sales calls. People may register their details with the service, which then makes it illegal for companies to call them "on spec" about sales; this has cost implications for suppliers as they must screen sales databases against the register.

Contact With Suppliers - Prompted

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 (c2,310) Source: MORI

5.4 When comparing rural and urban residents, the findings suggest that customers living in rural locations are approached less than those in urban localities. One in five (18%) customers living in rural areas are likely to have had no contact whatsoever, compared to one in ten (9%) urban households. In fact, rural households are also less likely to be approached by doorstep salesmen (43% rural Vs 68% urban), to receive leaflets through the door (28% rural Vs 35% urban) and to encounter canvassers on the street/in the shopping centre (14% rural Vs 20% urban).

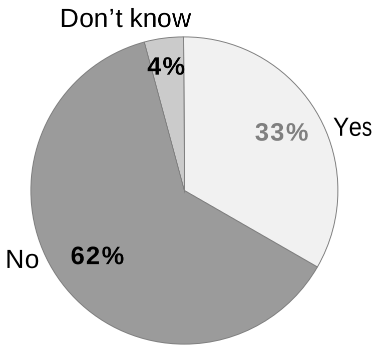
6 Price

Consulting price information

6.1 Only a third (33%) of electricity and gas customers have succeeded in making their own comparisons between the different prices charged by various suppliers. Even among switchers this rises to just 51%. Therefore, it appears that one in two switchers are changing supplier without personally checking the difference in prices between their current and new supplier.

Comparing Prices - All

Q Have you been able to make your own comparisons between the electricity or gas prices that various suppliers are currently charging?



Yes

51% of gas or electricity switchers

Base: All respondents (2,310)

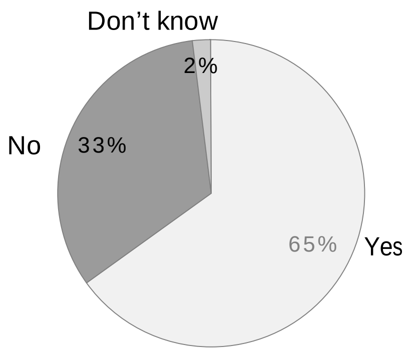
Source: MORI

6.2 Certain types of customers appear to be better equipped than others to make their own comparisons. Apart from switchers, other customers succeeding in making their own evaluations of the different prices charged include those on high incomes (42%), customers paying their fuel bills by direct debit (39% electricity, 42% gas), customers living in the MANWEB region (46%) and East Midlands Electricity region (42%) and customers who have already changed telephone supplier (43%). By contrast, over 65 year olds are less likely to succeed in making their own comparisons (68% have not succeeded in doing so) as too are social class E (72%) and residents in the London Electricity PES area (77%).

6.3 With this degree of "ignorance", what are customers basing their decision on when they consider switching? Judging by the fact that four out of five switchers have received information from suppliers about how much cheaper their prices are, it seems that many customers accept the suppliers' own comparisons at face value and, also, that it is a persuasive factor in causing customers to switch – of those who have switched, more than 80% recall receiving pricing information direct from the suppliers, compared to 56% of electricity (and 64% of gas) customers who have not switched.

Suppliers' Price Comparisons

Q Have you been approached by any electricity or gas suppliers telling you how their prices compare with other suppliers' prices, or about the extent to which their prices are cheaper?



% saying yes

Switchers		Non-switchers
82	Gas	64
81	Elec	56

Base: All respondents (2,310) Source: MORI

6.4 With the degree of "reliance" on suppliers' pricing information, it is interesting to note that there are certain ex-PES supplier areas – namely SWALEC, London Electricity and Scottish Hydro – where customers are less likely to have received price comparison information from suppliers. In contrast, in Yorkshire Electricity PES area, customers are more likely to have received information.

6.5 Among customers able to make comparisons or approached with price information, there is one main source – suppliers themselves. Two in five have had information from competitor (45%) and/or current (40%) suppliers. Current suppliers are even more key to switchers than non-switchers. However, newspaper/magazine articles are also an important source for both switchers and non-switchers – a quarter (27%) have obtained information through this medium. Very few (less than 5%) have accessed information through more independent specialist sources such as Which? Magazine or websites which calculate and compare prices; and 1% have used the Ofgem factsheet.

Q	From which of these sources have you seen or heard any information on prices?				
	All	**Gas Switcher**	**Gas Non-switcher**	**Electricity Switcher**	**Electricity Non-Switcher**
Base: All respondents who are able to make comparisons or approached with price information (1,584)	*%*	*%*	*%*	*%*	*%*
From competitor supplier(s)	45	46	45	47	44
From my current supplier	40	49	36	45	36
Newspapers or magazine articles	27	30	26	25	29
Which? Magazine/Consumers' Association	5	6	5	6	5
Website which calculates and compares prices	4	5	3	5	2
TV	2	2	1	2	1
Ofgem fact sheet	1	1	1	1	1
Caller at door/canvasser (org unspecified)	*	1	*	*	*
Leaflet by post/leaflet through door (org unspecified)	*	*	*	-	*
Word of mouth	*	*	*	*	*
In the street/stand in shopping centre (org unspecified)	*	-	-	-	*
In shop/supermarket (org unspecified)	*	*	*	*	*
Other	1	1	1	1	1
None of these	13	11	15	12	14
Can't recall	7	4	9	6	9

Source: MORI

Level of information

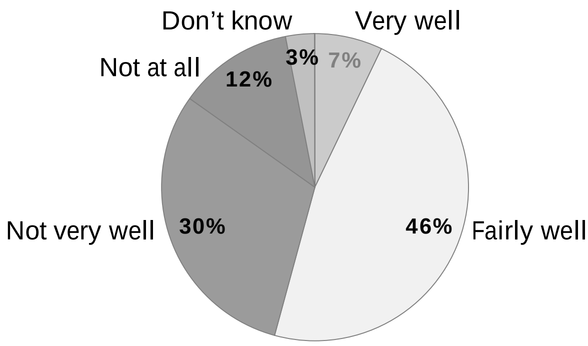
6.6 Of those equipped with pricing information, just over half (53%) feel well informed about the different prices on offer; whereas, nearly one eighth (12%) do not feel at all informed. This, coupled with the fact that a third of customers do not have any price comparison information, indicates that there is confusion and misunderstanding about the various prices across the two markets.

6.7 When looking at customers most likely to feel informed about pricing information, people who have gone through the process of changing supplier (switchers) are more likely to feel informed compared to people who have not experienced "other prices" directly (non-switchers) – 58% of electricity switchers and 57% of gas switchers feel informed versus 48% electricity (and 51% gas) non-switchers.

6.8 In addition, if customers have received pricing information from a newspaper/magazine article (64% feel informed) or have accessed a website which calculates and compares prices (71% feel informed), they are more likely to feel informed than, for example, someone who obtained information from competitor suppliers (57% feel informed).

Level Of Information

Q How well informed, if at all, do you feel about the different prices available from the various electricity and gas suppliers?



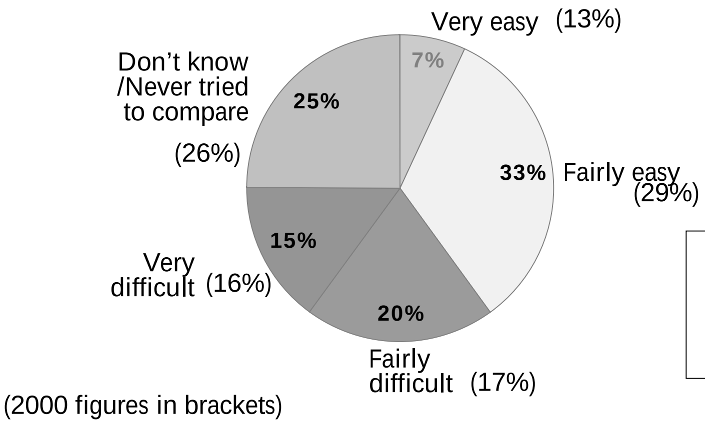
Base: All able to make comparisons or approached with price information (1,584) Source: MORI

Ease of comparing prices

6.9 Among customers able to make price comparisons or approached with pricing information, two in five (40%) continue to find it easy to compare prices. Fewer customers now find it very easy, though - under one in ten (7%) now say it is very easy to compare prices, compared more than one in ten (13%) last year. As previously, however, a third (35%) still find it difficult.

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?*



	2000 %	2001 %
Easy	41	40
Difficult	33	35

Base: All who are able to make comparisons or approached with price information (c1,584) Source: MORI

6.10 More electricity switchers tend to find comparing prices easy compared to electricity non-switchers (45% Vs 35%) – however there is not the same significant difference for gas. On the other hand, switchers (in both gas and electricity) are **also** more likely to concur that it is difficult to switch. In essence, non-switchers are less likely to have compared prices (around a quarter never have), so do not have an opinion either way as to how easy or difficult it is to make comparisons.

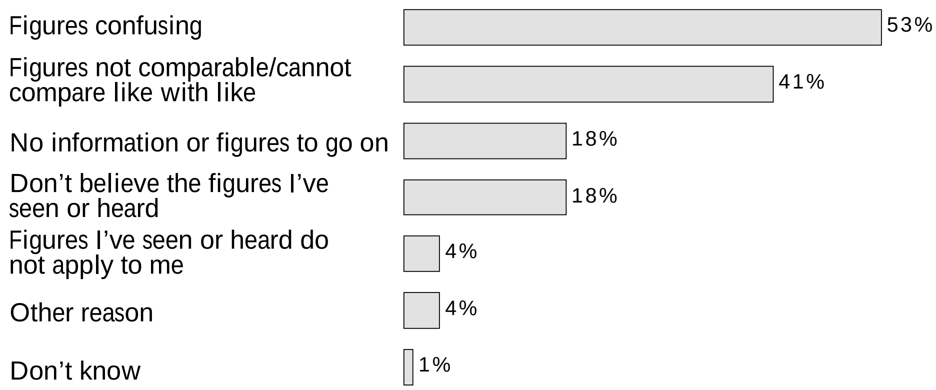
6.11 Younger (under 34 years old) customers continue to find it easier to compare prices compared to older people (over 65 years old) with 44% versus 33% respectively finding it easy. However, like non-switchers, older customers are also less likely to have ever tried to make any comparisons (34% of over 65s versus 13% of under 34 year olds have not compared prices) so are more likely to have no opinion either way.

6.12 The results suggest that the main problem with comparing prices increasingly[3] surrounds confusing figures and the general difficulty of not being able to compare like with like. Among those who find it difficult to compare prices, more than half (53%) now state that the figures are confusing and two-fifths (41%) refer to difficulties with not being able to compare like with like. The general absence of information also continues to be a problem for nearly a fifth (18%), and a further fifth (18%) do not believe the figures they have been given.

[3] This question was prompted in 2001(previously spontaneous), so it is not possible to make specific comparisons between 2001 and 2000.

Difficulty With Comparing Prices - Reasons

Q Which of these reasons come closest to describing why you found it difficult to compare different prices?



Base: All who found it difficult to compare prices (568)

Source: MORI

6.13 Conversely, among those who find it easy to compare prices, just under one third (29%) praise the layout of pricing information and/or state how easy it is to understand the cost of standing charges and unit rates; although mentions of the latter have fallen since last year. One in ten (11%) refer to the relatively simple "annual bill comparisons", which do not give individual rates so you can work out the prices which apply to you (a grievance of a few (4%) customers who find it difficult to compare prices).

Q Why do you say that it was easy? – Spontaneous		
Base: All who found it easy to compare prices (601)	*2000 %*	***2001 %***
Prices for each supplier well set out	25	**29**
Easy to understand how much standing charges and unit rates are	36	**29**
Comparison was for annual bills rather than just prices	11	**11**
Comparison gave annual savings compared to local electricity company or British/Scottish Gas	11	**7**
Prices for different regions well set out	8	**7**
Gave examples/tables/calculations	3	**4**
Easy to calculate	n/a	**4**
Well explained	n/a	**3**
Checked on the Internet	n/a	**2**
Phoned/spoke to a salesperson	1	**2**
Could see it offered good price/good savings	n/a	*****
Other	2	**1**

Source: MORI

Perceptions of new suppliers' prices

6.14 More than a quarter of customers still perceive the prices from new suppliers to be the same as British Gas (for gas supply) and their local PES (for electricity supply); although more than one fifth, as before, believe that all the new suppliers are cheaper. Only a small minority imagine customers will actually pay more with new suppliers.

6.15 Around one in seven customers believe that some prices are lower and some are higher.

6.16 Compared to last year, fewer customers state they do not know and/or have not seen any information, with just under a third (as in 1999) now being unable to comment either way – evidence perhaps that customers feel better informed about the general difference in prices.

Q	***Are some prices higher or lower, are they about the same, or are some higher and some lower?***			
	Gas		**Electricity**	
	2000	**2001**	**2000**	**2001**
Base: All respondents (2,310)	*%*	*%*	*%*	*%*
All higher	3	4	2	3
About the same	27	28	28	27
All lower	22	22	22	22
Some higher, some lower	9	14	10	15
Don't know/have not seen	38	31	38	32
Source: MORI				

7 Switching electricity and gas suppliers

What proportion of customers have switched supplier?

7.1 Switching rates in the domestic gas and electricity markets are now equal – 37% and 38% of customers have switched respectively.

7.2 On the surface, it would appear that there has been a sharp increase in the number of customers switching either supplier over the last year. However, in real terms, we consider the figures to represent a steadier increase. For the first year since the survey began, the data was not weighted according to the estimated number of switchers in each market[4]. Therefore caution needs to be used when comparing switching rates in 2000 and 2001, because last year's data are weighted by estimated switching rates, whereas 2001 data are based purely on the proportion of the sample who say they have switched.

Who has switched electricity supplier?

7.3 Generally speaking, a person's sex, social class, and ethnic origin have little effect on the likelihood of their having changed supplier, nor do characteristics often found to be related to "disadvantaged" customers, such as one parent families. Furthermore, certain groups, previously underrepresented among switchers, are now just as likely to have switched supplier as the average. For example, very low income earners were less likely to have switched last year, whereas now more than two in five (43%) have changed electricity supplier, not significantly different from the average rate of switching. This process began in 2000, when the proportion of very low income earners switching electricity supplier went from 7% in 1999 to 13%. A similar trend can be seen with prepayment meter customers (of whom 31% have now changed electricity supplier). Electricity prepayment meter customers are now about as likely to switch as electricity customers paying by cash or cheque – of whom 32% have changed electricity supplier.

[4] In previous years, Ofgem has provided estimates for the proportion of gross domestic electricity and gas switchers. Our research suggests that these figures may have, in fact, slightly underrepresented the true number of **electricity** switchers in 2000.

Q Have you changed or signed a contract to change supplier?				
	% of each group who are gas switchers		**% of each group who are electricity switchers**	
	2000[5]	**2001**	**2000[5]**	**2001**
Total	*Base: All gas customers (1,938)*		*Base: All electricity customers (2,310)*	
	29	37	19	38
Age				
16-34	30	42	17	41
35-64	29	38	21	40
65 +	25	30	19	29
Social Class				
AB	25	37	20	36
C1	29	40	19	38
C2	32	37	20	41
DE	28	36	19	36
E	28	32	18	37
Method of Payment				
DD/SO	33	43	23	44
Cash / Cheque	27	32	19	32
PPM	11	28	9	31
Budget card/Plan	23	32	18	40
Housing Tenure				
Owner occupied	30	39	21	39
Rented (private)	15	36	11	31
Rented (LA/HA)	30	34	18	35
Gas/Electricity Bill				
High	30	35	19	37
Medium	30	41	21	44
Low	30	40	21	41
Special Needs				
Pensioner only	25	29	20	30
Disabled	32	35	21	44
Very low income	24	38	13	43
One parent family	31	39	19	43
Difficulty in paying/In debt				
Yes	35	35	19	53
No	n/a	38	n/a	37
Telephone Switchers	33	49	22	50

[5] NB: 2000 figs are also weighted based on Ofgem's estimation of switching rates, whereas 2001 are not.

Q Have you changed or signed a contract to change supplier?				
	% of each group who are gas switchers		**% of each group who are electricity switchers**	
	2000[6]	**2001**	**2000[6]**	**2001**
Total	*Base: All gas customers (1,938)*		*Base: All electricity customers (2,310)*	
	29	37	19	38
Bank/BS Account				
Yes	29	38	20	39
No	26	39	13	31
Observed Location				
Rural	29	35	17	32
Urban	29	38	20	41
ONS Location				
Rural	n/a	33	n/a	35
Mixed	n/a	36	n/a	37
Urban	n/a	38	n/a	38
Scotland	30	39	21	28
England/Wales	29	37	19	39
PES Area				
EE	n/a	32	n/a	36
EME	n/a	36	n/a	48
LE	n/a	24	n/a	24
MANWEB	n/a	28	n/a	47
ME	n/a	31	n/a	42
NE	n/a	55	n/a	42
NORWEB	n/a	43	n/a	37
SE	n/a	30	n/a	37
SEEBOARD	n/a	40	n/a	32
SHE	n/a	50	n/a	22
SP	n/a	39	n/a	28
SWALEC	n/a	46	n/a	37
SWE	n/a	39	n/a	38
YE	n/a	50	n/a	46

7.4 Other customers who are less likely to have switched electricity supplier include pensioner only households (30%) and, in the same way, customers aged 65 years plus (29%) – not a previous characteristic in the electricity market. In addition, when comparing customers who have a bank account with those who do not, the latter are less likely to have signed a contract to change a supplier (39% of bank account holders have versus 31% of non-account holders). Customers who have difficulty in paying bills and/or are

[6] NB: 2000 figs are also weighted based on Ofgem's estimation of switching rates, whereas 2001 are not.

in debt are **more** likely to have changed electricity supplier (more than half have done so).

7.5 When looking at geographical and physical impacts, where you live does appear to make a difference. Customers in Scotland are less likely to have switched electricity supplier (28% have), compared to people living in England and Wales (39%), although there was no significant difference in 2000. In addition, customers living in the East Midlands (48%) and Yorkshire Electricity PES areas (46%) are more likely to have switched electricity supplier, whereas customers living in London Electricity PES area (24%), Scottish Hydro (22% switched) and ScottishPower area (28%) are less likely to have switched.

7.6 Similarly, people living in rural locations are less likely to have changed their supplier (32%) compared to people in urban localities (41%). However, when basing “rural” on the number of residents per hectare, rather than the observed physical appearance[7], there does not appear to be a significant difference in rates of switching.

Who has switched gas supplier?

7.7 Similar characteristics (to electricity) are reflected in the profiles of gas switchers. Also, as with the electricity market, some gas customers previously less likely to have switched supplier are now just as likely as the average customer. For example, 38% of very low income households have switched, compared to the national average of 37% (ie not significantly different). However, although there has been a marked increase in the proportion of prepayment meter customers who have switched, they continue to be under-represented among gas switchers as a whole, with just over a quarter (28%) currently having switched gas supplier. Switching rates for those paying by prepayment meter however are now similar to those for customers paying by cash or cheque (28% and 32% respectively). Conversely, direct debit customers continue to be switching at rates greater than the average - as seen in the electricity market - with 43% now having changed gas supplier.

7.8 Also, like the electricity market, there are other gas customers who are not as well represented among switchers, namely: over 65 year olds and people on a state-only pension (30% have switched) and customers in the London Electricity PES area (only 24% have changed gas supplier).

7.9 Unlike the electricity market, people who have problems paying their bills and/or are in debt are no more (or less) likely to have changed supplier, as too are those with or without a bank account. Neither does there appear to be the same geographical difference between Scotland and

[7] “Observed rural” is based on the physical appearance of a location (by the interviewer) – as opposed to the ONS definition which is based on people per hectare. It should be noted, though, that the ONS definition (people per hectare) is calculated on information from the 1997 census and is somewhat out-of-date, so cannot be wholly relied upon.

England/Wales (39% Vs 37% switched), nor rural and urban locations (35% Vs 38% switched).

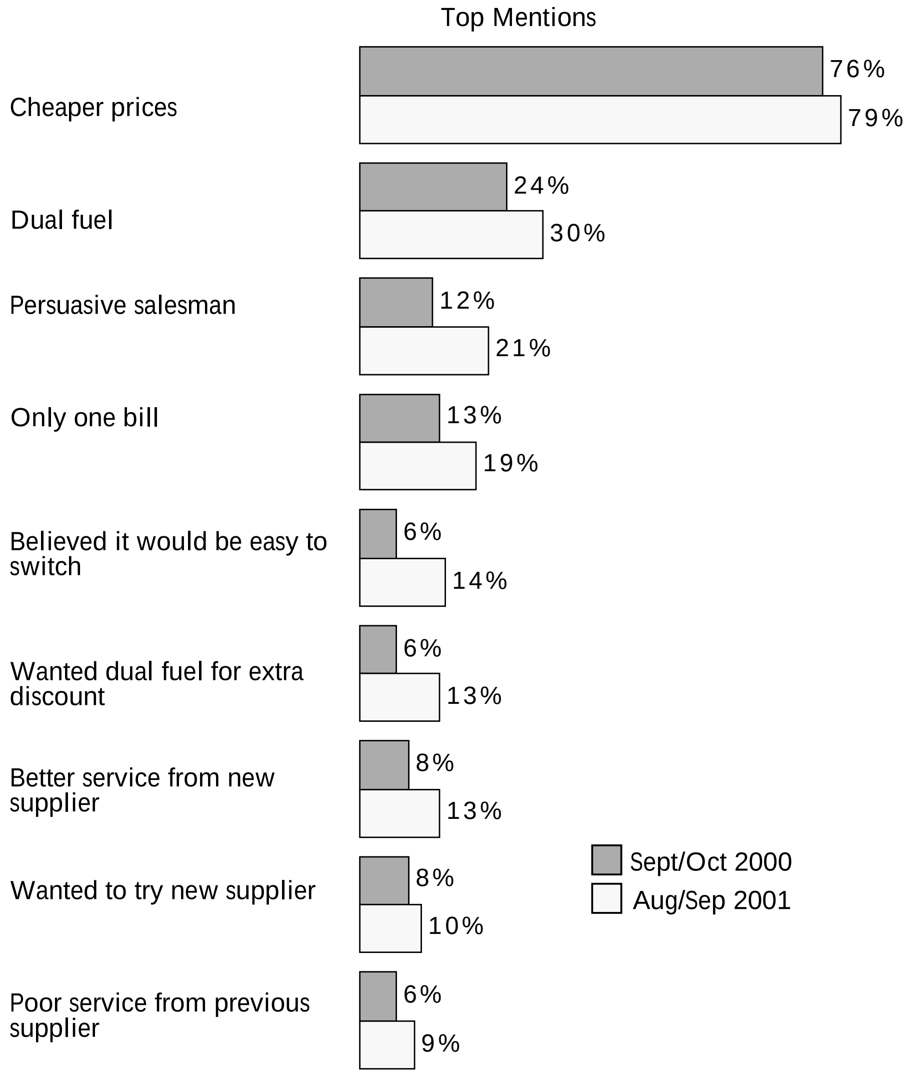
7.10 Therefore, one broad conclusion which can be drawn is that as the switching rates increase in the electricity and gas markets, the differences between types of customers that switch and do not switch, appear to be levelling out.

Reasons for switching electricity and gas suppliers

7.11 The overriding factor in motivating customers to switch continues to be price – whether gas or electricity supply and regardless of customer type – with more than three-quarters stating they changed supplier for cheaper prices. Nonetheless, other factors are becoming increasingly important (although not yet to the extent of price). One notable incentive is dual fuel – appealing for various reasons: the ease of having one supplier, (often) only one bill and for the perceived additional savings that can be made. Furthermore, the power of the doorstep salesperson is not to be underestimated, with around one fifth of gas and electricity switchers saying that they were influenced to change supplier by a persuasive door-to-door salesperson. The quality of service offered by suppliers is also becoming increasingly important in attracting new customers, with more switchers changing supplier because of poor service from their current supplier and the anticipation of better service from the new suppliers.

Reasons for Switching - Electricity

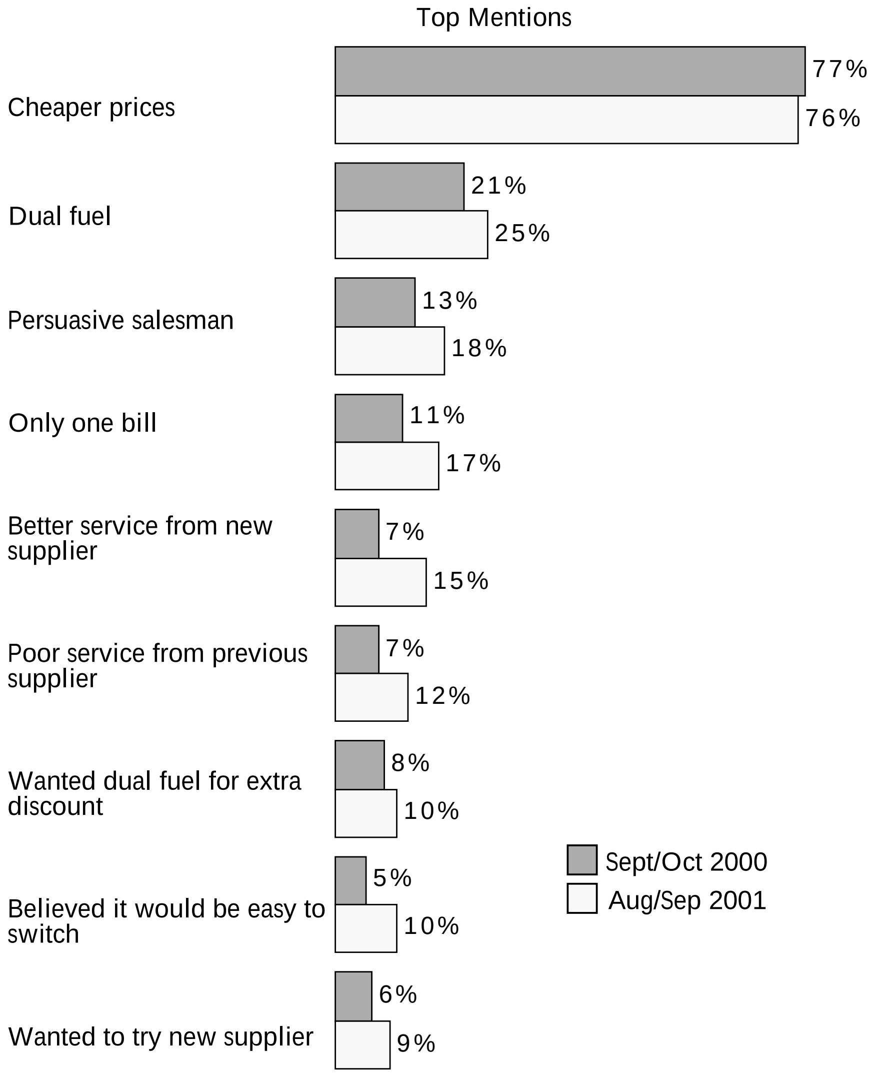
Q Which of these, if any, influenced your decision? (Spontaneous & Prompted)



Base: All electricity switchers (c871) Source: MORI

Reasons for Switching - Gas

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



Base: All gas switchers (c713) Source: MORI

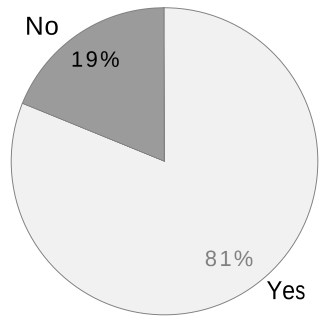
7.12 Scottish customers are less motivated by price than customers living in England and Wales (65% versus 80% mention price), although it remains the principal motivation. On the other hand, customers living in Scotland are more motivated by the ability to buy gas and electricity from the same company (dual fuel) than their English and Welsh counterparts (37% versus 29%).

Dual fuel

7.13 An overwhelming four out of five switchers take their gas and electricity from the same company. Nearly three-fifths (57%) of electricity switchers changed to their existing gas supplier and just under half (45%) of gas switchers changed to their current electricity supplier.

Dual Fuel

Q Do you now take your gas and electricity from the same company?



% of electricity switchers changing to existing gas supplier	57%
%of gas switchers changing to existing electricity supplier	45%

Base: All switchers (1,089) Source: MORI

7.14 Switchers who are in debt and/or have difficulty in paying are the most likely not to take their fuel from the same company (59% do so compared to 82% of switchers without payment problems). Similarly, prepayment meter switchers are less likely to enjoy the benefits of dual fuel (65% electricity and 69% gas PPM customers have dual fuel) than, for example, direct debit payers (where 86% of electricity customers and 86% of gas customers have dual fuel). Related to this, switchers from social class E are also less likely to be dual fuel customers (73%), as too are households living in local authority rented accommodation (73% are on dual fuel) and single parent families (70%).

7.15 However, switchers aged 65 years plus are more likely to be gaining from dual fuel benefits compared to their minors - 84% of 65+ are dual fuel customers compared to 77% of 16-34 year olds. Not surprisingly, as dual fuel is more likely to be given as a reason for switching in Scotland, compared those in England and Wales, more Scottish customers say they are on dual fuel (89% Vs 80%).

7.16 Of those who changed to dual fuel, nearly two-thirds (60%) decided to do so in order to take advantage of a dual fuel discount which their supplier offered them. However, compared to direct debit customers, prepayment meter customers are less likely to have changed to dual fuel because of a discount. The same is also true of customers on very low incomes, older customers and people living in Scotland. Interestingly, the latter two are more likely to be dual fuel customers, implying that the convenience of dual fuel may be as big a motivator as the cost savings.

Q Did you decide to take gas and electricity from the same company because you were offered an additional discount for taking both fuels from the same company?

Base: All switchers who buy gas and electricity from the same company (885)	***% saying yes***
Total	60
Method of Payment – Gas	
DD/SO	65
Cash/Cheque	54
PPM	47
Budget card/Plan	53
Method of Payment – Electricity	
DD/SO	65
Cash/Cheque	54
PPM	52
Budget card/Plan	54
Income	
Very low	49
Low	50
Medium	55
High	75
Age	
16-34	62
35-64	62
65+	51
Region	
Scotland	41
England/Wales	62

Source: MORI

Reasons for not switching electricity and gas suppliers

7.17 The majority (four out of five) of non-switchers do not see any reason to change supplier – they are satisfied with British/Scottish Gas and their local PES. This was also found to be the case in 2000.

Q What are your main reasons for staying with your current supplier? – Top mentions

	Gas*			**Electricity****		
	2000	**2001**		**2000**	**2001**	
**Base: All gas non-switchers (1,215)* ***Base: All electricity non-switchers (1,424)*	Spon-tan-eous & Prom-pted	Spon-tan-eous	Spon-tan-eous & Prom-pted	Spon-tan-eous & Prom-pted	Spon-tan-eous	Spon-tan-eous & Prom-pted
No reason to change/satisfied with current supplier	78	72	80	76	70	79
Can't be bothered/too much hassle	22	12	25	27	15	32
Lower prices may not continue	10	3	18	10	4	21
Savings not enough	8	4	15	9	4	17
Do not know enough about suppliers	11	2	12	11	3	18
Do not trust other suppliers	7	3	9	7	2	10
I believe I am unable to change	**2**	**1**	**2**	**2**	**2**	**5**

Source: MORI

7.18 When the question is asked with a prompted list, other important reasons emerge. A quarter of gas and one third of electricity non-switchers, believe it is "too much hassle" to change – in electricity this represents an increase on the 2000 findings.

7.19 In both the gas and electricity markets other barriers to switching are becoming increasingly important in making customers stay with the incumbents. For example, non-switchers are more concerned (than last year) that the lower prices may not continue and that the savings are not sufficient to warrant changing supplier. In addition, more electricity non-switchers are not changing supplier because they either do not know enough about the alternatives or actually do not trust them. Generally speaking however, most of these factors are a little more of an issue to electricity non-switchers than gas, which may reflect the more limited savings that are possible in electricity supply.

7.20 Only a very small minority actually believe they are **unable** to change, although this is slightly more (now 5%) in the electricity market compared to last year.

Being unable to switch - Perception

7.21 While very few non-switchers actually believe they are **unable** to change supplier, more prepayment meter payers are of this opinion than, for example, direct debit payers (13% Vs 1% electricity and 9% Vs 1% gas). Similarly, if a customer is in debt and/or has difficulty in paying their bills they are also more likely to think they cannot change either electricity (13%) or gas supplier (8%).

7.22 The concerns of these two groups are not surprising when you look at the reasons customers give for thinking they cannot switch suppliers. Among the most frequently mentioned are "would not be able to continue using my meter" and "believe you cannot change supplier if you are in debt" – although it is a very small number of people concerned.

Why Believe Unable To Change Supplier?

Gas*	(Unweighted absolute numbers)	Electricity**
5	Would not have been able to use prepayment meter	23
0	Paid with rent/ground rent	12
10	Believe/Told if you are in debt you can't change supplier	11
0	Had to change payment method (unspecified)	2
0	No suitable payment method offered	1
1	Current supplier stopped the transfer	1
3	New supplier did not seem interested in having me	1
1	Would not be able to continue with my present weekly budget payment scheme	1

*Base: All who believe were unable to change gas supplier (25)
**Base: All who believe were unable to change electricity supplier (59)

Source: MORI

Being unable to switch - Experience

7.23 In reality, around 3% of all gas and electricity customers have actually tried and failed the switching process. This is unrelated to either gas or electricity and there is no apparent link to location.

7.24 However, the figures do suggest that prepayment meter customers are slightly more likely than direct debit customers to have experienced an incomplete switch – 5% of electricity prepayment meter customers have failed compared to 2% of electricity direct debit customers (in gas the figures are 7% and 2% respectively). Furthermore, gas customers with debt problems or who have problems paying their bill are more likely to have failed (11% have tried and failed to switch gas supplier compared to 2% who have no payment problems) – although the same distinction is not apparent with electricity. One parent families are also more prone to failed gas switches (7% failed to switch gas). In both the electricity and gas markets it would appear that younger customers (16-34 years) are more likely to have tried to change supplier but failed for some reason (5% failed to switch gas and 4% electricity, compared to 2% and 1% of over 65 year olds respectively).

7.25 The reasons behind failed switches relate principally to the current supplier as well as new suppliers and, in some cases, to the customers themselves.

Failed Switching - Main Reasons

Q Which of these reasons best describes why you failed to switch?

Gas*	(Unweighted absolute numbers)	Electricity*
15	Something went wrong in the transfer process and I gave up	22
19	Old supplier objected/prevented me from transferring	17
4	New supplier said I couldn't transfer as new supplier couldn't get all the necessary information from the old supplier	8
4	New supplier said I couldn't transfer as I had wrong type of meter	8
4	Savings not worth it - changed mind	4
2	New supplier wouldn't let me pay by my preferred method	4
6	Owed money to my supplier	5

*Base: All who tried to switch gas supplier but failed for some reason (55)
**Base: All who tried to switch elec. supplier, but failed for some reason (71)

Source: MORI

What would make non-switchers switch?

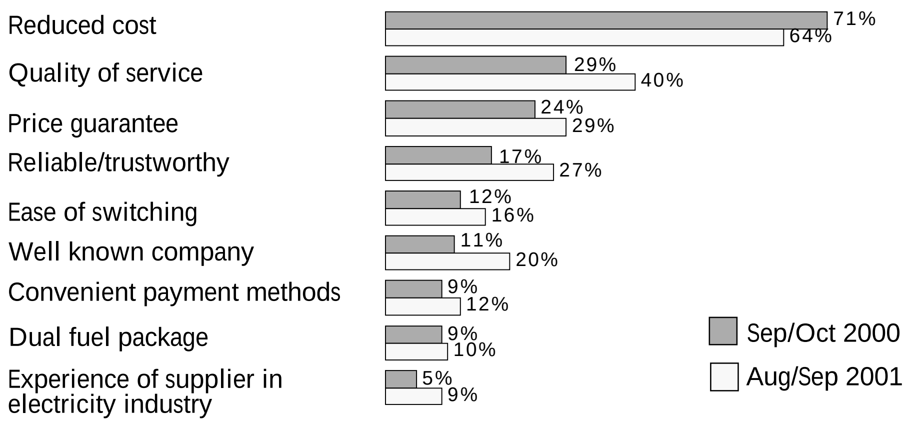
7.26 For non-switchers, as with switchers, price continues to dominate the argument for switching – nearly two-thirds consider this would be the top priority if they were to choose a new supplier. In the same way, price guarantees are important to just over a quarter of customers, because it is also important that the cheaper prices are maintained.

7.27 However, despite price guarantees retaining their prominence, the promise of cheaper prices is less important than 12 months ago. Indeed, other factors are becoming increasingly important to non-switchers - to a greater extent and wider variety than seen with switchers. In particular, the quality of service offered by a supplier is now a key factor for two in five non-switchers. In fact, when asked to exclude price from the equation, quality of service is the single most frequently mentioned factor. In addition, trustworthy and reliable suppliers are more a priority than previously, with more than a quarter of non-switchers nominating this as a key factor in choosing a new supplier. Going hand-in-hand with this is the importance of buying fuel from a well known company - more important than last year – and using a supplier which is well known for fuel supply.

7.28 There is little difference between gas and electricity in this respect, although reduced cost has maintained more importance for electricity non-switchers than gas.

Factors In Switching - Electricity

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

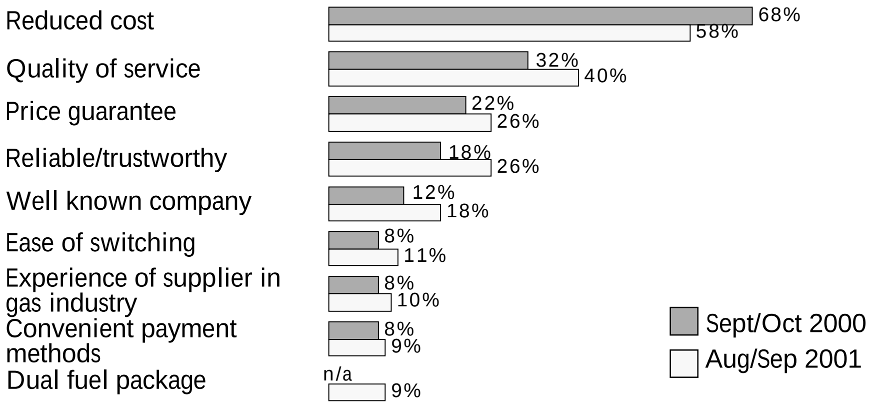


Base: All electricity non-switchers (c1,424)

Source: MORI

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? (Top Spontaneous & Prompted Reasons)



Base: All gas non-switchers (c1,215) Source: MORI

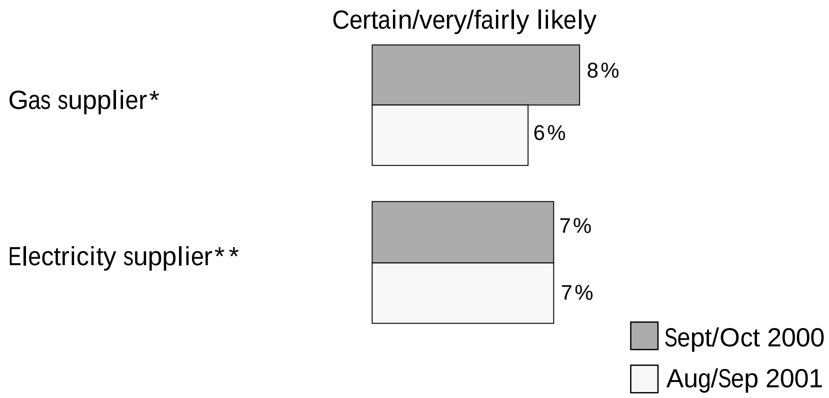
7.29 However, there are differences between different types of customers. Although overall the priorities remain the same, some are bigger issues for certain customers. For example, price guarantees are more important to customers in England and Wales compared to Scotland (30% Vs 23% of electricity non-switchers and 26% Vs 20% of gas non-switchers respectively mention price guarantees). Similarly, a choice of convenient payment methods is a key concern for a quarter of electricity prepayment meter customers (21% gas), compared to only 12% of electricity direct debit payers (and 7% gas).

How likely are non-switchers to switch in the future?

7.30 A minority of non-switchers are likely to be persuaded to switch in the next 12 months – just 6% gas and 7% electricity. However, this is comparable to last year.

Likelihood Of Switching

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



*Base: Gas non-switchers (c1,215)
**Base: Electricity non-switchers (c1,424)

Source: MORI

7.31 Since there are fewer non-switchers in both markets than last year, the impact of this 6% and 7% switching (assuming they do) will not be as much as it would have been last year, as these percentages represent fewer customers.

Potential Switching Rates 2002

	Gas			Electricity		
	Swit-chers	**Non-swit-chers likely to switch**	**Total**	**Swit-chers**	**Non-switch-ers likely to switch**	**Total**
Base: All respondents	%	%	%	%	%	%
Total	37	6	43	38	7	45
Age						
16-34	42	8	50	41	10	51
35-64	38	5	43	40	8	48
65+	30	4	34	29	2	31
Social Class						
AB	37	7	44	36	9	45
C1	40	7	47	38	6	44
C2	37	4	41	41	5	46
DE	36	5	41	36	8	44
E	32	5	37	37	6	43
Working Status						
Active	39	7	46	41	9	50
In-active	34	4	38	32	4	36
Type of household						
Pensioner only	29	3	32	30	1	31
Disabled	35	1	36	44	5	49
Very low income	38	8	46	43	5	48
One parent h/hold	39	9	48	43	12	55
Difficulty in	35	11	46	53	6	59
Bank Account						
Yes	38	6	44	39	8	47
No	39	8	47	31	5	36
Payment method						
DD/SO	43	5	48	44	10	54
Cash/Cheque	32	7	39	32	4	36
PPM	28	5	33	31	9	40
Budget card/plan	32	8	40	40	5	45
Observed location						
Rural	35	7	42	32	5	37
Urban	38	5	43	41	8	49
Region						
Scotland	39	5	44	28	15	43
England/Wales	37	6	43	39	6	45

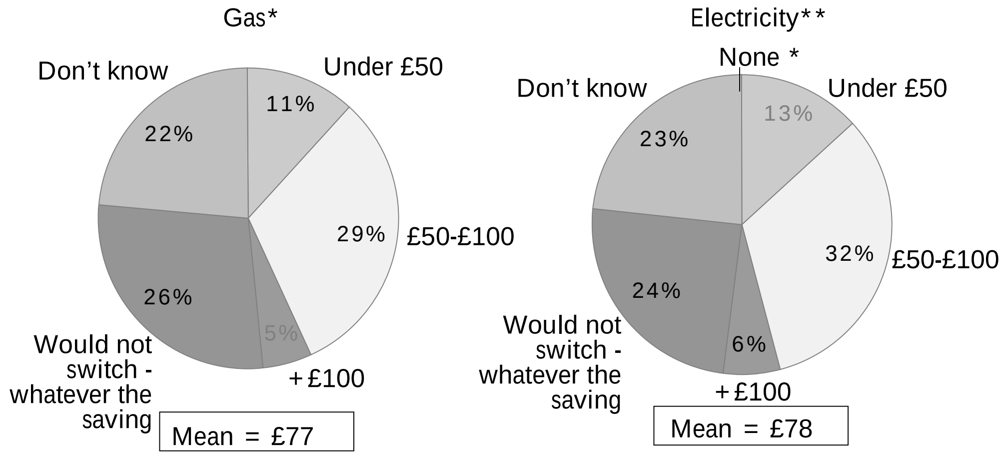
Source: MORI

Cash incentive to switch

7.32 Although less than one in ten non-switchers believe they are likely to switch in the next 12 months, when asked what, if any, savings would entice them to consider changing supplier, an annual saving of £77-78 on average would be sufficient for many. In fact, just under half of electricity (and 40% of gas) non-switchers would consider changing supplier for £100 or less. Only a quarter say they would not switch whatever the saving.

Cash Incentive To Switch

Q What saving in your bill, if any, would be sufficient for you to consider switching supplier?



* Base: Gas non-switchers (c1,215)
**Base: Electricity non-switchers (c1,424)

Source: MORI

7.33 Not surprisingly, customers with higher bills require bigger savings in order for them to consider switching. An electricity non-switcher with a low bill would require an average annual saving of £62, compared to a non-switcher with a high bill needing, on average, £84. The same is also true with gas non-switchers, with respective average savings of £67 and £90 required.

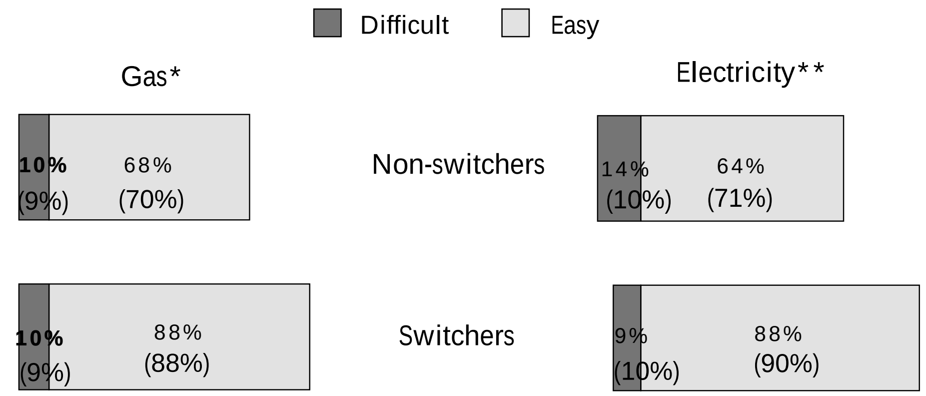
Ease of switching – perception and reality

7.34 The majority of customers (whether switchers or non-switchers) still believe it is easy to switch. However, non-switchers' perceptions concerning the ease of the switching process are still worse than the reported experiences of switchers. In addition, the position has worsened slightly: somewhat fewer electricity non-switchers think it is easy compared to 2000.

7.35 Half of switchers consider the process to be easy because they did not experience any problems (53% gas switchers mention this and 52% electricity) and also refer to the fact that the new supplier managed the whole process (48% gas and 46% electricity), so, in effect, minimal "hassle" was involved. As we saw earlier, perceived 'hassle' is a key reason why non-switchers do not switch.

Ease Of Switching

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



(2000 figures in brackets)

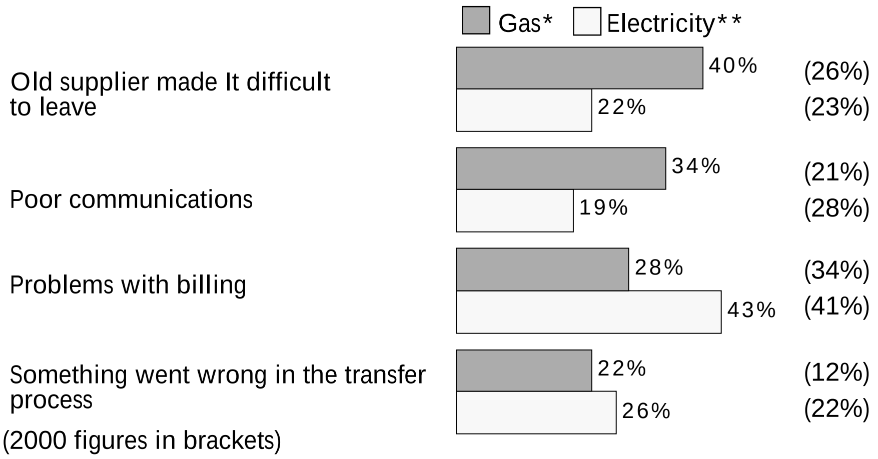
*Base: Gas switchers (c713) and non-switchers (c1,215)
**Base: Electricity switchers (c871) and non-switchers (c1,424)

Source: MORI

7.36 Switchers, as previously, tend to attribute the difficulties they had changing supplier to billing problems – especially electricity customers (43%). Also, another significant problem for customers, particularly gas in this case, concerns the previous supplier making it difficult to leave (40%). Other key difficulties include communication failures and a breakdown in the switching process.

Why Was It Difficult To Switch? Switchers

Q Why was it difficult to change supplier? - Top mentions



(2000 figures in brackets)

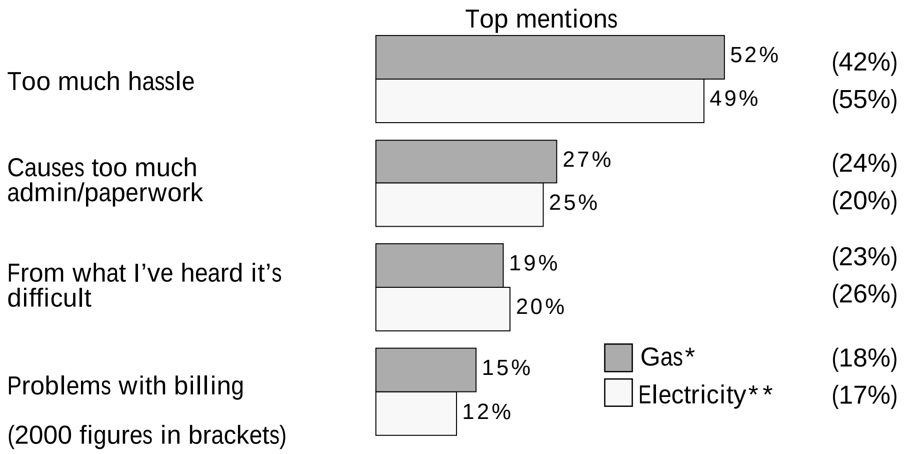
*Base: All who found it difficult to switch from their last gas supplier (c76)
**Base: All who found it difficult to switch from their last electricity supplier (c83)

Source: MORI

7.37 The main reason why some non-switchers perceive the switching process to be difficult relates to the amount of hassle they believe is involved (half mention this) – although we know from the majority of switchers who have been through the process is that it is quite the reverse. A quarter of those who think it is difficult also perceive there to be a lot of administration involved. General hearsay makes them believe it is difficult and that there are problems with the billing process.

Why Is It Difficult To Switch? Reasons

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



*Base: All who think it is difficult to switch gas supplier (c124)
**Base: All who think it is difficult to switch electricity supplier (c197)

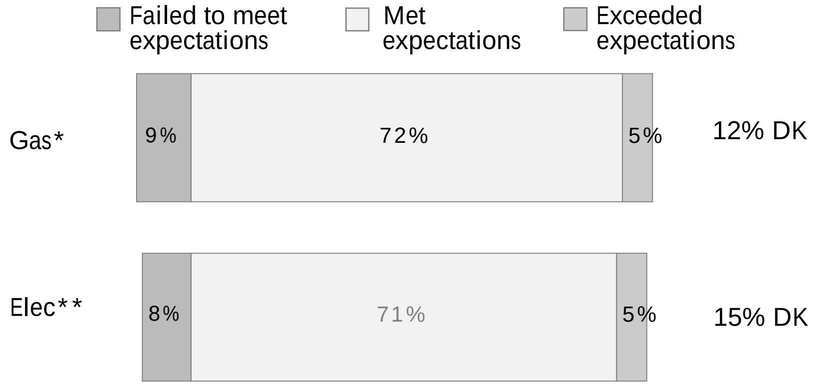
Source: MORI

Satisfaction with outcome of switching

7.38 The majority (just under three quarters) of switchers' expectations are met when they sign up with their new supplier, an indication that new suppliers are providing a good level of service – or at least are managing their new customers' expectations. However, very few customers' expectations were exceeded. Nonetheless, less than one in ten switchers actually believe their new supplier failed to meet their expectations.

Switching Suppliers - Meeting Expectations

Q *Thinking about the overall level of service provided by your new supplier, would you say it has. . . .?*



*Base: Gas switchers (c713)
**Base: Electricity switchers (c871)

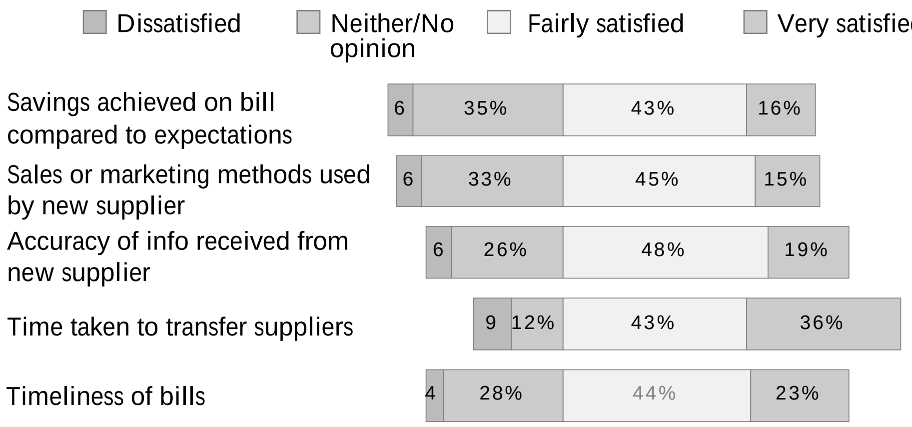
Source: MORI

7.39 Regarding specific aspects of service, the majority of switchers are satisfied with the performance of their new supplier - no more than one in ten are dissatisfied with any aspect.

7.40 The main source of satisfaction relates to the speed with which the transfer took place – more than a third of electricity and over a quarter of gas switchers are very satisfied with this aspect and more than two-fifths in both markets are fairly satisfied. The timeliness with which the bills arrived, in addition to the accuracy of the information received from the new supplier, are also sources of satisfaction for many switchers (two-thirds of both electricity and gas switchers are either very or fairly satisfied.) Also, nearly as many customers (around 60%) are satisfied with the savings achieved compared to expectations and the sales and marketing methods used by the new supplier.

Satisfaction With New Electricity Supplier

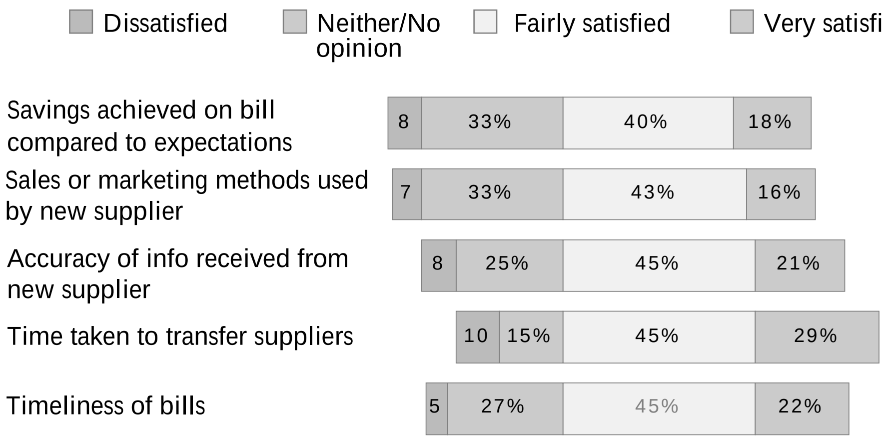
Q *How satisfied are you with the new electricity supplier regarding each of the following aspects?*



Base: All electricity switchers (871) Source: MORI

Satisfaction With New Gas Supplier

Q *How satisfied are you with the new gas supplier regarding each of the following aspects?*



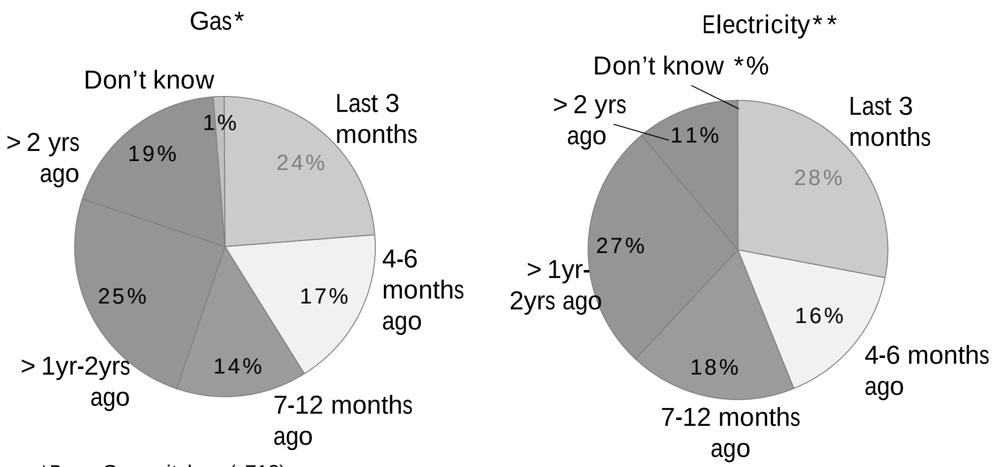
Base: All gas switchers (713) Source: MORI

When did switchers switch?

7.41 Just under one quarter of gas switchers and just over one quarter of electricity switchers last changed supplier during summer 2001. In addition, more than half of gas switchers have switched during the last year, while even more (61%) electricity switchers have done so. Some of this recent switching could, of course, be due to multiple switching, but some is clearly represented by new switchers.

Switching Suppliers - Timescale

Q When did you sign the contract to change to your current supplier?



*Base: Gas switchers (c713)
**Base: Electricity switchers (c871)

Source: MORI

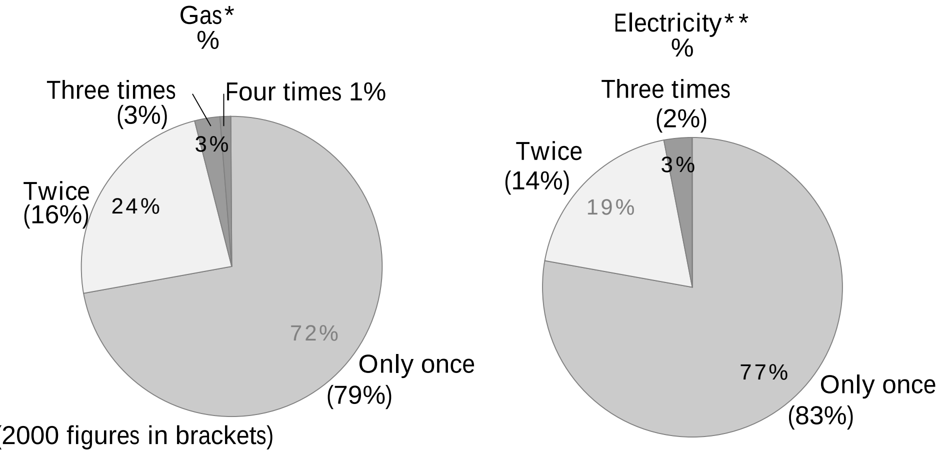
7.42 In the electricity market (where there has been the most growth in the proportion of customers switching supplier in the last 12 months), the proportion of prepayment customers switching in the last year (23%) is approaching the level for direct debit customers (27%). The same differences are not so apparent in the gas market however, where the net growth in domestic switching has not been as much as in the electricity market.

Multiple switching

7.43 Compared to this time last year, a greater proportion of switchers have changed supplier more than once – 28% of gas switchers and 23% of electricity switchers. Not surprisingly, multiple switching among electricity customers remains a little behind gas because the electricity market was opened to competition later than gas. Although a minority, it is interesting to note that 1% of gas customers have actually switched four times since the market was fully opened up to competition in May 1998.

Multiple Switching

Q Have you changed your gas/electricity supplier more than once since competition was introduced?



(2000 figures in brackets)

*Base: Gas switchers (c713)
**Base: Electricity switchers (c871)

Source: MORI

Returning to the original supplier

7.44 A third of electricity switchers who have changed supplier more than once are returning to their original electricity supplier, whereas last year more than two-fifths were. The most acute decline is seen among older customers - less than a third (29%) of customers aged over 65 years are now returning to their local electricity supplier, compared to nearly two-thirds (61%) last year.

7.45 British/Scottish Gas, on the other hand, continues to win back some of its old customers – just under half of multiple switchers have returned to British Gas. Furthermore, where local electricity companies are losing out with over 65 year olds, British Gas appears to be successfully encouraging them to return – 67% have now returned, compared to 53% last year.

7.46 The main reason why customers return to their original supplier is that they believe they will save money:

We found when we changed it was not as good as expected - higher gas bills, prices went up by 5%, it started cheaper then they put it up

Female, 69, D

7.47 A quarter also change back because they believe the service to be better:

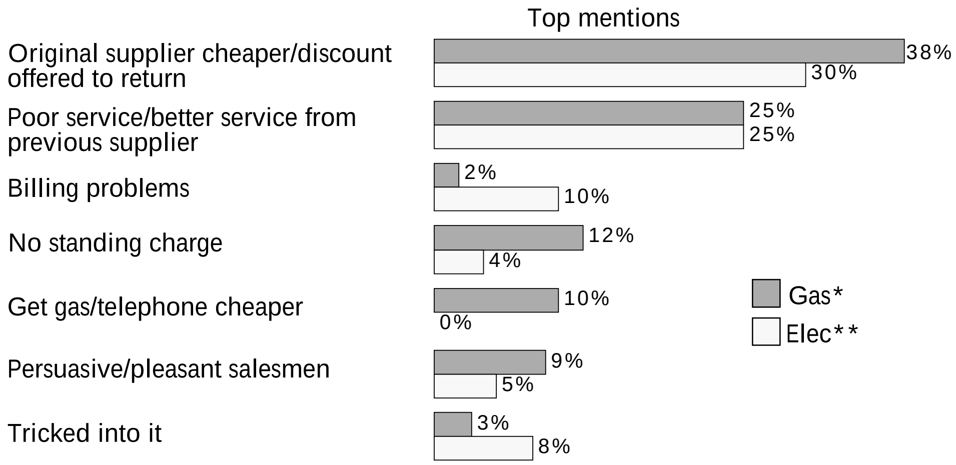
Better service overall, know what they are doing, more competent

Female, 25, C2

7.48 Other motivations for returning to the original supplier include billing problems, and to avoid standing charges. A handful of gas customers changed back to get their gas and telephone service cheaper. Also a small number of customers were persuaded by British/Scottish Gas salesman to switch back and a few even feel they were tricked into changing supplier.

Returning To Original Supplier - Reasons

Q *What was the main reason you returned to your original supplier?*



Base: *All gas switchers who returned to original supplier (95)
Base: **All electricity switchers who returned to original supplier (61)
Source: MORI

7.49 Others had their own more individual reasons for switching back:

> *It could be the fact that British Gas offered "3 in 1" - gas, electricity and phone all with the same company; and British Gas is well known*
>
> Female, 53, C2

Likelihood of switching again in the future

7.50 Around one in seven electricity and gas switchers say they are certain or likely to switch in the next year – no significant difference to last year's findings. However, one key change is the proportion of switchers saying they are very unlikely to change (fewer this year in both markets). However, in the electricity market, this decline is outweighed by an increase in the number of switchers saying they are certain not to change supplier.

7.51 Customers who have previously switched continue to be more likely to switch again in the near future than customers who have never switched (non-switchers) are to switch for the first time.

Q How likely or unlikely are you to switch supplier again in the next 12 months?

	Gas*		**Electricity****	
**Base: All gas switchers (713)*	**2000**	**2001**	**2000**	**2001**
***Base: All elec switchers (871)*	*%*	*%*	*%*	*%*
Certain to	1	3	1	1
Very likely	2	4	4	4
Fairly likely	8	8	8	9
Certain/very/fairly likely	**12**	**15**	**13**	**14**
Fairly unlikely	16	18	16	18
Very unlikely	37	31	37	30
Certain not to	28	28	24	28
Do not know	7	6	9	8

Source: MORI

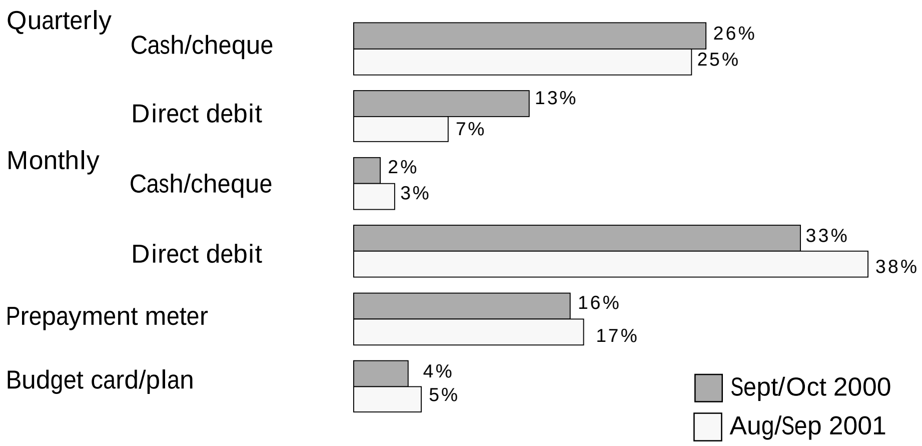
8 Method of payment

Current method of payment

8.1 The most popular way of paying for electricity and gas continues to be direct debit – around half pay by this method. As in previous years, there are no particular differences between gas and electricity, except more electricity customers pay by prepayment meter. However, there is one slight difference between the methods of payment used now compared to last year – namely a small shift from quarterly to monthly direct debit payment.

Current Method Of Payment - Electricity

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

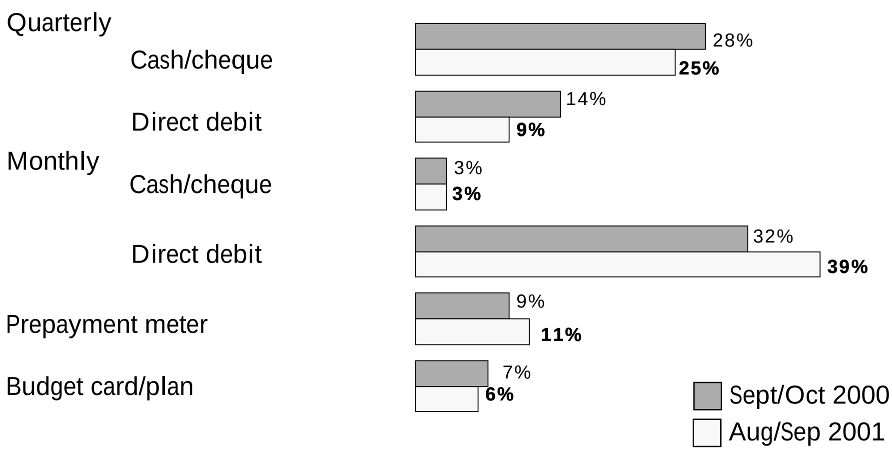


Base: All respondents (c2,310) Source: MORI

8.2 The main differences in methods of payment relate to how different customer types – particularly different demographic groups - pay for their fuel. For instance, electricity switchers are more likely to pay by direct debit (either monthly or quarterly) than non-switchers (55% Vs 42%). Furthermore, electricity customers who do not have payment problems and are not in debt are more likely to pay by direct debit (49% Vs 18% of electricity customers who are in debt/have difficulty in paying). Similarly, electricity customers on high incomes are more likely to be direct debit payers (67%) than those on low incomes (24%) and, in particular those on very low incomes (13%). In fact, there is a close relationship between social class and likelihood to pay by direct debit. For example, 71% of social class ABs pay for their electricity by direct debit compared to 17% of Es.

Current Method Of Payment - Gas

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



Base: All on mains gas (c1,938) Source: MORI

8.3 The same is also true of gas. Compared to non-switchers, gas switchers are more likely to pay by direct debit (47% Vs 55% pay by this method respectively). As in electricity, gas customers who do not have any debt or payment problems are more likely to pay by direct debit, compared to those who do have problems (53% Vs 23% respectively). Also, gas customers on high incomes are more likely than those on low incomes to use direct debit (66% Vs 30% respectively); and even more so compared to those on very low incomes (18%). The same is true of social class ABs compared to Es (77% Vs 20%).

8.4 Disadvantaged customers are more likely to pay by prepayment meters or budget card/plans than the average customer. Among all customers,17% use prepayment meters to pay for electricity and 11% use them for gas. However, more than a third (36%) of customers in social class E use a prepayment meter to pay for their electricity – likewise for gas where a quarter (24%) use prepayment meters; this compares to just 2% of ABs using prepayment meters for electricity or gas. In addition, one parent families are more likely to use prepayment meters (48% do so for electricity and 30% for gas). Furthermore, since customers without a bank or building society account are unable to pay by direct debit, it is not surprising that 54% of non-account holders use prepayment meters for electricity and 40% use them for gas.

8.5 The following table illustrates the full breakdown of each payment method used by key disadvantaged customers. In general, these customers are more likely to use prepayment meters than the average customer. The second table highlights the overlap between various types of “disadvantaged customers” and illustrates that there is not always a close fit between these various measures and hence it is difficult to use a single measure to classify “disadvantaged customers” .

Method of Payment

	All	Social group E	One parent fam-ilies	Very low in-come	Re-ceive Bene-fits	Electric ity PPM	Gas PPM	No bank/ BS ac-count
Gas (Base All weighted)	***(1938) %***	***(356) %***	***(177) %***	***(136) %***	***(484) %***	***(334) %***	***(217) %***	***(170) %***
PPM	11	24	30	27	28	61	100	40
Quarterly/ monthly DD/SO	51	20	29	18	23	8	0	1
Quarterly/ monthly cash/ cheque	29	33	19	34	27	16	0	26
Budget card/plan	6	15	18	16	14	10	0	21
Regular cash scheme	2	6	4	4	5	4	0	8
Other	*	0	0	0	*	0	0	1

Source: MORI

	All	**Social group E**	**One parent fam-ilies**	**Very low in-come**	**Re-ceive Bene-fits**	**Electric ity PPM**	**Gas PPM**	**No bank/ BS ac-count**
Electricity (Base All weighted)	***(2310) %***	***(445) %***	***(208) %***	***(169) %***	***(585) %***	***(391) %***	***(217) %***	***(216) %***
PPM	17	36	48	42	41	100	89	54
Quarterly/ monthly DD/SO	47	17	24	13	18	0	2	1
Quarterly/ monthly cash/ cheque	28	33	12	32	27	0	5	24
Budget card/plan	5	9	12	8	9	0	2	12
Regular cash scheme	2	4	3	3	3	0	2	6
Other	*	0	0	0	*	0	0	*

Source: MORI

Overlap between disadvantaged customers

	All	Social group E	One parent families	Very low income	Receive Benefits	Electricity PPM	Gas PPM	State pension only	No bank/ BS account	Difficulty in paying/ In-debt
Base: All weighted	(2310) %	(445) %	(208) %	(169) %	(585) %	(391) %	(217) %	(274) %	(216) %	(149) %
Age										
16-34	35	36	68	39	51	57	61	1	48	57
35-64	44	32	32	25	31	37	34	21	35	37
65+	21	32	0	35	17	5	5	78	17	6
Social Group										
AB	18	0	8	1	5	2	3	10	1	2
C1	24	0	17	6	14	16	12	15	3	14
C2	28	0	10	11	14	25	25	14	10	22
DE	29	100	66	82	67	56	60	62	85	62
E	16	100	50	70	49	35	35	53	68	41
Inactive	38	84	51	74	56	37	39	92	65	40
One parent families	9	27	100	25	30	25	25	0	30	28
Rent from LA/HA	24	60	64	61	60	62	64	29	72	53
No bank/BS account	7	31	26	24	23	24	26	12	100	17
Very low income	7	28	19	100	21	17	16	16	22	20
Receive benefits other than state pension	24	71	79	74	100	58	60	29	75	62
Electricity PPM customers	17	36	48	42	41	100	89	5	54	37
Gas PPM customers	9	20	26	23	24	49	100	3	32	28

Source: MORI

Have switchers changed their payment method?

8.6 As previously noted, switchers are most likely to pay by direct debit. As the figures also showed last year, some customers change from quarterly cash/cheque to monthly direct debit when they change supplier. Nearly half now pay by monthly direct debit alone (with nearly another 10% paying by quarterly direct debit). The only difference between gas and electricity is that more electricity switchers use prepayment meters – as do electricity customers in the main.

Current/Previous methods of payment – Key methods

	Gas*		Electricity**	
**Base: All gas switchers (713)*	**Previous**	**Current**	**Previous**	**Current**
***Base: All elec switchers (871)*	%	%	%	%
Quarterly cash/cheque	27	21	28	21
Quarterly direct debit	8	9	8	8
Monthly cash/cheque	5	4	3	2
Monthly direct debit	36	47	34	45
Prepayment meter	8	8	13	14
Budget card/plan	3	5	4	5

Source: MORI

Reasons for using current payment method

8.7 Just under three quarters of customers (70% electricity and 72% gas) pay by their chosen method because of ease or convenience. Obviously this may have different meanings to different people – prepayment meter customers might consider their meters convenient because they can pay for fuel when they want to use it, whereas direct debit customers may find convenience in the fact payment is made automatically.

8.8 Other reasons for paying by one method over another include the fact that a method may help customers to budget their spending on fuel (eg budget plans or prepayment meters). Given the fact more than a quarter give “always paid this way” as a reason for paying by cash and cheque, it is not surprising that some switchers change from this method to monthly direct debit upon changing supplier – especially given the savings on offer. Interestingly however, customers appear to be more motivated by the ease and convenience of direct debit, rather than the savings which can be made – since only one in ten direct debit payers refer to cheaper prices as being a reason why they use this method.

Reasons For Choice Of Method - Electricity

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

	Cash/ cheque (651) %	Direct debit (1029) %	PPM (420) %	Budget card/plan (119) %
Easy/convenient	56	85	58	62
Best way of budgeting	14	23	43	51
Always paid this way	25	6	6	5
Have control over payments	11	5	14	11
Cheaper	1	11	1	2
Pay when bill arrives	14	*	1	0
Pay for what used, when I use it	4	1	11	7

Base: All who pay for electricity by each method

Source: MORI

Reasons For Choice Of Method - Gas

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

	Cash/ cheque (558) %	Direct debit (935) %	PPM (217) %	Budget card/plan (145) %
Easy/convenient	59	85	60	65
Best way of budgeting	16	25	39	48
Always paid this way	26	6	5	8
Have control over payments	10	4	12	9
Cheaper	2	10	2	0
Pay when bill arrives	14	*	*	2
Dislike direct debit	8	*	1	2

Base: All who pay for gas by each method

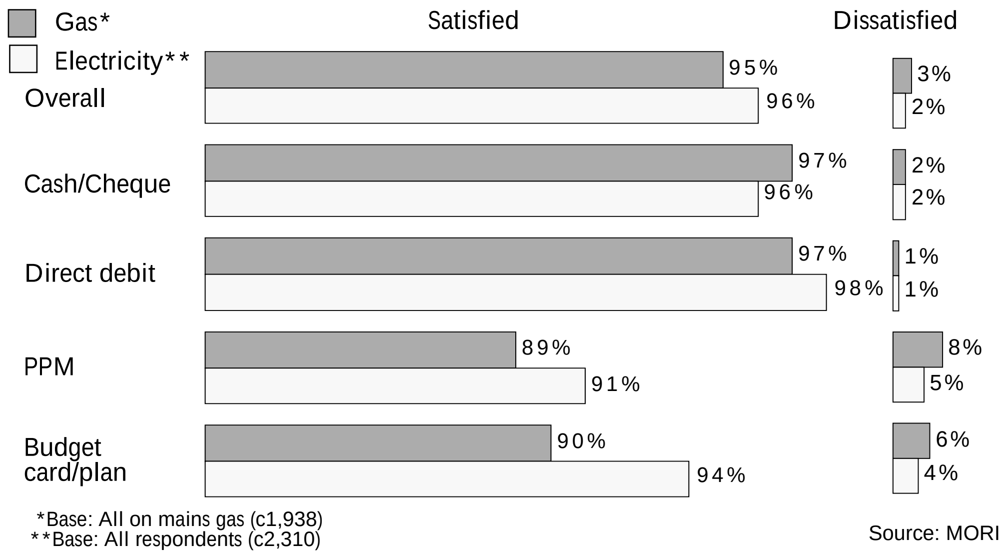
Source: MORI

Satisfaction with payment method

8.9 Customers continue to be overwhelmingly positive about their payment method, with only 3% of gas and 2% of electricity customers stating they are dissatisfied. Prepayment meter customers are slightly more likely to be dissatisfied than other customers (8% gas and 5% electricity), although on the whole the majority are satisfied. This is a similar picture to last year.

Satisfaction With Method Of Payment

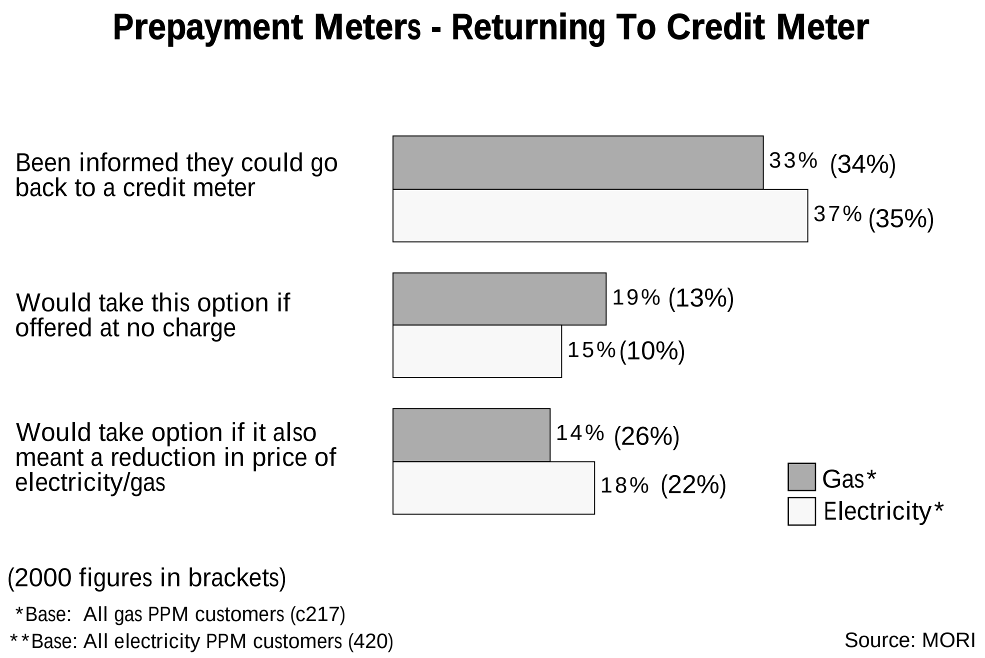
Q How satisfied are you with the method you use to pay for ...?



Returning to a credit meter

8.10 When asked about whether they have been informed that they could go back to a credit meter, a third of gas (and slightly more electricity) prepayment meter customers state that they do know this. This is comparable to the findings last year.

8.11 However, many prepayment meter customers appear to be really attached to their meters. In fact, it would appear that they are so satisfied with them that less than three in ten would change to another payment method, even if it meant a reduction in the price of their fuel. Just one in seven gas prepayment meter customers and one in six electricity would take the option without any savings – as long as it was offered at no extra charge.


Prepayment Meters - Returning To Credit Meter
Been informed they could go back to a credit meter
33% (34%)
37% (35%)
Would take this option if offered at no charge
19% (13%)
15% (10%)
Would take option if it also meant a reduction in price of electricity/gas
14% (26%)
18% (22%)
Gas*
Electricity*
(2000 figures in brackets)
*Base: All gas PPM customers (c217)
**Base: All electricity PPM customers (420)
Source: MORI

Appendices

Appendix 1

Statistical reliability

Any survey which is not conducted amongst the total population, but among a sample drawn from the 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%**
	$\pm$	$\pm$	$\pm$
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.

Sub-groups compared	Differences required for findings to be regarded as statistically different at or near these percentages * 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" (149 people) are defined as those who agree to either (or both) of the following statements at Q67:

  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)

  Those defined as "Difficulty in paying/in debt - No" were redefined in 2001. These are now customers who do not agree to **both** of the aforementioned statements, whereas previously customers only needed to disagree to one. Because of this, the findings for "Difficulty in paying/in debt - No" in the 2001 survey cannot be directly compared with those in 2000, although "in debt/difficulty paying bills" can be compared to 2000.

- 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):

  War Disablement Pension

  Disabled Person's Tax Credit

  Severe Disablement Allowance

  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.

  Very Low (under £4,500)

  Low (4,500 - £9,499)

  Medium (£9,500 - £21,499)

  High (£21,500 +)

- The size of electricity and gas bills are based on the following definitions

Definition	**Annual Gas Bill**	**Annual Electricity Bill**
Low	Under £100 - £299	Under £100 - £199
Medium	£300 - £399	£200 - £299
High	£400 +	£300 +

- "Younger" customers are defined as being 16-34 years of age and "Elderly"/"older" customers are defined as being over 65 years of age.

- 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 classes 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

- There are two rural identifiers used in the analysis. The main one, used in previous studies - and thus can be used to compare 2001 results with previous years' figures, is recorded at the time of interview and is based upon the physical identification of the location (by the interviewer). A location can be defined as **rural** or **urban**. An additional rural identifier is included for the switching rate analysis in 2001, so it can be compared to other studies conducted by Ofgem. These definitions are based on ONS urbanity classifications, where density is defined in terms of people per hectare. Rural = 0 up to 1.28 people per hectare, Mixed = Over 1.28 and up to 5.84 people per hectare and Urban = Over 5.84 people per hectare.

- In 2001, analysis is also provided for each ex-PES supplier's service area. Where possible, each completed interview has been allocated a service area based on the respondent's postcode. Service areas were allocated directly by the Electricity Association, or, where it where it was "borderline" MORI went back to the data and assigned the remaining people based on the following:

    1. If the respondent had never switched electricity supplier, the service area was taken from their current electricity supplier at Q2
    2. If the respondent had switched electricity supplier twice AND switched back to their original electricity supplier, the PES area was taken from their current electricity supplier at Q2.
    3. Any interviews still unassigned after this process were excluded from the service area analysis.

The following abbreviations are used for each service area:

EE	Eastern
EME	East Midlands
LE	London
MANWEB	MANWEB
ME	Midlands
NE	Northern
NORWEB	NORWEB
SE	Southern
SEEBOARD	SEEBOARD
SHE	Scottish Hydro
SP	Scottish Power
SWALEC	SWALEC
SWE	South West
YE	Yorkshire

Appendix 3

Social Class

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

Social Class		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 surveys – methodology

Ofgem Survey – September/October 2000

2,238 face-to-face interviews were conducted with domestic electricity and gas customers between 9 September and 8 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.

As previously, to ensure the results are representative of customers in Great Britain, the data were weighted to the known profile of the population by age, working status and social class, as well as by MOSAIC life code of Enumeration Districts (EDs); and the percentage of electricity switchers (19%) and gas switchers (29%) estimated to be in these areas at the time of fieldwork. 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. Data processing was carried out by Independent Data Analysis.

Ofgem 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.

Ofgem Survey – February/March 1999

A total of 1,212 interviews were conducted with domestic electricity customers in those areas opened up to competition by the end of December 1998. Interviews were conducted with the person wholly or jointly responsible for paying the household's electricity bill and who would make the decision to change supplier, either on their own or in consultation with another household member. The proportion of 'switchers' and customers in the E social class were boosted to allow for their separate analysis.

As with phase 2, to ensure that the results were representative of customers in the areas selected, the data was 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 those Enumeration Districts (EDs) in the areas opened up to competition, and the percentage of switchers understood to be in these areas at the time of fieldwork - that is, 5%.

All interviews were conducted face-to-face, in-home, between 6 February and 15 March 1999.

An earlier, qualitative stage was also carried out. This consisted of four informal group discussions held between 18-21 January 1999 with domestic customers in areas opened up to competition. Two groups were held amongst the general public in Beverley and Lichfield and two were conducted among disadvantaged customers in Liverpool and Leeds. Between 8 and 10 people took part in each discussion.

Ofgas Survey – July/August 1998

2,511 in-house, face-to-face interviews were conducted with household gas bill payers nationally, including 803 interviews with switchers and 691 interviews with Scottish households, both of whose numbers were boosted to allow for separate analysis. Similarly, the proportion of "lower income" Enumeration Districts in the sample was boosted, so as to provide a more robust sample of lower income groups for separate analysis.

Final data were weighted to reflect the known profile of gas customers in England and Wales, and Scotland, by work status, age, social group and switchers vs. non-switchers.

Fieldwork was carried out by MORI Field & Tab between 11th July and 16th August 1998.

Appendix 5

Marked-up questionnaire

Experience of the Competitive Market 2001 (Mainstage & Booster)
Preliminary Topline Findings
17 October 2001 – J14977

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. 2,310 INTERVIEWS WERE COMPLETED IN TOTAL, INCLUDING A BOOSTER SAMPLE OF CUSTOMERS IN SCOTLAND. THE MAIN STAGE WAS CONDUCTED ACROSS 156 SAMPLING POINTS AND THE BOOSTER INTERVIEWS WERE CONDUCTED IN 25 SAMPLING POINTS. INTERVIEWS TOOK PLACE BETWEEN 13 AUGUST - 26 SEPTEMBER 2001.

Sex of respondent:

	(%)
Male	39
Female	61

Age of respondent:

	(%)
16-24	7
25-34	28
35-44	17
45-54	15
55-64	12
65+	21

Respondent is:

	(%)
CIE	62
Not CIE	36

Occupation of C.I.E.

	(%)
AB	18
C1	24
C2	28
D	13
E	16

Respondent is head of household?

	(%)
Yes	66
No	34

Sex of Head of Household:

	(%)
Male	67
Female	33

Age of Head of Household:

	(%)
16-34	30
35-54	36
55+	34

Working Status of Head of Household

Working (ACTIVE)	(%)
Working full time (30hrs+)	50
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)	1
Working student	*
Working on a Government training scheme	*
Working other	*
Working (INACTIVE)	
Not working -Long term sick/ permanently ill	3
Not working –Retired	26
Not working -Housewife	5
Not working -At home and not seeking work	2
Non-working student	1
Not working -Disabled	1
Not working Other	1

Household is:

	(%)
Pensioner(s) only (ie no children or other adults)	21
Adults and contains no children under 15	40
Adults with child/ren under 15 - two parent household	29
Adult with child/children under 15 - one parent household	9

No. in household (incl. respondent):

No.	1	2	3	4	5	6	7	8	9+
%	20	34	19	17	7	2	*	*	*

No. of adults in full-time employment in household (includes respondent):

No.	0	1	2	3	4	5	6	7	8	9+
%	38	33	22	3	1	*	0	0	0	0

Type of housing:

	(%)
Detached house	17
Semi-detached house	34
Terraced house	33
Flat or maisonette	13
Other	2
Don't know	*

Housing tenure:

	(%)
Being bought on mortgage	39
Owned outright by household	28
Rented from Local Authority	18
Rented from Housing Assoc./Trust	6
Rented from private landlord	7
Other	1

Electricity Bill

SHOWCARD II (R) **Using this card, approximately how much would you estimate your household's bill was for <u>electricity</u> 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	15
C)	£200-299	26
D)	£300-399	18
E)	£400-499	10
F)	£500-599	7
G)	£600-699	2
H)	£700-799	1
I)	£800 or more	1
	No idea	17
	Refused	1

Gas Bill – ASK IF ON MAINS GAS (QD = CODE 1)

SHOWCARD II (R) AGAIN **And, using this card, approximately how much would you estimate your household's bill was for <u>gas</u> 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.**
Base: All on mains gas (1,938)

		(%)
A)	Less than £100	4
B)	£100-199	13
C)	£200-299	25
D)	£300-399	20
E)	£400-499	10
F)	£500-599	5
G)	£600-699	2
H)	£700-799	1
I)	£800 or more	2
	No idea	17
	Refused	1

Household Income
SHOWCARD JJ (R) **Which of the categories on this card represents your annual household income before tax? Just read out the letter of the category which applies.**

		(%)
A	Under £2,500	2
B	£2,500 - £4,499	5
C	£4,500 - £6,499	6
D	£6,500 - £7,499	3
E	£7,500 - £9,499	4
F	£9,500 - £11,499	4
G	£11,500 - £13,499	3
H	£13,500 - £15,499	3
I	£15,500 - £17,499	4
J	£17,500 - £21,499	6
K	£21,500 - £24,999	5
L	. £25,000 - £29,999	7
M	£30,000 - £39,999	8
N	£40,000 or over	10
	Refused	21
	Don't know	10

Do you have a bank or building society account?
SINGLE CODE ONLY

	(%)
Has a bank account	49
Has a building society account	6
Both	35
Neither	7
Refused	3

Direct Debit (A)
IF HAVE BANK/BUILDING SOCIETY ACCOUNT
Do you pay any bills by direct debit?
Base: All who have bank/building society account (2,042)

	(%)
Yes	78
No	21

Direct Debit (B)
ASK IF NO AT DIRECT DEBIT (A)
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 by direct debit, but have an account (474)

	(%)
Yes, is possible	76
No, not possible	12
Don't know	12

Household Benefits/Other Incomes

SHOWCARD KK (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	23
B	Occupational pension	16
C	Other pension (eg war pension)	1
D	War Disablement pension	*
E	Income support	9
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	35
I	Working families Tax Credit/Family credit	6
J	Back to work bonus	*
K	Family credit	1
L	Disabled person's tax credit (formerly Disability working allowance)	*
M	Severe disablement allowance (SDA)	*
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	14
T	Housing benefit	12
U	Winter fuel payments	12
	None of these	27
	Refused	4

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

	(%)
Coal/Solid Fuel	3
Electricity storage radiators	7
Other forms of electric heating	4
Mains gas	81
Bottled gas	2
Oil	3
Other	*

Location

	(%)
Town/City	70
Village/countryside	27

Telephone service (fixed line, ie excluding mobile phones) supplied by:

	(%)
BT	72
Other telecoms supplier	23
No telephone	6

Ethnicity

	(%)
White	93
Afro-Caribbean	2
Asian	3
Other WRITE IN AND CODE 4	*

Good morning/afternoon/evening. I'm from MORI, the Market Research company. We're conducting interviews about electricity and gas services and would like to ask you some questions. Could I just ask ...

QA **Do you or any member of your immediate family work in the electricity or gas industry or in market research?**

	(%)
No/not stated	100

QB **Are you the person most responsible, or are you jointly responsible with someone else, for paying the electricity and gas bills in your household?** SINGLE CODE ONLY.

	(%)
Person most responsible	51
Jointly responsible	48

QC **If your household were to change, say, to a new telephone, gas or electricity supplier or insurance company, would you be the person who would make that decision, would you make it jointly with someone else, or would someone else in the household make the decision?** SINGLE CODE ONLY.

	(%)
Respondent	48
Jointly	52

QD **Is your household connected to mains gas or not?** SINGLE CODE ONLY.

	(%)
Yes	83
No	17

CONTACT WITH SUPPLIERS

Q1. SHOWCARD A (R) **Which of these companies are you aware of selling electricity 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 electricity?** SINGLE CODE ONLY.
Base: All

Q3. SHOWCARD A (R) AGAIN **Which of these companies are you aware of selling gas in this area?** MULTICODE OK.
Base: All on mains gas (1938)

Q4. SHOWCARD A (R) AGAIN **And which supplies your gas?** SINGLE CODE ONLY.
BASE: All on mains gas (1938)

		Q1 Electricity Companies (%)	Q2 Current Electricity Supplier (%)	Q3 Gas Companies (%)	Q4 Current Gas Supplier (%)
A	Amerada/Amerada.co.uk/ Midlands Gas	6	*	6	2
B	Atlantic Electricity & Gas/Imperial Power	1	0	1	0
C	British Gas / Scottish Gas	61	20	87	60
D	Cambridge Gas Co	1	*	2	*
E	Countrywide Gas	*	0	1	0
F	Eastern Electricity and Natural Gas/Eastern Energy	21	9	14	4
G	Energy Supplies UK	2	0	1	*
H	Enron Direct	*	*	*	0
I	The Gas Supply Company	1	*	2	*
J	Gas West	*	0	1	0
K	London Electricity	13	5	6	1
L	Manweb	12	2	7	*
M	Midlands Shires Farmers	*	0	*	0
N	North Wales Gas/Energy	1	0	1	0
O	Northern Electric and Gas	11	4	10	3
P	Northern Energy/ Energy Supplies UK	3	*	2	*
Q	Norweb Gas / ENERGI	19	6	17	2
R	Npower/Npower Direct/ Independent Energy	22	8	16	5
S	Powergen	36	6	24	3
T	Scottish Hydro/Scottish and Southern Energy	6	1	3	*
U	ScottishPower	28	8	18	4
V	SEEBOARD/Beacon Gas	14	7	10	2
W	Servista	*	0	*	0
X	Severn Trent Energy	3	0	1	0
Y	Southern Electric / Southern Electric Gas	17	7	11	3
Z	SWALEC / SWALEC Gas	6	2	5	1
AA	SWEB / SWEB Gas	8	4	5	*
BB	Utility Link	*	0	*	0
CC	Virgin	5	1	4	1
DD	Western Gas	1	0	1	0
EE	Yorkshire Electricity	13	5	7	3
FF	York Gas	1	*	2	*

Don't know	3	3	3	3

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

	Very satisfied (%)	Fairly satisfied (%)	Neither satisfied nor dissatisfied (%)	Fairly dissatisfied (%)	Very dissatisfied (%)	No opinion (%)
A **Ease of contacting your supplier with questions and/or to report a problem**	32	40	9	4	2	13
B **Ease of obtaining a satisfactory answer to your question/ problem**	28	37	12	4	2	16
C **Accuracy of bills**	33	45	8	3	2	9
D **Frequency of billing**	36	45	6	2	1	9
E **Energy efficiency advice**	19	34	19	4	2	20
F **Overall service**	37	50	6	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?** SINGLE CODE PER ASPECT.
Base: All on mains gas (1938)

	Very satisfied (%)	Fairly satisfied (%)	Neither satisfied nor dissatisfied (%)	Fairly dissatisfied (%)	Very dissatisfied (%)	No opinion (%)
A **Ease of contacting your supplier with questions and/or to report a problem**	32	41	10	3	3	11
B **Ease of obtaining a satisfactory answer to your question/ problem**	30	38	13	4	3	13
C **Accuracy of bills**	35	45	7	2	2	8
D **Frequency of billing**	37	46	5	3	1	8
E **Energy efficiency advice**	22	34	18	5	2	18
F **Overall service**	37	49	6	2	2	2

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 (%)
Visited by doorstep salesperson	61
Leaflet through the door	33
TV advertisement	25
Telephone sales call from supplier	25
Encounter on street/shopping centre	18
Press advertisement (newspaper, magazines etc)	12
In store promotion/exhibition	10
You have contacted the supplier to ask for information	5
Radio advertisement	5
Internet website	2
Internet advertisement	1
Letter from supplier	1
Through my business/my employer	*
Other (WRITE IN & CODE 'Y')	*
None of these	12
Don't know	1

PRICE

Q8a **Have you been able to make your own comparisons between the electricity or gas prices that the various suppliers are currently charging ?** SINGLE CODE ONLY.
Base: All

	(%)
Yes	33
No	62
Don't know	4

Q8b **Have you been approached by any electricity or gas suppliers telling you how their prices compare with other suppliers' prices, or about the extent to which their prices are cheaper ?** SINGLE CODE ONLY
Base: All

	(%)
Yes	65
No	33
Do not know	2

Q8c SHOWCARD D (R) **How informed, if at all, do you feel about the different prices available from the various electricity and gas suppliers?** SINGLE CODE ONLY.
Base: All who are able to make comparisons **or** approached with price information (1584)

	(%)
Very well informed	7
Fairly well informed	46
Not very well informed	30
Not at all informed	12
Don't know	3

Q9 SHOWCARD E (R) **From which of these sources have you seen or heard any information on prices? Read out the letters which apply** MULTICODE OK.

Base: All who are able to make comparisons or approached with price information (1584)

	(%)
From competitor supplier(s)	45
From my current supplier	40
Newspapers or magazine article	27
Which? magazine/Consumers Association	5
Website which calculates and compares prices	4
TV	2
Ofgem factsheet	1
Caller at door/canvasser (org unspec)	*
Letter/by post/leaflet through door (org unspec)	*
Word of mouth	*
In the street/stand in shopping mall (org unspec)	*
In shop/supermarket (org unspec)	*
Other (WRITE IN & CODE '7')	1
Can't recall	7
None of these, no information at all	13

Q10 SHOWCARD F (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 are able to make comparisons or approached with price information (1584)

	(%)
Very easy	7
Fairly easy	33
Fairly difficult	20
Very difficult	15
Don't know	5
Never tried to compare	20

Q11 SHOWCARD G (R) **Which of these reasons come closest to describing why you found it difficult to compare different prices?** MULTICODE OK
Base: All who found it difficult to compare prices (568)

	(%)
Figures I've seen or heard are confusing	53
Figures are not comparable between suppliers/cannot compare like with like	41
No information or figures to go on	18
Do not believe the figures I've seen or heard	18
Figures I've seen or heard do not apply to me	4
Some other reason	4
Don't know	1

Q12 **Why do you say that?** DO NOT PROMPT. MULTICODE OK.
Base: All who found it easy to compare prices (601)

	(%)
Easy to understand how much standing charges and unit rates are	29
Prices for each supplier well set out	29
Comparison was for annual bills rather than just prices	11
Prices for different regions well set out	7
Comparison gave annual savings compared to local electricity company or British Gas [IF IN SCOTLAND, Scottish Gas]	7
Give examples/Tables/Calculations	4
Easy to calculate	4
Well explained	3
Checked on Internet	2
Phone/Spoke to salesperson	2
Offered good price/Good savings	*
Word of mouth	*
Media coverage	*
Other (WRITE IN & CODE '6')	1
Don't know	10

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

	(%)
Higher than local company	3
About the same as local company	27
Lower than local company	22
Some are higher, some are lower	15
Not looked at information, so could not say	20
No opinion	12

Q14. **Do you think the prices offered by the new gas suppliers are higher or lower than those offered by [British Gas]** IF IN SCOTLAND, READ **[Scottish Gas], or are they about the same, or are some higher and some lower?** SINGLE CODE ONLY.
Base: All on mains gas (1938)

	(%)
Higher than British/Scottish Gas	4
About the same as British/Scottish Gas	28
Lower than British/Scottish Gas	22
Some are higher, some are lower	14
Not looked at information, so could not say	19
No opinion	12

Switching electricity supplier

Q15. **Have you changed or signed a contract to change electricity supplier?** SINGLE CODE ONLY. APPLIES TO WHEN AN ACTIVE DECISION HAS BEEN MADE TO CHANGE SUPPLIER
Base: All

	(%)
Yes, changed or signed contract	38
No	61
Don't know	1

ELECTRICITY NON-SWITCHERS SECTION (Q16-Q25 TO BE ASKED OF THOSE CODED '2' AT Q15 . OTHERS GO TO FILTER AT Q26)

Q16 **What are your main reasons for staying with your current electricity supplier**? DO NOT PROMPT. MULTICODE OK.
BASE: All electricity non-switchers (1424)

Q17 SHOWCARD H (R) **And which of these reasons, if any, had an influence on your decision?** MULTICODE OK
Base: All electricity non-switchers (1424)

		Q16 Spontaneous (%)	Q16 & Q17 Spontaneous & Prompted (%)
A	I believe I am unable to change	2	5
B	See no reason to change/satisfied with current supplier	70	79
C	Changing is too much hassle	15	32
D	Waiting to see what happens	2	6
E	Suspicious that lower prices will not be maintained	4	21
F	Suspect that other suppliers will offer poorer service than current supplier	1	6
G	Have not been approached by another supplier	2	7
H	Don't know enough about other suppliers	3	18
I	Don't trust other suppliers	2	10
J	The savings are not large enough to make it worthwhile	4	17
	Waiting to see what happens	2	6
	Planning to move house/Just moved	1	1
	Cheaper	1	1
	Changed gas to this supplier	1	1
	Other	2	
			2
	Don't know	2	*

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Q18. **Why did you believe that you were you unable to change electricity supplier?** DO NOT PROMPT. MULTICODE OK.
BASE: All who believe unable to change electricity supplier (59)

	(%)
Would not have been able to use prepayment meter	42
Paid with rent/with ground rent	19
Believe/Told that if you are in debt you can't change supplier	16
Current supplier stopped the transfer	4
No suitable payment method offered	4
Had to change payment method (unspecified)	4
New supplier did not seem interested in having me	2
Would have had to change to direct debit	0
Would not have been able to continue with my present weekly budget payment scheme	*
Other (WRITE IN & CODE '9')	5
Can't recall	2

Q19. SHOWCARD I (R) **How likely are you to change your electricity supplier in the next 12 months?** SINGLE CODE ONLY.
Base: All electricity non-switchers (1424)

	(%)
Certain to	1
Very likely	2
Fairly likely	5
Fairly unlikely	13
Very unlikely	38
Certain not to	37
Don't know	4

Q20. **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 (1424)

Q21. SHOWCARD J (R) **And which 2-3 of these factors would be most important when choosing a new electricity supplier?** JUST READ OUT THE LETTERS THAT APPLY. CODE UP TO 3 RESPONSES. MULTICODE OK.
Base: All electricity non-switchers (1424)

Q22. SHOWCARD K (R) **And, other than price, which of the following would be most important when choosing a new supplier?** *MULTICODE OK*
Base: All who say reduced cost is one of the most important factors when choosing a new electricity supplier (911)

		Electricity		
		Q20 Spontaneous (%)	Q20/Q21 Spontaneous & Prompted (%)	Q22 Prompted (%)
A	**Reduced cost of electricity**	55	64	
B	Quality of service	18	40	31
C	Experience of supplier in electricity supply	2	9	3
D	Well known company	5	20	11
E	Reliable/trustworthy company	9	27	17
F	Choice of convenient payment methods	2	12	5
G	Experience of people I know	1	4	2
H	Ease of switching	3	16	10
I	Guaranteed prices/keep prices down	7	29	18
J	Dual fuel package (buying gas and electricity from one company)	1	10	5
K	The opportunity to purchase other services from the same company eg. telecoms, insurance, etc	*	1	1
	Safety	*	*	0
	British Company	*	*	0
	Able to keep meter	*	*	0
	Constant supply/No cuts	*	*	0
	Clearer billing	*	*	0
	Good communications/Answer letters/Phone	1	1	0
	Nothing would ever convince me to switch	16	18	1
	Other Q20	2		
	Q21		2	
	Q22			0
	Don't know	7	11	5

Q23. **Approximately what saving, expressed as pounds per year, in your electricity bill, if any, would be sufficient for you to consider switching electricity supplier?**
Base: All electricity non-switchers (1424)

	%
None	*
Under £50	13
£50 to £100	32
Over £100	6
Would not switch whatever the saving	24
Don't know	23

Q24. SHOWCARD L (R) **How easy or difficult do you think it is to change electricity supplier?** SINGLE CODE ONLY.
Base: All electricity non-switchers (1424)

	(%)
Very easy	23
Fairly easy	41
Fairly difficult	10
Very difficult	4
No opinion	21

Q25. **Why do you say that it is.....** (READ OUT RESPONSE AT Q24) **to change electricity supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All who say it is difficult to switch electricity supplier (197)

	(%)
Too much hassle	49
Causes too much admin/paperwork	25
From what I've heard it's difficult	20
Problems with billing	12
New/Do not know how to	7
Have a meter	6
Do I need to have new wires?	2
In debt with supplier	1
Difficult to obtain accurate information	*
Other (WRITE IN & CODE '6')	7
Don't know	4

ELECTRICITY SWITCHERS SECTION (ASK Q26-33b OF THOSE CODED '1' AT Q15. OTHERS GO TO Q34a)

Q26 SHOWCARD M (R) **When did you sign the contract to change to your current electricity supplier?** SINGLE CODE ONLY
Base: All electricity switchers (871)

	(%)
In the last three months	28
4-6 months ago	16
7-12 months ago	18
Over one year and up to two years ago	27
Over two years ago	11
Don't know	*

Q27a **What were the main reasons why you decided to change your <u>electricity</u> supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All electricity switchers (871)

Q27b SHOWCARD N (R) **And, which of these reasons, if any, influenced your decision to change your <u>electricity</u> supplier?** MULTICODE OK.
Base: All electricity switchers (871)

		Q27a Spontaneous (%)	Q27a&b Spontaneous & Prompted (%)
A	Cheaper prices	69	79
B	Better service from new supplier	5	13
C	Poor service from previous supplier	5	9
D	Persuasive doorstep salesman	10	21
E	Advertising by new electricity supplier	*	2
F	Ability to buy gas and electricity from the same company (Dual Fuel)	12	30
G	Wanted to take electricity from my existing gas supplier because they offered an additional discount to do so	4	13
H	Wanted to take electricity from my existing gas supplier for some other reason	1	4
I	Believed it would be easy to switch	1	14
J	Wanted to receive advice on energy efficiency	0	1
K	Only one bill for gas/electricity	6	19
L	Wanted to try new supplier	1	10
M	Friend/family encouraged me	1	4
	Payment methods	1	1
	British Company	1	1
	Moved House/New House	1	1
	Didn't decide/tricked into it	1	1
	There is no standing charge	1	1
	Better billing	1	1
	Company changed/Company taken over	*	*
	To combine with telephone supplier	*	*
	Other Q27a	2	
	Q27b		2
	Don't know	1	*

Q28. SHOWCARD O (R) **How easy or difficult was it for you to leave your last <u>electricity</u> supplier?** SINGLE CODE ONLY.
Base: All Electricity Switchers (871)

	(%)
Very easy	66
Fairly easy	22
Fairly difficult	4
Very difficult	6
Don't know	3

Q29 **Why do you say that it was easy to leave your last electricity supplier?**
DO NOT PROMPT. MULTICODE OK. PROBE 'IN WHAT WAYS' IF RESPONDENT SAYS 'IT JUST WAS'
Base: All who found it easy to leave their last electricity supplier (763)

	(%)
No problems	52
New supplier did it all	46
It just took one phone call or visit by new supplier	5
Only had to contact new supplier	4
Relative did it for me	1
New company seemed better	1
Other (WRITE IN & CODE '5')	*
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 electricity supplier (83)

	(%)
Problems with billing/no bill yet	43
Something went wrong in the process of transferring to new supplier	26
Old supplier raised objections/made it difficult to leave	22
Poor communications/didn't answer letters/phone calls	19
Caused too much admin/paperwork	10
Problems with meter readings/Didn't read meter	5
Took too long	4
I had overpaid my old supplier and it took a long time to get a refund	4
Had problems (unspecified)	16
Other (WRITE IN & CODE '8')	8
None/no answer	2

Q31a **Have you changed electricity supplier more than once since competition was introduced or only the once?** IF YES **How many times?**
SINGLE CODE ONLY.
Base: All Electricity Switchers (871)

	(%)
Only once	77
Twice	19
Three times	3
Four times	*
Five times plus	*
Don't know	*

Q31b **Did you return to your original local electricity supplier or not?**
SINGLE CODE ONLY.
Base: All who have changed electricity supplier more than once(190)

	(%)
Yes	32
No	67

Q31c **What was the main reason why you returned to your original electricity supplier?**
DO NOT PROMPT. WRITE IN FULL VERBATIM. PROBE FULLY
Base: All electricity switchers who returned to their local electricity supplier (61)

Original supplier cheaper/discount offered to return	30
Poor service/better service from previous supplier	25
Billing problems	10
Tricked into it	8
Only company that does a card/Meter	7
Wanted specific type of payment (direct debit/Quarterly)	6
Only one bill	6
New supplier increased price after I switched	5
Persuasive/pleasant salesman	5
Prices more or less the same	5
No standing charge	4
Other	5

Q32. SHOWCARD P (R) **How likely or unlikely are you to switch electricity supplier again in the next 12 months?** SINGLE CODE ONLY.
Base: All electricity switchers (871)

	(%)
Certain to	1
Very likely	4
Fairly likely	9
Fairly unlikely	18
Very unlikely	30
Certain not to	28
Don't know	8

Q33a. SHOWCARD Q (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 (871)

			Very satisfied (%)	Fairly satisfied (%)	Neither satisfied nor dissatisfied (%)	Fairly dissatisfied (%)	Very dissatisfied (%)	No opinion (%)
❑	A	**Savings achieved on electricity bill compared to expectations**	16	43	16	5	2	18
	B	**Sales or marketing methods used by new supplier**	15	45	23	4	2	10
	C	**Accuracy of information received from new supplier**	19	48	13	4	3	13
	D	**The time taken to transfer to the new supplier**	36	43	5	6	3	6
❑	E	**Timeliness of new suppliers' bills**	23	44	11	3	1	18

Q33b **Thinking about the overall level of service provided by your new electricity supplier, would you say it has..?** READ OUT LIST. SINGLE CODE ONLY
Base: All electricity switchers (871)

	(%)
Exceeded your expectations	5
Met your expectations, but no more	71
Failed to meet your expectations	8
Don't know	15

ASK ALL RESPONDENTS

ASK ALL
Q34a **Have you ever tried to switch electricity supplier, but failed for some reason?** SINGLE CODE ONLY
Base: All

	(%)
Yes	3
No	96
Don't know	*

Q34b SHOWCARD R (R) **Which of these reasons best describes why you failed to switch?**
SINGLE CODE ONLY
Base: All who have tried to switch electricity supplier, but failed for some reason (71)

	(%)
Old supplier objected to/prevented me from transferring to new supplier	28
Something went wrong in the process of transferring to new supplier and I gave up	28
The new supplier said that I couldn't transfer because the new supplier couldn't get the necessary information from the old supplier	15
The new supplier said that I couldn't transfer because I had the wrong type of meter	13
Savings not worth it	7
The new supplier wouldn't let me pay by my preferred method	6
Owed money to the company	4
Old supplier persuaded me to stay	1
Other (WRITE IN & CODE '7')	4
Can't recall	2

SWITCHING GAS SUPPLIER - ASK ALL ON MAINS GAS - CODE 1 AT QD. OTHERS GO TO Q55

Q35. **Have you changed or signed a contract to change gas supplier?**
SINGLE CODE ONLY. APPLIES TO WHEN AN ACTIVE DECISION HAS BEEN MADE TO CHANGE SUPPLIER
Base: All on mains gas (1938)

	(%)
Yes, changed or signed contract	37
No	62
Don't know	1

GAS NON-SWITCHERS SECTION (Q36-Q45 TO BE ASKED OF THOSE CODED '2' AT Q35. OTHERS GO TO FILTER AT Q46)

Q36. **What are your main reasons for staying with your current gas supplier**? DO NOT PROMPT. MULTICODE OK.
Base: All gas non-switchers (1215)

Q37. SHOWCARD S (R) **Which of these, if any, had an influence on your decision?** JUST READ OUT LETTERS THAT APPLY. MULTICODE OK.
Base: All gas non-switchers (1215)

		Q36 Spontaneous (%)	Q36 & Q37 Spontaneous & prompted (%)
A	I believe I am unable to change	1	2
B	See no reason to change/satisfied with current supplier	72	80
C	Changing is too much hassle	12	25
D	Waiting to see what happens	1	6
E	Suspicious that lower prices will not be maintained	3	18
F	Suspect that other suppliers will offer poorer service than current supplier	1	6
G	Have not been approached by another supplier	1	6
H	Don't know enough about other suppliers	2	12
	Planning to move house soon/Just moved	1	1
	Cheaper	1	1
I	Don't trust other suppliers	3	9
	Changed gas to this supplier	1	1
J	The savings are not large enough to make it worthwhile	4	15
	Other (WRITE IN & CODE 'X') Q36	1	
	Q37		1
	Don't know	1	1

Q38. **Why did you believe that you were unable to change gas supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All gas non-switchers who believed they were unable to change supplier (25)

	(%)
Believe/Told that if you are in debt you can't change supplier	40
Would not have been able to use prepayment meter	28
New supplier did not seem interested in having me	13
Would not have been able to continue with my present weekly budget payment scheme	6
Current supplier stopped the transfer	4
No suitable payment method offered	0
Would have had to change to direct debit	0
Had to change payment method (unspecified)	0
Other (WRITE IN & CODE '9')	3
Can't recall	1

Q39. SHOWCARD T (R) **How likely are you to change your gas supplier in the next 12**

months? SINGLE CODE ONLY.
Base: All gas non-switchers (1215)

	(%)
Certain to	1
Very likely	2
Fairly likely	3
Fairly unlikely	12
Very unlikely	37
Certain not to	34
Don't know	4

Q40. **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 (1215)

Q41 SHOWCARD U (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.
Base: All gas non-switchers (1215)

Q42 SHOWCARD V (R) **And, other than price, which of the following would be most important when choosing a new supplier?** MULTICODE OK CODE ANTHING OTHER THAN "1"
Base: All gas non-switchers who mention 'reduced cost of 'gas' as an important factor when choosing a new gas supplier (701)

		Gas		
		Q40 Spontaneous (%)	Q40 & Q41 Spontaneous & Prompted (%)	Q42 Prompted (%)
A	**Reduced cost of gas**	52	58	
B	Quality of service	19	40	40
C	Experience of supplier in gas supply	3	10	9
D	Well known company	5	18	17
E	Reliable/trustworthy company	10	26	28
F	Choice of convenient payment methods	2	9	10
G	Experience of people I know	2	5	5
H	Ease of switching	3	11	15
I	Guaranteed prices/keep prices down	6	26	30
J	Dual fuel package (buying gas and electricity from one company)	2	9	10
K	The opportunity to purchase other services from the same company eg. Telecoms, insurance, etc	*	2	2
	Clearer billing	*	*	0
	Constant supply/No cuts	*	*	0
	Able to keep meter	*	*	0
	Safety	*	*	0
	Good communications/Answer letters/Phone	*	*	0
	Nothing would ever convince me to switch	20	21	1
	Other (WRITE IN) Q40	1		
	Q41		1	
	Q42			*
	Don't know	4	4	5

Q43 **Approximately what saving, expressed as pounds per year, in your <u>gas</u> bill, if any, would be sufficient for you to consider switching <u>gas</u> supplier?** PROBE FULLY WRITE IN EXACT AMOUNT IN POUNDS. USE LEADING ZEROS. ENCOURAGE AN APPROXIMATE ANSWER RATHER THAN CODING DK

Base: All gas non-switchers (1215)

	(%)
Under £50	11
£50 to £100	29
Over £100	5
Would not switch whatever the saving	26
Don't know	22

Q44. SHOWCARD W (R) **How easy or difficult do you think it is to change <u>gas</u> supplier?** SINGLE CODE ONLY.

Base: All gas non-switchers (1215)

	(%)
Very easy	28
Fairly easy	40
Fairly difficult	8
Very difficult	3
No opinion	18

Q45. **Why do you say that it is.....** (READ OUT RESPONSE AT Q44) **to change <u>gas</u> supplier?** DO NOT PROMPT. MULTICODE OK.

Base: All who think it is difficult to switch supplier (121)

	(%)
Too much hassle	52
Causes too much admin/paperwork	27
From what I've heard it's difficult	19
Problems with billing	15
Have a meter	5
New/ Do not know how to	3
In debt to supplier	2
Difficult to obtain accurate information	2
Do I need to have new pipes?	2
Other (WRITE IN & CODE '6')	*
Don't know	5

GAS SWITCHERS SECTION (ASK Q46-53b OF THOSE CODED '1' AT Q35. OTHERS GO TO Q54a)

Q46 SHOWCARD X (R) **When did you sign the contract to change to your <u>current</u> gas supplier?** SINGLE CODE ONLY
Base: All gas switchers (713)

	(%)
In the last three months	24
4-6 months ago	17
7-12 months ago	14
Over one year and up to two years ago	25
Over two years ago	19
Do not know	1

Q47a **What were the main reasons why you decided to change your <u>gas</u> supplier?** DO NOT PROMPT. MULTICODE OK.
Base: All gas switchers (713)

Q47b SHOWCARD Y (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 (713)

	Q47a Spontaneous (%)	Q47a & b Spontaneous & Prompted (%)
Cheaper prices	68	76
Better service from new supplier	7	15
Poor service from previous supplier	7	12
Persuasive doorstep salesman	8	18
Advertising by new gas supplier	*	3
Wanted to try new supplier	2	9
Ability to buy gas and electricity from the same company (Dual fuel)	9	25
Wanted to take gas from my existing electricity supplier because they offered an additional discount to do so	4	10
Wanted to take gas from my existing electricity supplier for some other reason	2	4
Believed it would be easy to switch	1	10
Wanted to receive advice on energy efficiency	0	1
Only one bill for gas/electricity	7	17
Moved house	1	1
Better billing	1	1
British Company	*	*
To combine with telephone supplier	*	*
Company changed/Company taken over	*	*
Payment methods	1	1
Didn't decide/Tricked into it	1	1
There is no standing charge	1	1
Friend/family encouraged me	1	3
Other (WRITE IN & CODE '2')	2	2
Don't know	2	1

Q48. SHOWCARD Z (R) **How easy or difficult was it for you to leave your last <u>gas</u> supplier?** SINGLE CODE ONLY.
Base: All gas switchers (713)

	(%)
Very easy	58
Fairly easy	30
Fairly difficult	5
Very difficult	5
No opinion	2

Q49. **Why do you say that it was easy to leave your last <u>gas</u> supplier?** PROBE FULLY. WRITE IN. MULTICODE OK. PROBE 'IN WHAT WAYS' IF RESPONDENT SAYS 'IT JUST WAS'
Base: All gas switchers who found it easy to leave last gas supplier (620)

	(%)
No problems	53
New supplier did it all	48
It just took one phone call or visit by new supplier	5
Only had to contact new supplier	3
New company seemed better	1
Relative did it for me	*
Other (WRITE IN & CODE '5')	1
Don't recall	1

Q50. **Why do you say that it was...... difficult to leave your last <u>gas</u> supplier?** PROBE FULLY. WRITE IN. MULTICODE OK.
Base: All gas switchers who found it difficult to leave last gas supplier (76)

	(%)
Old supplier raised objections/made it difficult to leave	40
Poor communications/didn't answer letters/phone calls	34
Problems with billing/no bill yet	28
Something went wrong in the process of transferring to new supplier	22
Caused too much admin/paperwork	18
Had problems (unspecified)	13
I had overpaid my old supplier and it took a long time to get a refund	7
Problems with meter readings/Didn't read the meter	2
No contact/still waiting	*
Other (WRITE IN & CODE '8')	5
None/not stated	2

Q51a **Have you changed <u>gas</u> supplier more than once since competition was introduced or only the once?** IF YES **How many times?** SINGLE CODE ONLY.
Base: All gas switchers (713)

	(%)
Only once	72
Twice	24
Three times	3
Four times	1
Five times plus	*

CARD 3	11

Q51b **Did you return to [British Gas]** IF IN SCOTLAND, READ **[Scottish Gas]?** SINGLE CODE ONLY.
Base: All gas switchers who have changed gas supplier more than once (197)

	(%)
Yes	46
No	53
Don't know	0

Q51c **What was the main reason why you returned to [British Gas]** IF IN SCOTLAND, READ **[Scottish Gas]?** DO NOT PROMPT. WRITE IN FULL VERBATIM. PROBE FULLY
Base: All gas switchers who returned to British/Scottish Gas (95)

Original supplier cheaper/Discount offered to return	38
Poor Service /Better service from previous supplier	25
No Standing charge	12
Could get gas/telephone cheaper	10
Persuasive/pleasant salesman	9
Prices more or less the same	6
Better back-up/call out service	5
Tricked into it	3
Wanted specific type of payment (direct debit/Quarterly)	3
Only one bill	3
Billing problems	2
New supplier increased price after I switched	1
Other	6

Q52. SHOWCARD AA (R) **How likely or unlikely are you to switch gas supplier again in the next 12 months?** SINGLE CODE ONLY.
Base: All gas switchers (713)

	(%)
Certain to	3
Very likely	4
Fairly likely	8
Fairly unlikely	18
Very unlikely	31
Certain not to	28
Don't know	6

Q53a SHOWCARD BB (R) **How satisfied are you with the new gas supplier regarding each of the following aspects?** SINGLE CODE ONLY.
Base: All gas switchers (713)

		Very satisfied (%)	Fairly satisfied (%)	Neither satisfied nor dissatisfied (%)	Fairly dissatisfied (%)	Very dissatisfied (%)	No opinion (%)
❑ A	**Savings achieved on gas bill compared to expectations**	18	40	15	5	3	18
B	**Sales or marketing methods used by new supplier**	16	43	20	4	3	12
C	**Accuracy of information received from new supplier**	21	45	13	5	3	12
D	**The time taken to transfer to the new supplier**	29	45	8	6	4	7
❑ E	**Timeliness of new suppliers' bills**	22	45	10	3	2	17

Q53b **Thinking about the overall level of service provided by your new gas supplier, would you say they have……?** READ OUT LIST. SINGLE CODE ONLY
Base: All gas switchers (713)

	(%)
Exceeded your expectations	5
Met your expectations, but no more	72
Failed to meet your expectations	9
Don't know	12

ASK ALL WITH MAINS GAS (CODE 1 AT QD). OTHERS GO TO FILTER AT Q55.

Q54a **Have you ever tried to switch gas supplier, but failed for some reason?** SINGLE CODE ONLY

Base: All on mains gas (1938)

	(%)
Yes	3
No	96
Don't know	1

Q54b SHOWCARD CC (R) **Which of these reasons best describes why you failed to switch?** SINGLE CODE ONLY

Base: All who have tried to switch gas supplier, but failed for some reason (55)

	(%)
Old supplier objected to/prevented me from transferring to new supplier	36
Something went wrong in the process of transferring to new supplier and I gave up	23
The new supplier said that I couldn't transfer because the new supplier couldn't get the necessary information from the old supplier	11
Owed money to the company	10
The new supplier said that I couldn't transfer because I had the wrong type of meter	9
Savings not worth it	6
The new supplier wouldn't let me pay by my preferred method	3
Old supplier persuaded me to stay	3
Other (WRITE IN & CODE '7')	9

ASK ALL ELECTRICITY OR GAS SWITCHERS (CODE 1 AT Q15 OR CODE 1 AT Q35). OTHERS (NON SWITCHERS) GO TO Q59.

Q55. **Do you now take your gas and electricity from the same company?** SINGLE CODE ONLY
Base: All switchers (1089)

	(%)
Yes	81
No	19

Q56. **Did you decide to take gas and electricity from the same company because you were offered an additional discount for taking both fuels from the same company?** SINGLE CODE ONLY
Base: All switchers who buy gas and electricity from the same company (879)

	(%)
Yes	60
No	38

Q57. **Did you change your electricity supply to your existing gas supplier (on your most recent change)?** SINGLE CODE ONLY
Base: All electricity switchers who buy gas and electricity from the same company (693)

	(%)
Yes	57
No	42

Q58. **Did you change your gas supply to your existing electricity supplier (on your most recent change)?** SINGLE CODE ONLY
Base: All gas switchers who buy gas and electricity from the same company (563)

	(%)
Yes	45
No	52
Not stated	3

METHOD OF PAYMENT - ELECTRICITY (ASK ALL)

Q59. SHOWCARD DD (R) **In which of these ways do you normally pay for your electricity? (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

Q60. SHOWCARD DD (R) AGAIN **And how did you pay before you changed electricity supplier?** SINGLE CODE ONLY.
Base: All electricity switchers (871)

	Q59 Current (%)	Q60 Past (%)
Monthly		
-Cash/cheque	3	3
-Direct debit	38	34
-Standing order	2	1
Quarterly		
-Cash/cheque	25	28
-Direct debit	7	8
-Standing order	*	*
Prepayment meter (card, key or token)	17	13
Budget card/budget plan/pay as you go	5	4
Regular weekly/fortnightly cash scheme	2	2
Paid with ground rent	1	0
DSS direct	*	0
By phone internet	*	0
Other	*	*
Don't know	*	1

Q61. **Why do you pay your electricity bill by. . . .** (READ OUT RESPONSE AT Q59) DO NOT PROMPT. MULTICODE OK. IF RESPONDENT SAYS 'I JUST DO' PROBE, WHAT IS GOOD ABOUT PAYING BY THIS METHOD COMPARED TO AN ALTERNATIVE?
Base: All

	(%)
Easy/Convenient	70
Best way of budgeting	26
Always paid in this way	12
Have control over payments	8
Cheaper	6
Pay when bill arrives	4
Pay for what I have used, when I have used it	4
Dislike Direct Debit	3
It was already here when I moved in	3
Don't have to remember to pay/no bills	1
Have to/no choice	1
Unable to pay by direct debit	*
Not allowed to pay by direct debit	*
At the Post Office often	*
Other	1
Don't know	1

Q62. SHOWCARD EE (R) **Overall, how satisfied or dissatisfied are you with the method you use to pay for electricity?** SINGLE CODE ONLY.
Base: All

	(%)
Totally satisfied	36
Very satisfied	47
Fairly satisfied	13
Neither satisfied nor dissatisfied	2
Fairly dissatisfied	1
Very dissatisfied	1
Totally dissatisfied	*
Don’t know	*

METHOD OF PAYMENT - GAS (ASK ALL ON MAINS GAS - CODE 1 AT QD). OTHERS GO TO Q67

Q63. SHOWCARD FF (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 (1938)

Q64. SHOWCARD FF (R) AGAIN **And how did you pay before you changed gas supplier?** SINGLE CODE ONLY.
Base: All gas switchers (713)

		Gas	
		Q63 Current (%)	Q64 Past (%)
	Monthly		
A	-Cash/cheque	3	5
B	-Direct debit	39	36
C	-Standing order	2	1
	Quarterly		
D	-Cash/cheque	25	27
E	-Direct debit	9	8
F	-Standing order	*	*
G	Regular weekly/fortnightly cash scheme	2	3
H	Budget card/budget plan/pay as you go	6	3
I	Prepayment meter (card, key or token)	11	8
J	Stamps	*	0
	By phone/Internet	*	0
	DSS Direct	*	0
	Other (WRITE IN & CODE '0')	*	*
	Don't know	*	1

Q65. **Why do you pay your gas bill by. . . .** (READ OUT RESPONSE AT Q63) DO NOT PROMPT. MULTICODE OK. IF RESPONDENT SAYS "I JUST DO", PROBE, "WHAT IS GOOD ABOUT PAYING BY THIS METHOD, COMPARED TO AN ALTERNATIVE?"
Base: All on mains gas (1938)

	(%)
Easy/Convenient	72
Best way of budgeting	26
Always paid in this way	12
Have control over payments	7
Cheaper	6
Pay when bill arrives	4
Dislike Direct Debit	3
Pay for what I have used, when I have used it	3
It was already here when I moved in	2
Have no/No choice	1
Don't have to remember to pay	1
Do not get bills	*
Unable to pay by direct debit	*
Not allowed to pay by direct debit	*
At the post office often	*
Other (WRITE IN & CODE 'Y')	1

Don’t know	1

Q66. SHOWCARD GG (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 (1938)

	(%)
Totally satisfied	37
Very satisfied	47
Fairly satisfied	12
Neither satisfied nor dissatisfied	1
Fairly dissatisfied	1
Very dissatisfied	1
Totally dissatisfied	1
Don't know	*

ASK ALL RESPONDENTS

Q67. SHOWCARD HH (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

		Strongly agree (%)	Tend to agree (%)	Neither (%)	Tend to disagree (%)	Strongly dis-agree (%)	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	9	75	1	7
B	**I currently have an outstanding debt with my electricity or gas supplier which is more than 6 months old**	1	2	2	5	81	1	7

ELECTRICITY PPM SECTION – ASK ALL WITH ELECTRICITY PREPAYMENT METER, ITEM 9 AT Q59. OTHERS GO TO FILTER AT Q71

Q68. **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 (420)

	(%)
Yes	37
No	55
Don't know	6

Q69. **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 (420)

Q70. **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 if no extra charge (355)

	Q69 No charge (%)	Q70 Reduction in price (%)
Yes	15	18
No	68	60
Don't know	14	19

GAS PPM SECTION, ASK ALL WITH A GAS PREPAYMENT METER, ITEM 9 AT Q63. OTHERS GO TO DEMOGRAPHICS

Q71. **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 (217)

	(%)
Yes	33
No	60
Don't know	5

Q72. **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 (217)

Q73. **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 if no extra charge(217)

	Q72 No charge (%)	Q73 Reduction in price (%)
Yes	19	14
No	69	68
Don't know	10	14

GO TO DEMOGRAPHICS