Electricity Authority

Electricity Consumers' Survey

January 2016

RESEARCH

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Objectives and method

1.1 Background

The Electricity Authority (the Authority) is an independent Crown entity responsible for the efficient operation of the New Zealand electricity market. The Authority is the electricity market regulator - regulating the electricity market by developing and setting the market rules, enforcing and administering them and monitoring the market's performance.

The Authority promotes competition in, reliable supply by, and the efficient operation of, the New Zealand electricity industry for the long-term benefit of consumers.

Past research shows that consumers are more likely to participate in the retail electricity market and/or make decisions about their electricity usage if they can easily access information that will effectively inform those decisions.

The research in this report explores the decision making process and the role information may play in driving decisions.

1.2 Objectives

The key objective of the research is to provide an in-depth understanding of 'how consumers make choices (or decisions) regarding electricity offers', including both deals and retailer choices.

Other specific objectives are to:

- Understand why consumers do (or do not) make decisions about their electricity provider – this includes decisions around shopping around, reviewing, and switching
- Understand how consumers make these decisions and to identify the key sources of information they use to make these decisions
- Understand why they make the decisions or choices observed including the decision not to shop around or switch or be engaged with the electricity market in any way.
- Understand the processes or tools that would make decisions and choices easier.

The research also quantifies the extent to which these views and behaviours are held across the wider population.

1.3 Method

This report is based on results from an online survey among a nationally representative sample of those aged 18 years and over. The sample size was n=1,200 and fieldwork took place from the 12th to the 20th of November 2015. The margin of error for a 50% figure at the 95% confidence level for a sample size of 1,200 is plus or minus 2.8%.

Key demographic data of the sample for the survey is appended to the end of this report.

Significance testing

The T-statistic was used to test for differences between specified groups with any significant differences noted in the report. The *t*-test is a two-tailed test. For each test, a P-value is computed which is the probability that the difference is significant. Any P-value less than or equal to 0.05 indicates a difference that is significant at the 95% confidence level.

Prior qualitative research

Some small scale, preliminary qualitative research was undertaken prior to the quantitative survey. This stage of research was used to identify key themes around views of the industry, choices and decision on household suppliers (including electricity), and some exploration of drivers of choices on electricity provider (including key information sources). The findings from this stage of research were used to develop the questions to be included in the following quantitative survey.

This stage of research comprised of four focus groups across the general population. The groups were conducted from the 6th to 7th of October 2015. The specifications for the groups are outlined following.

- 1x Auckland focus group – Mix age, gender, have input into electricity provider – stronger engagement with electricity market.
- 1x Auckland focus group – Mix age, gender, have input into electricity provider – not engaged with electricity market.
- 1x Napier focus group (provincial) – Mix age, gender, income, have input into electricity provider.
- 1x Dunedin focus group (rural) – Mix age, gender, income, have input into electricity provider.

Executive summary

View of household suppliers

Satisfaction was high amongst all five household suppliers but banks and mobile phone providers were slightly ahead, 84% and 79% respectively. On 72%, electricity retailers had higher satisfaction than internet providers and insurance providers. A majority (81%) of the sample had input or made the decision on the selection of their electricity retailer, which was the lowest proportion of the five providers. Electricity retailer ranked second for both likelihood (23% likely) of switching and ease (59% easy) of switching, however it had the lowest level of care about which retailer is used (75%). The proportion of people who thought it worthwhile to review their current electricity offer (37%) and actively shop around for new ones (65%) also ranked second for each just behind internet providers.

Electricity retailer:

72% satisfied

81% make the decisions

23% likely to switch

59% think it easy to switch

75% care

37% think worthwhile to review

65% think worthwhile to actively shop around

View of electricity retailer

Respondents rated their electricity retailer on five different attributes. ‘Being well established’ and ‘the payments solutions they offer’ had the highest positive ratings of 68-69% (7-10, on a 0-10 scale where 10 is excellent and 0 is very poor). The next most positive attribute was ‘overall quality of customer service’ on 63% and the last two attributes were ‘the electricity plans they offer’ and the ‘overall value of money for the products and services’, 56-57%.

67% confident they will choose the deal that is right for their household

55% confident they have all the information they need to compare different offers

Two out of three people indicated they were confident they will choose the right deal for their household while just over half (55%) said they were confident they have all the information they need to compare offers.

Reviewing and shopping around

A third of respondents said they have reviewed their current offer with their retailer but did not end up switching; and 36% of people who didn't switch in the last year did actively investigate other retailers.

The most common sources of information for reviewing or shopping around among those that did not end up switching was a price comparison website (56%) and an internet search (46%). The main reason they did not switch after reviewing or shopping around was that they did not believe they could improve or the improvement was marginal compared with their current plan (52%).

34% reviewed their current offer with their current electricity retailer to see if they were on an okay deal but didn't switch

36% actively investigated different offers or plans from other electricity retailers but didn't switch

Switching

A fifth of the sample switched retailers in the last year, 11% switched the plan with their existing retailer and 38% investigated different plans or offers but did not end up switching. In total 59% of made some choice to review or switch their plan or provider. In total 59% made a choice to review or switch their plan or provider in the last year. The main reasons for switching were for a better price (60%) followed by 14% that said switching had resulted from moving house. The main information used for switching was price comparison websites (35%) and phoning the retailer (29%).

While 11% might seem quite low, the level of switching in New Zealand compares favourably to other countries, recording levels either as high or higher in a study conducted in 2014[1].

11% switched the plan they were on with their existing retailer

20% switched electricity retailer

[1]Source: Electricity Authority: International comparison of activity, behaviour and attitudes towards electricity industry – A quantitative study, August 2014.

Barriers to taking action

Across respondents that had not reviewed or switched their electricity retailer, the main reasons for this behaviour were they were happy with their current plan or retailer, followed by being too busy, or that it was too much hassle to review or switch.

Price related factors were considered the most important for respondents overall when considering switching. This was followed by factors around the contract and lastly factors about what the company was like.

Nearly a third of people said they would need $250 or more a year to consider switching, 29% said they would switch for $150-250, 22% said they would switch for $150 or less, and 19% were unsure.

83% said the price per kilowatt hour is important

75% said the plans available to you in your area is important

63% said the brand and reputation of the company is important

Information usage and needs

If comparing retailers, a clear majority (80%) would look at the electricity rate, and 64% would look at the size of the monthly bill. Fewer people would look at contract factors such as type of rate (55%) and any termination fee (46%).

Price comparison websites and the electricity retailer were the preferred places for getting information on different electricity retailers. The preferred channels to provide information were websites (69%) and via email (48%). Most (86%) could not think of any information that was missing or had expected to find but had found was unavailable.

Preferred place of information:

63% Price comparison website

62% Electricity retailer

16% General advertising

Just under half of the sample said that it was easy to compare offers when deciding whether to switch electricity retailers and 18% said it was difficult; the same rating as banks. Generally people felt it was easier to compare mobile and internet providers (67% and 56% respectively) than electricity retailers while insurance providers were harder (39% easy). The two main reasons people gave for the ease of comparing electricity retailers were access to comparison websites and online information (29-30% each). The main reasons people had problems comparing electricity retailers were the complexity of comparing prices and the lack of clarity in the prices (16-18% each)

Options for utilising retail data

Seven out of ten people expressed an interest in a detailed comparison website for electricity retailers while only 8% were not interested. The main reason they were interested was they felt it would make it easier and be more convenient to compare prices and get a better deal (56%). While the key reason for a lack of interest was they were happy with their current provider or they did not want to change (41%).

Comparison website:

69% Interested

8% Uninterested

Just over a fifth (22%) of the sample expressed an interest in a third party or broker who would do comparison analysis on their behalf while 43% said they were not interested. The main reasons for interest in this service was the belief it would make it easier (28%), followed by the broker being an expert (20%), and being able to get unbiased information from the provider (17%). Almost half (44%) of those who were not interested in this service said they felt they could just do it themselves and therefore did not need a third party.

Third party or broker:

22% Interested

43% Uninterested

View of household suppliers

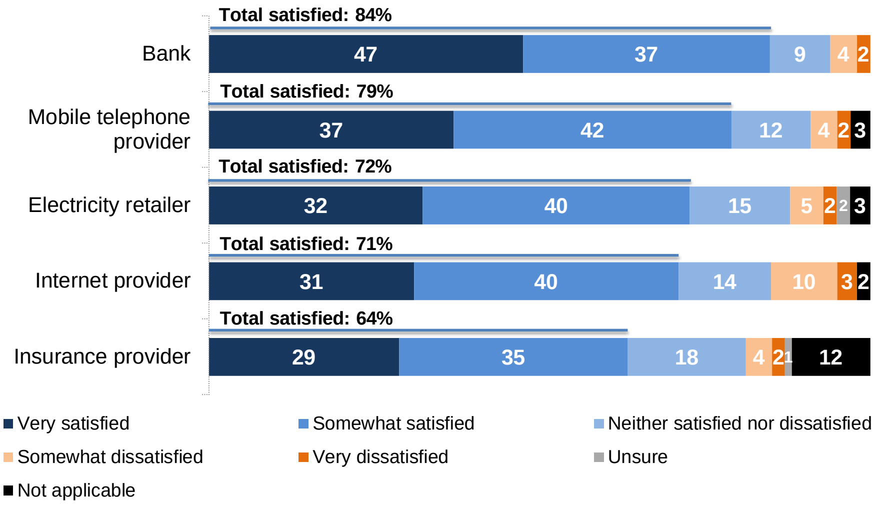
2 Satisfaction

Electricity retailer ranked mid-range, just below banks and mobile providers

Banks were the highest rated household suppliers in terms of satisfaction. A majority (84%) of respondents said they were satisfied (very satisfied + somewhat satisfied) with their bank, 79% said they were satisfied with their mobile provider and 72% said they were satisfied with their electricity retailer. Internet providers and insurance providers were rated the lowest with 71% and 64% respectively.

A small proportion (3%) said that the questions on electricity provider were not 'applicable' and they were excluded from other relevant questions.

Satisfaction with household services



**Base: All respondents (n=1,200)*

Young respondents less satisfied with their electricity retailer

Age was a significant factor in the level of satisfaction of electricity retailers; 70% of people under 60 were satisfied compared to 80% of people 60 and over. A similar trend was also across ratings for internet providers and insurance providers.

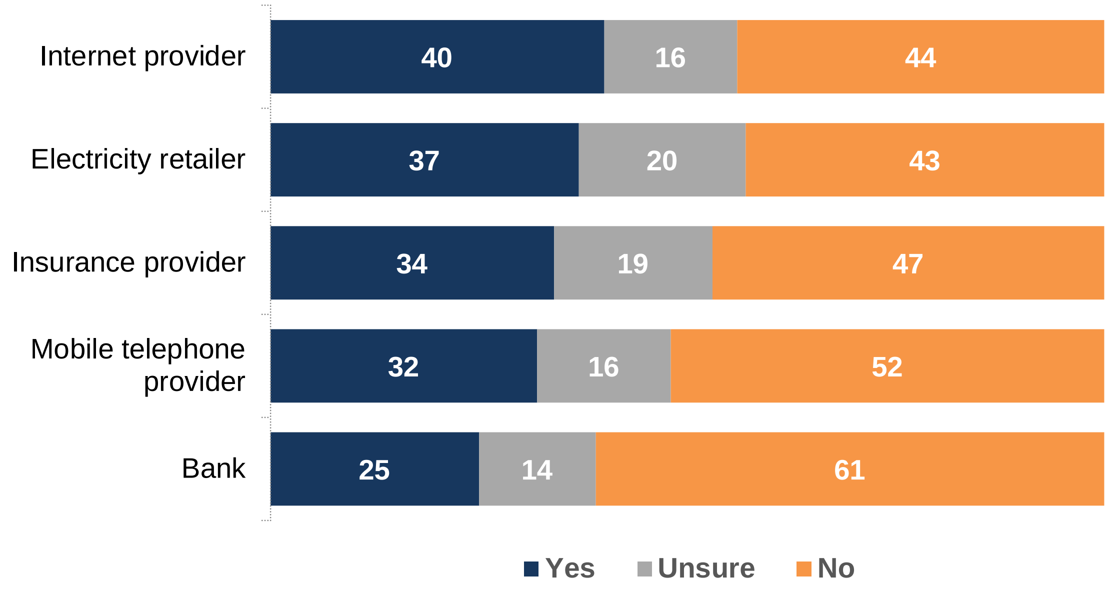
Respondents who believed it was easy to switch providers were more likely to be satisfied (81%) than those who thought it was difficult (58%).

2.1 Worthwhile reviewing

Internet providers perceived as most worthwhile to review

Two-fifths of respondents said they think it is worthwhile reviewing their internet provider, slightly fewer (37%) said that is was worthwhile doing the same for their electricity retailer. Around a third (34%) said it was worthwhile reviewing their insurance provider, 32% their mobile telephone provider and 25% their bank. Electricity retailers had the highest proportion who were 'unsure' (20%) and also the lowest proportion of people (43%) who said that it was not worthwhile reviewing.

Worthwhile reviewing household services



**Base: All; excludes 'not applicable'. Internet provider (n=1,177), Electricity retailer (n=1,170), Insurance provider (n=1,060), Mobile telephone provider (n=1,167) and Bank (n=1,200).*

Males more likely to think reviewing retailers worthwhile

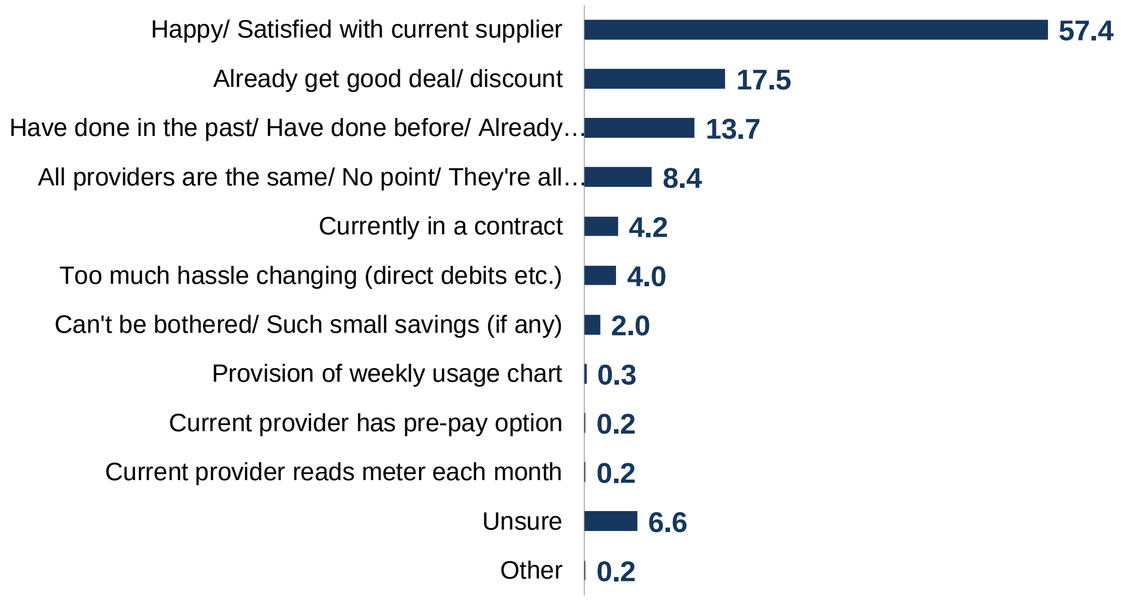
Approximately two-fifths (41%) of males said they think it is worthwhile to review their electricity retailer compared to 33% of females. Those with dependent children (47%), in full time work (47%), have a university qualification (47%) and people who go overseas at least once every couple of years (42%) were all more likely to think it worthwhile than those overall (37%).

There was high correlation across those that believed it was worthwhile to review the retailer with the following questions - dissatisfaction, likelihood to switch or having recently switched, being the decision maker, caring about the provider used, and getting higher electricity bills. These questions showed high correlation throughout the survey.

Majority who think it not worthwhile are happy with their supplier

For those who declared it was not worthwhile reviewing their electricity provider, the main reasons for this view were that they were happy with their current supplier (57%) or they already have a good deal (18%). This was followed by that they had already done so (14%) and that they felt all the providers were the same (8%).

Reasons not worthwhile reviewing electricity retailer



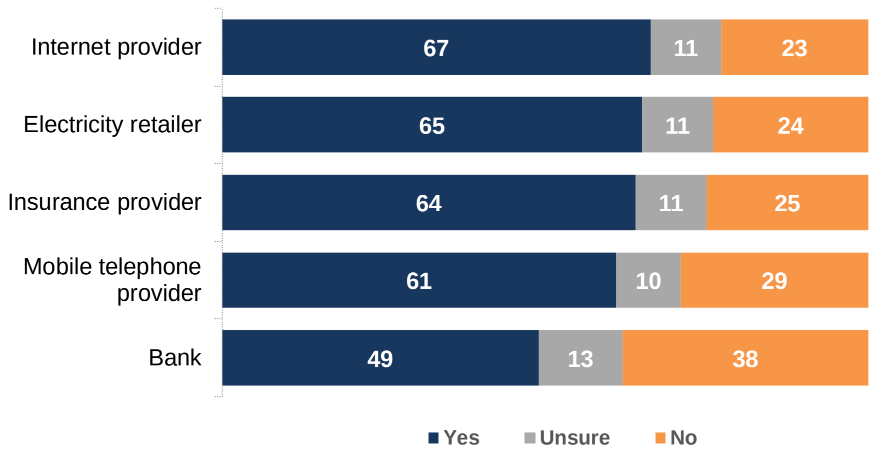
Base: Respondents who think it isn't worthwhile reviewing their electricity provider (n=502)
Note: Multiple response question

2.2 Worthwhile actively shopping around

Two thirds consider it worthwhile to actively shop around for electricity retailers, second after internet providers

There were higher rates of people thinking it worthwhile to actively shop around for different household services compared to reviewing services but the services were ranked in the same order. Around two-thirds (67%) said it was worthwhile actively shopping around for internet providers and 65% for electricity retailers. The other services were all rated lower, 64% for insurance providers, 61% for mobile telephone providers, and lastly 49% who thought it worthwhile actively shopping around for banks.

Worthwhile actively shopping around for household services



**Base: All; excludes 'not applicable'. Internet provider (n=1,177), Electricity retailer (n=1,170), Insurance provider (n=1,060), Mobile telephone provider (n=1,167) and Bank (n=1,200).*

Higher income households more likely to think actively shopping around for electricity retailer is worthwhile

There was a trend by household income, where 56% of people with incomes less than $40,000 and 71% of people with incomes over $40,000 thought it was worthwhile to shop around. There were also differences by age. People over 60 were less likely to say it was worthwhile (50%) than their younger counterparts, while people with full-time jobs (73%) and people with university degrees (74%) and people who often surf the internet (68%) were all more likely.

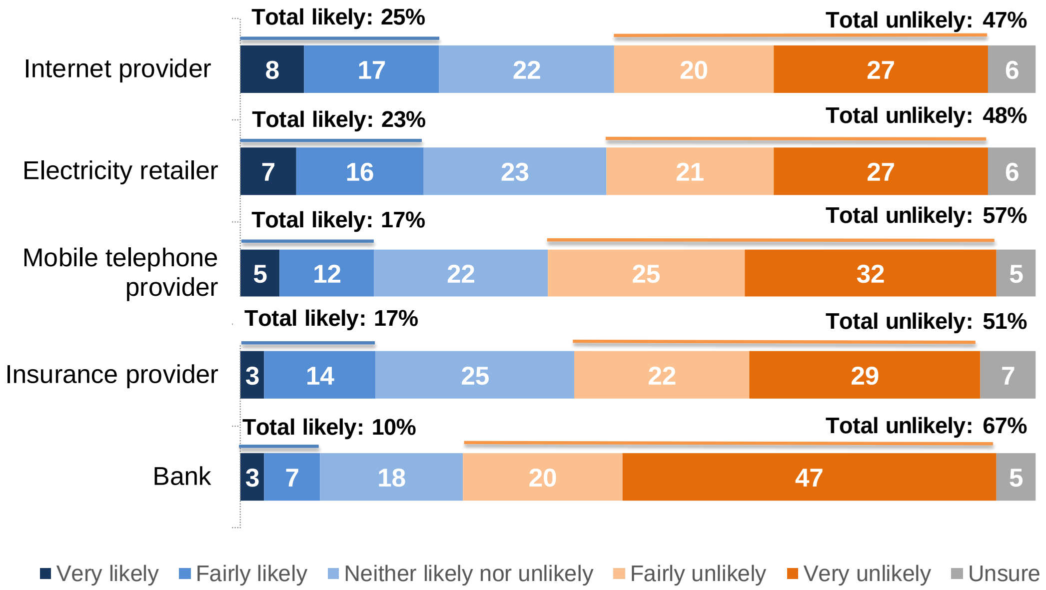
As noted earlier, there was also high correlation with the question on whether it was worthwhile to review the provider, along with, dissatisfaction, high likelihood of switching, being the decision maker, caring about the provider used, having recently switched, and getting higher costing electricity bills.

2.3 Likelihood of switching

Just under a quarter of respondents likely to switch electricity retailers, second after internet providers

In terms of total likelihood (very likely + fairly likely) of switching, people were most likely to switch internet provider. A quarter of people said they would be likely to switch their Internet provider, 23% for electricity retailer, 17% for mobile phone provider, 17% for insurance provider and 10% for their bank.

Likelihood of switching household services



**Base: All; excludes 'not applicable'. Internet provider (n=1,177), Electricity retailer (n=1,170), Mobile telephone provider (n=1,167), Insurance provider (n=1,060) and Bank (n=1,200).*

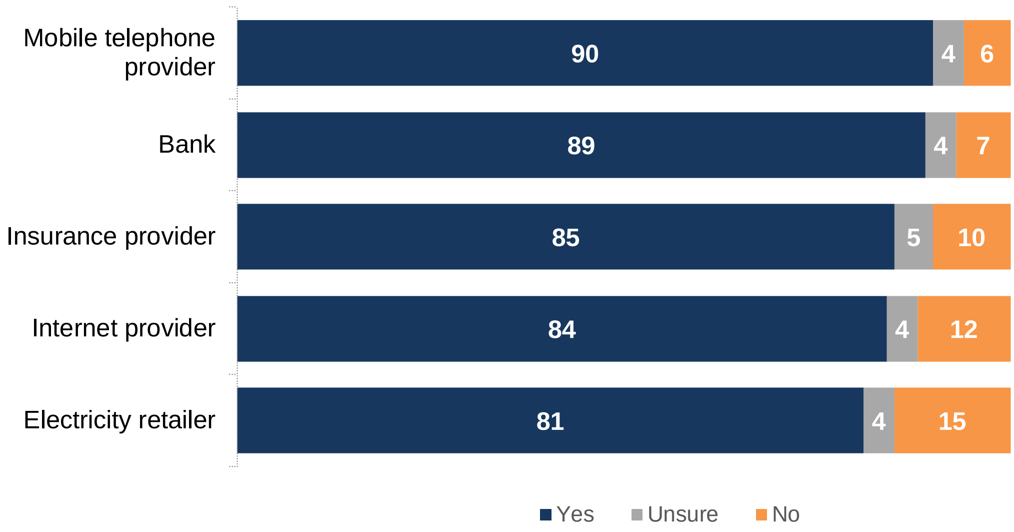
2.4 Decision maker

Large majority decision maker for electricity retailer, but the lowest proportion of the five household suppliers tested

A clear majority (90%) made the decisions or had input into their mobile telephone provider. For banks this was 89%, insurance provider 85%, internet provider 84% and electricity retailer 81%.

For the electricity retailer, age was a significant factor of whether the respondent was a key decision maker; 56% of people under 30 compared to 86% of people 30-59 and 91% of people 60 and over indicated they contribute to the decision. Respondents who were living with their parents, unemployed and living with multiple adults were all less likely to be decision makers. This pattern was seen in the other household services but to a lesser extent.

Decision maker for household services



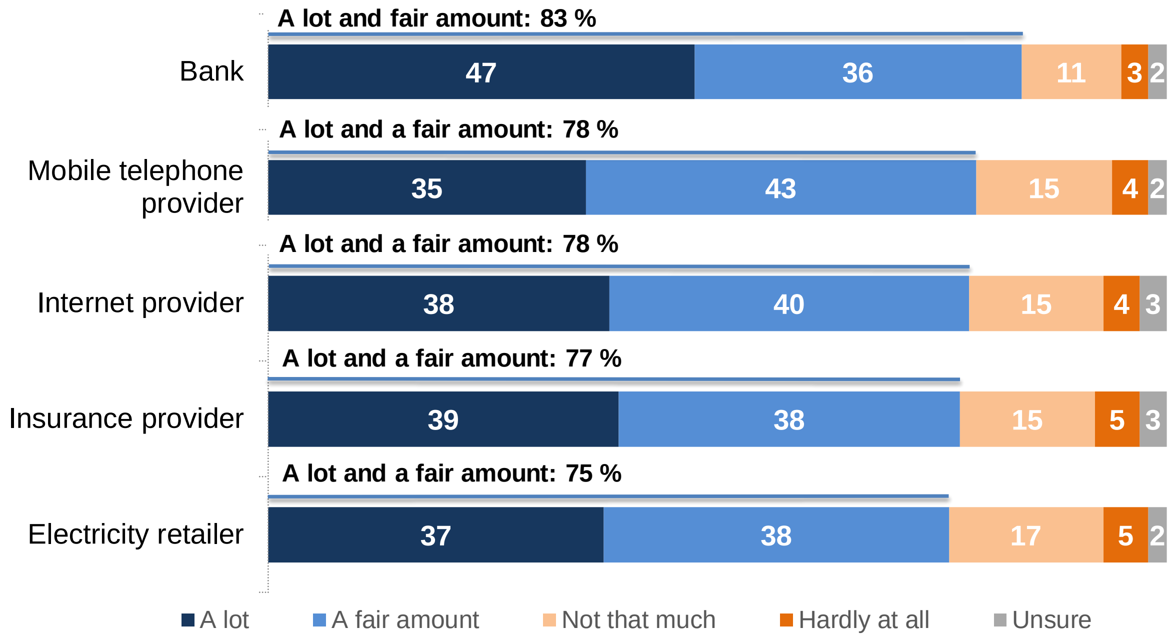
**Base: All; excludes 'not applicable'. Mobile telephone provider (n=1,167), Bank (n=1,200), Insurance provider (n=1,060), Internet provider (n=1,177) and Electricity retailer (n=1,170).*

2.5 Level of 'care'

■ Electricity retailer had lowest levels of care

When respondents were asked how much they cared about who their different household providers were, the six different household suppliers had similar rates of care; however banks came out with the most care. For banks, 83% said they care a lot or a fair amount about their choice, 78% care about their mobile provider, 78% about their internet provider, and 77% about their insurance provider. Respondents showed the lowest level of care for their electricity provider at 75%.

Level of 'care' associated with household services



**Base: All; excludes 'not applicable'. Bank (n=1,200), Mobile telephone provider (n=1,167), Internet provider (n=1,177), Insurance provider (n=1,060) and Electricity retailer (n=1,170).*

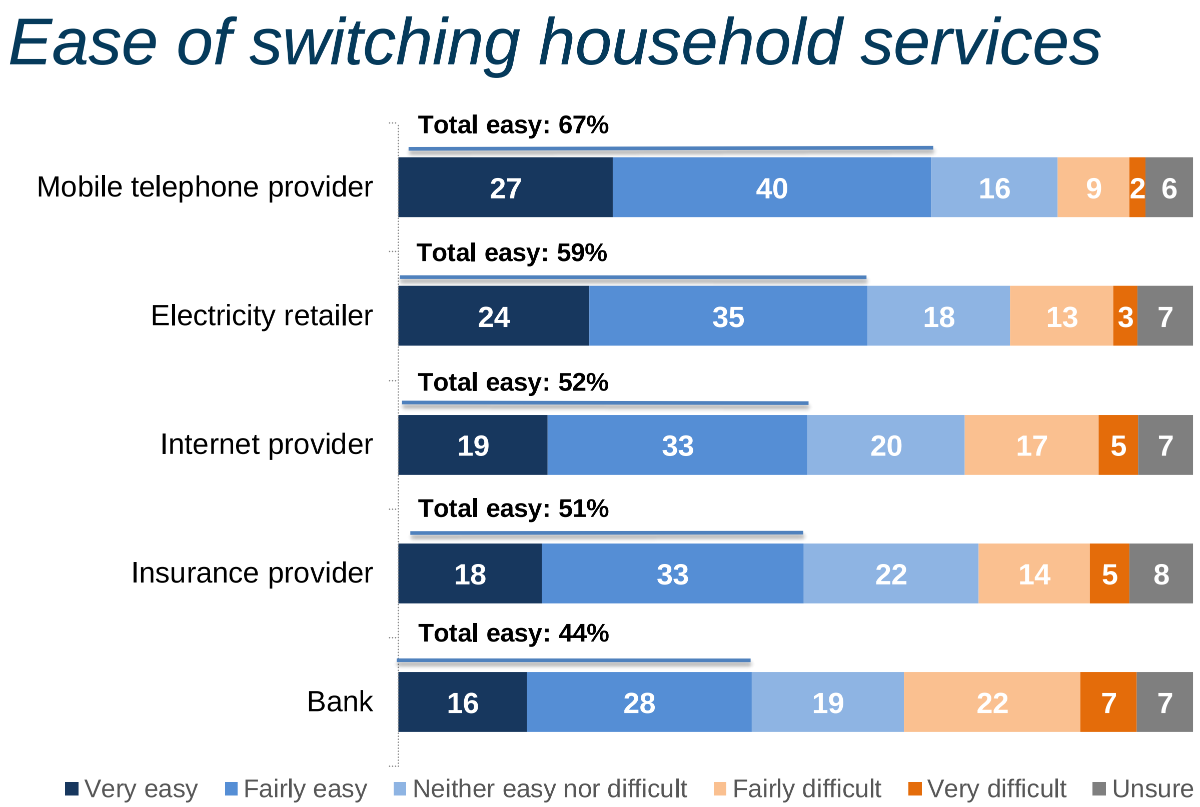
Decision makers have higher levels of care

Respondents who identified themselves as making the decisions or having input into the choice of electricity retailer were much more likely to say they care a lot or a fair amount about which they choose; 82% of decision makers care in contrast to 48% of people who are not. This difference may help to explain other demographic differences, such as age, employment and housing situation. Those who think it is worthwhile reviewing or actively shopping around, were likely to switch, and believed it was easy to switch were all more likely to care about the electricity supplier they choose.

2.6 Ease of switching

Majority think it is easy to switch electricity providers, only second to mobile phone providers

Around two-thirds (67%) of respondents thought switching mobile phone providers was very easy or fairly easy. There were somewhat less people believing switching electricity retailers was easy with 24% who thought switching electricity retailer was very easy and 35%, fairly easy (total 59% easy). Internet and insurance providers had slightly lower levels of perceived ease of switching (51-52%) and banks were much lower on 44%.



**Base: All; excludes 'not applicable'. Mobile telephone provider (n=1,167), Electricity retailer (n=1,170), Internet provider (n=1,177), Insurance*

Decision makers found switching easier

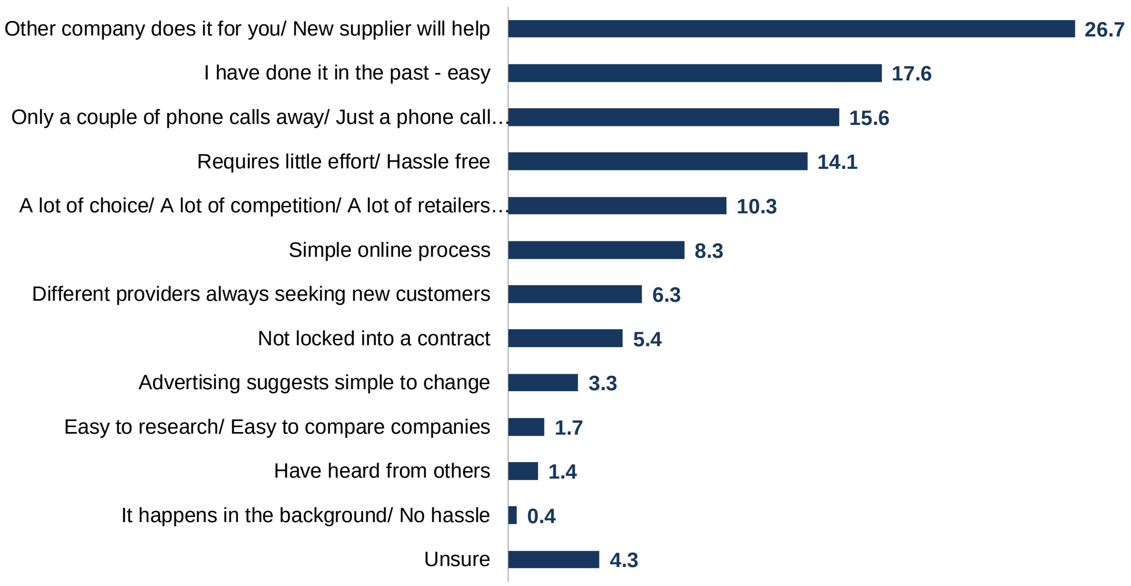
Decision makers were more likely to rate switching as easy, with 64% reporting switching electricity retailers was very easy or fairly easy compared to 39% of non-decision makers. Those who were satisfied with their electricity retailer, thought it was worthwhile reviewing or actively shopping around, were likely to switch, care about their supplier and were confident about the information they can access were all more likely to think switching was easy (all between 63-72% total ease).

2.6.1 Reasons why switching perceived easy

Knowledge the new supplier will help

The most frequently cited reason for people who think it was easy to switch electricity retailers was that the new supplier will do most of the work for you (27%). The next most cited reason (18%) was that the respondent had already done so in the past and found it easy, followed by 16% that said it just takes a couple of phone calls, 14% that it requires little effort and 10% that there was lots of competition. Less cited reasons were that you could do it online, different providers were looking for customers, they were not locked into a contract and advertising says it is simple (all 3-8%). Only 2% gave the ease of researching and comparing companies as a reason.

Reasons why it is easy to switch electricity retailer



Base: Respondents who think it is fairly easy or very easy to switch electricity retailer (n=693)
Note: Multiple response question

2.6.2 Reasons why switching perceived as difficult

■ One in ten concerned about the research involved in switching

The top two most frequently cited reasons for why switching was viewed as difficult was that things could go wrong (25%) and the concern that there would be other fees such as from breaking contracts or hidden costs (22%). 10% said they would need to do research and would find it hard to know the true cost and therefore get the best deal. Other reasons given were the amount of time it takes, the amount of paperwork, satisfaction with current provider, that it was not their decision, that the current provider makes it hard, and that they had had a bad experience (all 4-8%).

Reasons why it is difficult to switch electricity retailer

	% N=184
Something could go wrong/ Don't want hassle if something goes wrong/ Like to keep things simple	25.1
Contract break fee/ Disconnection fees/ Other fees/ Hidden costs	21.7
Would need to do research/ look into options/ Difficult to know true costs long term	**10.4**
Time	8.1
Paperwork	7.6
Satisfied with current provider/ Okay with current provider/ No need to change	7.0
Not my decision	5.2
Current provider can make it hard	5.2
Past experience/ Have tried in the past	3.9
They are all the same/ No point in changing	3.2
Long process/ Don't like the process	2.7
Have been with current provider for quite some time/ Like long term history	2.5
Have heard negative stories	2.2
Currently on pre-pay	1.4
Limited suppliers in my area/ Boundary issues	1.2
Have poor credit rating	1.0
Other: Would need new meter, Because you have to cancel current retailer, Have solar connection, too old	≤0.7
Unsure	8.1

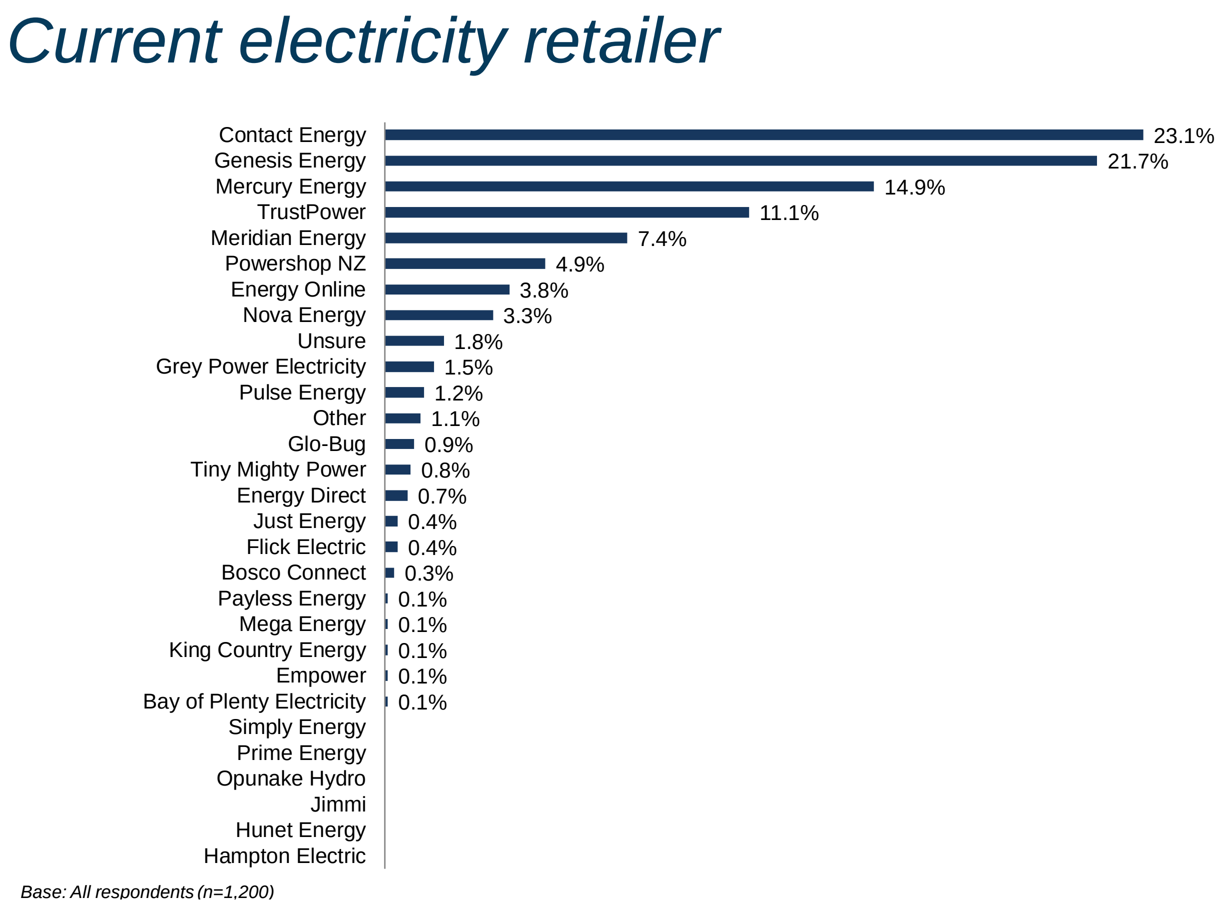
Base: Respondents who think it is fairly difficult or very difficult to switch electricity retailers (n=184)
Note: Multiple response question

View of electricity retailer

3 Current retailer

Contact and Genesis Energy biggest retailers

Nearly a quarter (23%) of respondents said they used Contact Energy, 22% Genesis Energy, 15% Mercury Energy, 11% TrustPower, and 7% Meridian Energy.



3.1 Satisfaction

Similar levels of satisfaction amongst main five retailers

A majority were satisfied with their electricity retailer with 72% satisfied. There was no statistically significant evidence to suggest there was a difference of satisfaction between the top five electricity retailers.

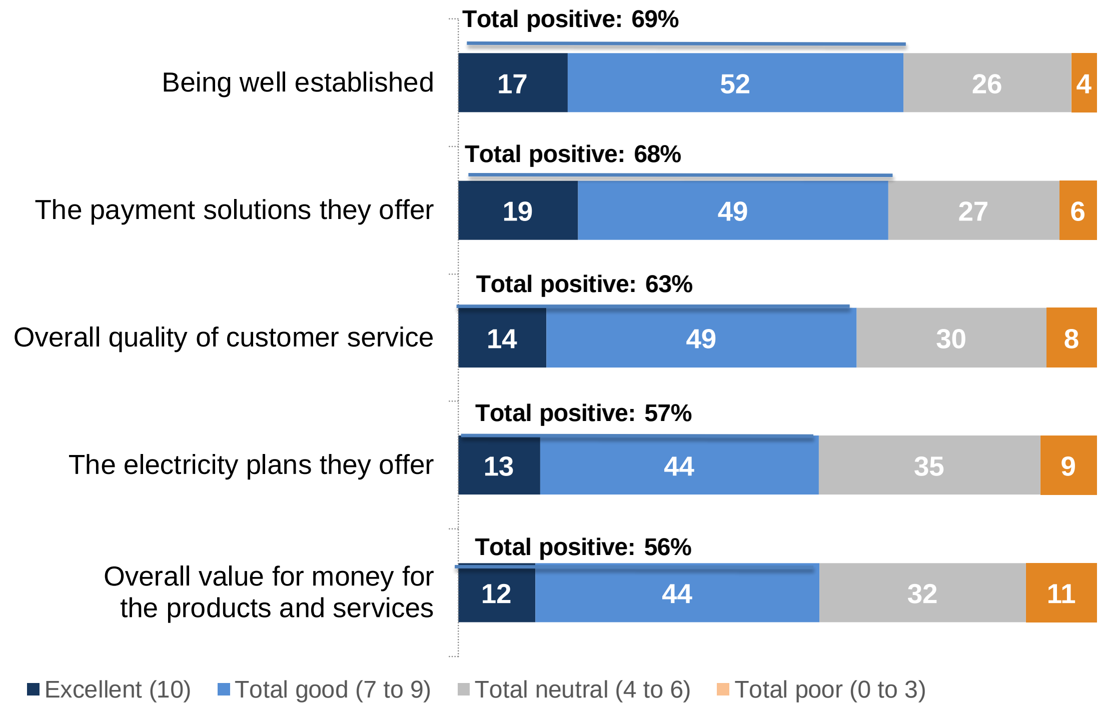
3.2 Electricity retailer attribute ratings

A majority rated their retailer positively

All five attributes tested of respondents own electricity retailers each had a majority rating them as positive. ‘Being well established’ and ‘the payments solutions they offer’ had the highest positive ratings of 68-69% (7-10, on a 0-10 scale where 10 is excellent and 0 is very poor). The next most positive attribute was ‘overall quality of customer service’ on 63% and the last two attributes were ‘the electricity plans they offer’ and the ‘overall value of money for the products and services’, 56-57%.

There was a trend throughout, with decision makers giving higher positive ratings than non-decision makers.

Electricity retailer attribute ratings



**Base: All respondents (n=1,200)*

Trend by age for 'being well established'

Age appears to be a factor in perception of being well established with 62% people under 30 giving a positive rating, 65% of people between 30 and 44 years, 71% of 45-59 year olds and 76% of people 60 years and over. This may in part be due to older respondents tending to use more established retailers.

Differences by bill size across 'payment solutions offered'

The amount of money spent on winter and summer bills had a strong effect; 77-81% for the lowest bill grouping (under $100) to 48-56% for the highest (over $300/400) gave a positive rating.

Active reviewers who did not switch rated 'quality of customer service' more highly

People who actively investigated different offers but didn't switch or reviewed their current offer with their current provider but had not switched were more likely to give a positive rating for customer service than their counterparts; 69% to 61% respectively.

Differences by bill size across 'electricity plans offered'

There was a trend by the amount spent on electricity (both winter and summer) with those with a lower spend rating retailers higher;68-69% for the lowest bill grouping (under $100) to 45-46% for the highest (Over $300/400) gave a positive rating.

Dissatisfaction with electricity supplier linked to ' value for money'

Respondents who were dissatisfied or neither satisfied nor dissatisfied had very low ratings for value for money with only 15% having a positive rating compared to 72% of those satisfied.

3.3 Likelihood of switching

As outlined earlier, nearly a quarter (23%) claimed they were likely (very likely + fairly likely) to switch electricity retailer.

Overs 60s lower likelihood of switching

Older respondents were less likely to switch, with 15% of those over 60 years likely to switch electricity retailer compared to 26% of people below 60. Generally across all the different providers included in the study, people over 60 tended to give lower ratings for likelihood of switching.

Those who think it worthwhile to review and actively shop around for electricity retailers are more likely to switch their electricity retailer (49% and 32% respectively). Also, 28% of people who declared that switching is easy were likely to switch compared to 20% of people who thought it difficult. Those who were confident they have the information they need to compare the different offers available were less likely to switch (20%) than people who said they were not confident (31%). The amount of money spent on winter and summer bills positively correlated with likelihood; ranging from 13-15% for the lowest bill grouping (under $100) to 33-34% to the highest (over $300/400).

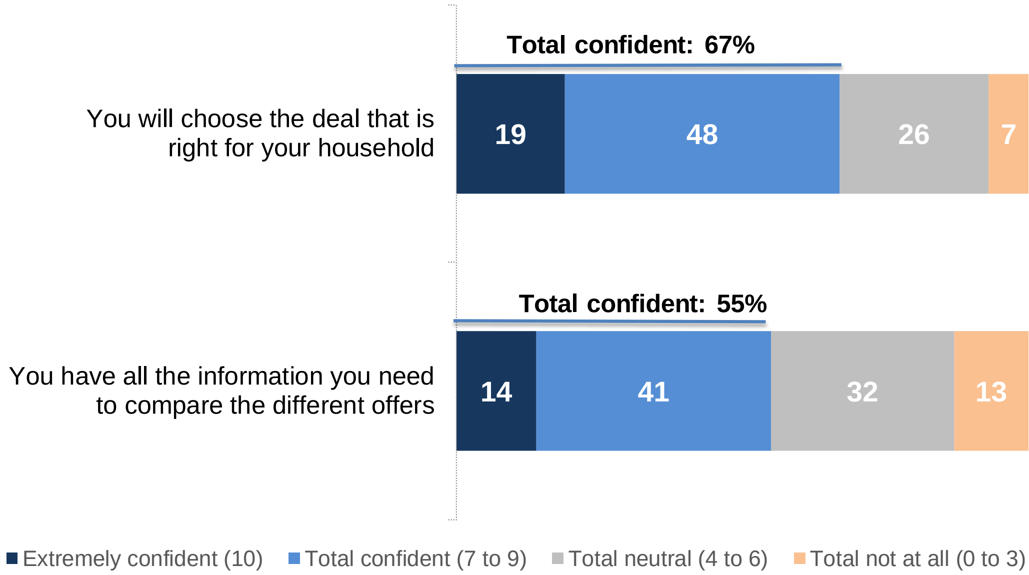
3.4 Confidence in choosing and comparing deals

Majority confident about having information to compare and choose the right deals and offers

Two out of three people were confident that they will choose the right deal for their household (combined 7 to 10, on a scale where 10 is extremely confident and 0 is not confident at all). Only 7% said they were not confident (0 to 3 on the same scale).

This contrasts with just over half (55%) confident that they have all the information they need to compare the different offers with 13% saying they were not confident.

Confidence – choosing and comparing deals and offers



**Base: All respondents (n=1,200)*

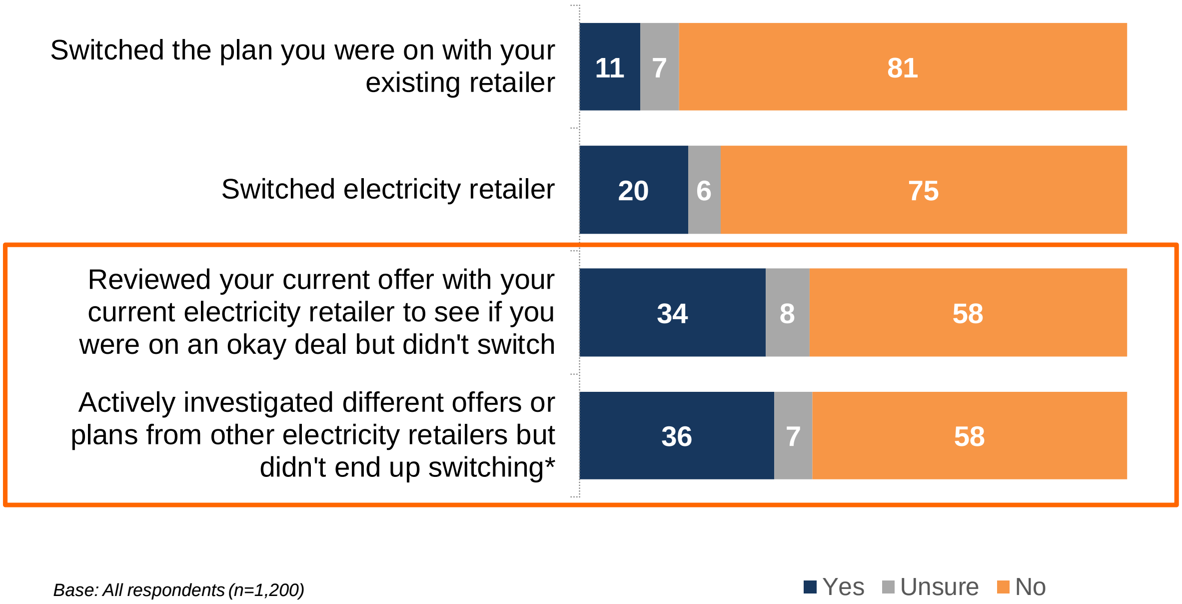
Confidence highly correlated with other positive factors

Confidence was much higher amongst those who were satisfied with their retailer, think actively shopping around or reviewing is worthwhile, that were unlikely to switch, are decision makers, care about their retailer choices, think it is easy to switch, and actively investigate different offers. Confidence in these subgroups for choosing the right deal was around 70 to 78% and for confidence of having all the information to compare was around 60 to 71%.

Reviewing and shopping around

Around a third (34%) of respondents said they had reviewed their current offer with their retailer to see if they were on an okay deal but didn't switch in the past 12 months. Just over a third (36%) of people who did not switch retailer claimed they had actively investigated different offers or plans from other electricity retailers in the past year. This amounts to 38% of respondents who either investigated or reviewed their plan or other offers but did not switch after doing so. In total 59% made a choice to review or switch their plan or provider in the last year.

Actual behaviour - reviewing, shopping around, switching behaviour



Base: All respondents (n=1,200)
**Base: Respondents who did not switch retailers (n=963)*

4.1 Information sources

Majority used a price comparison website

Across reviewers that had not switched, the most common information sources used were a price comparison website (56%), a general internet search (45%), a retailer's website (35%), and looking at the price/best price/saving (30%). All the other resources had levels of use of 23% or below.

When asked which information sources had been most useful, a price comparison website was considered most useful (39%), followed by an internet search (13%), and using a retailer website (9%).

Information sources used when reviewing/ investigating electricity offers and plans

Most useful		
38.6	Price comparison website	55.7
12.5	Google/general internet search	45
8.9	Retailer website	35.8
8.3	Looked at price/best price/saving	29.8
4.0	Brochures/flyers and other direct mail	23.4
6.8	Received a call from a sales person	23
5.6	A friend or family member	17.8
3.6	Door-to-door sales person visiting the home	17.8
1.2	General advertising e.g. TV, Radio, Newspaper…	11.7
3.5	Phones retailer	9.5
0.2	Media article/advertisement segment	5.1
2.0	None of them were useful	3.1
-	Outdoor advertising e.g. billboards, buses	1.8
0.6	Community support organisation	1.5
1.9	Other	3.4
2.3	Unsure	2.3

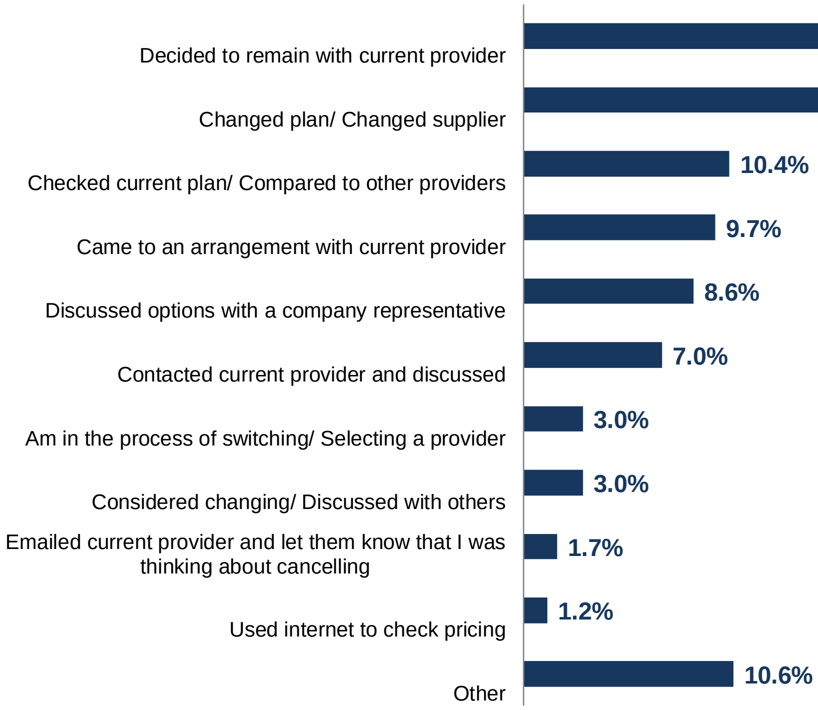
Base: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch retailers or change their plan (n=388)
Note: Multiple response question

4.2 Actions taken after reviewing information

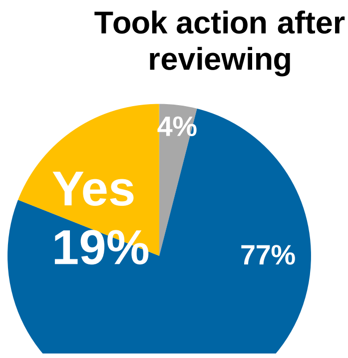
■ Quarter of reviewers remained with current provider

Nearly a fifth (19%) of those that reviewed or shopped around took some action. Of these reviewers, 23% changed plan or provider, possibly thinking of another occasion, while 25% decided to remain with their current provider. Checking the current plan, coming to an arrangement, and discussing options with their current company were all cited by between 7-10%.

What action did you take with this information?



Base: Respondents who took action after reviewing information (n=73)

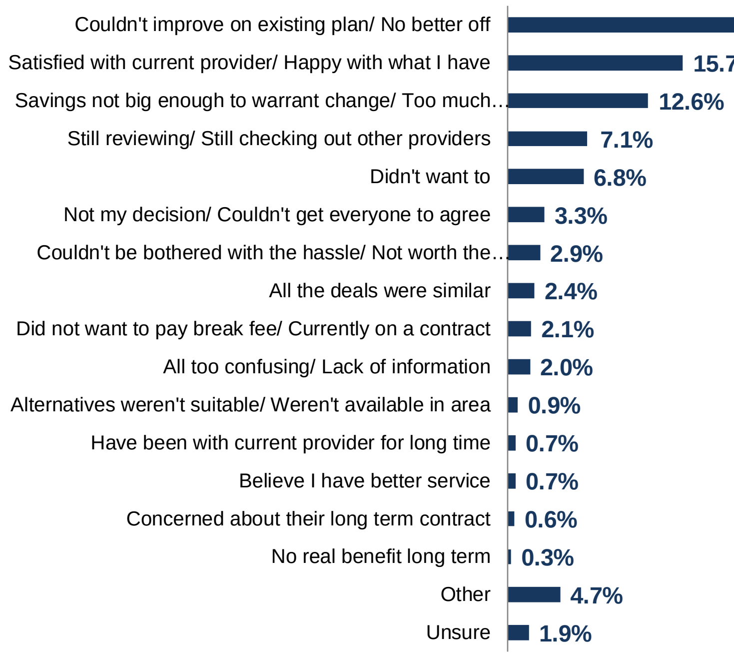


Base: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch retailers or change their plan (n=388).

■ Majority could not improve on current plan

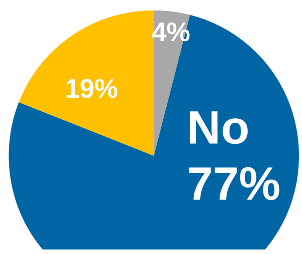
A clear majority (77%) of those that reviewed or shopped around did not take any action. Of these, 52% took no action as they found they could not improve on their existing plan or could not improve enough to warrant a change. Just under a sixth (16%) said they were happy with their current provider, while small proportions (7%) were still in the process of reviewing or said they just did not want to take any action. All the other reasons rated 3% or less of the subsample.

Reasons took no action



Base: Respondents who did not take action after reviewing information (n=301)

Took action after reviewing



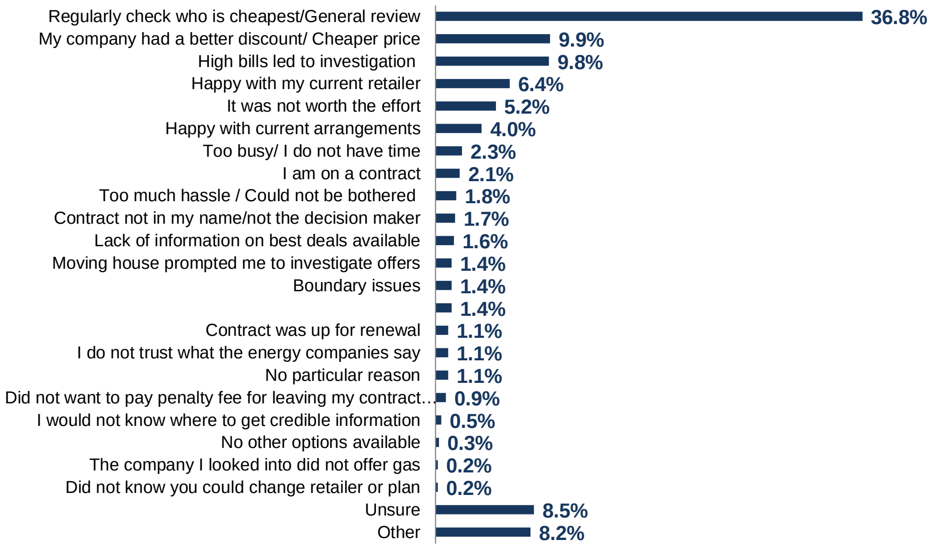
Base: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch retailers or change their plan (n=388).

Regular checking main reason for not switching

The main reasons given for not switching after reviewing or shopping around were that they regularly check who is the cheapest (37%), that their current provider was cheaper (10%) and that high bills led to their investigation (10%).

Following on from this, between 4-6% were either happy with their current retailer, did not see it being worth the effort, and were happy with current arrangements. All other various reasons were given by 2% of the sample or less.

Reason investigated or reviewed deal but did not change plan or provider



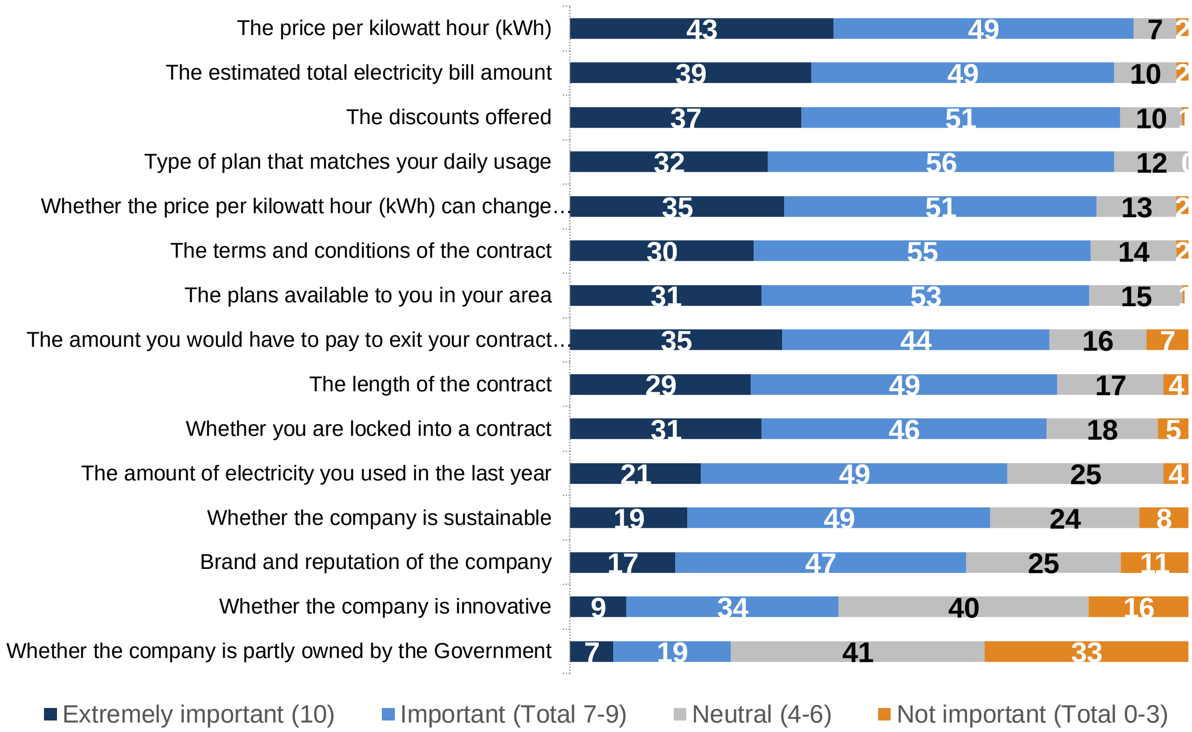
Base: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch or change their plan (n=388).
Note: Multiple response question

4.3 Switching factors: reviewers

Most important factors if considering switching were price related

For reviewers the important factors to weigh up if switching were mostly price related. A vast majority (92%) of reviewers gave an important rating (7-10, on a 0 to 10 scale where 10 is extremely important and 0 is not at all important) for the price per kilowatt hour with 43% saying it was extremely important. Estimated bill, discounts offered and type of plan followed (equal 88% important), then flexible rates, terms and conditions, and whether the plans were available in their area were all between 84% and 86%. The least important factors were related to brand and reputation - whether the company is innovative and whether it is partly government owned, 43% and 26% respectively.

Switching factors – by those who reviewed or actively investigated



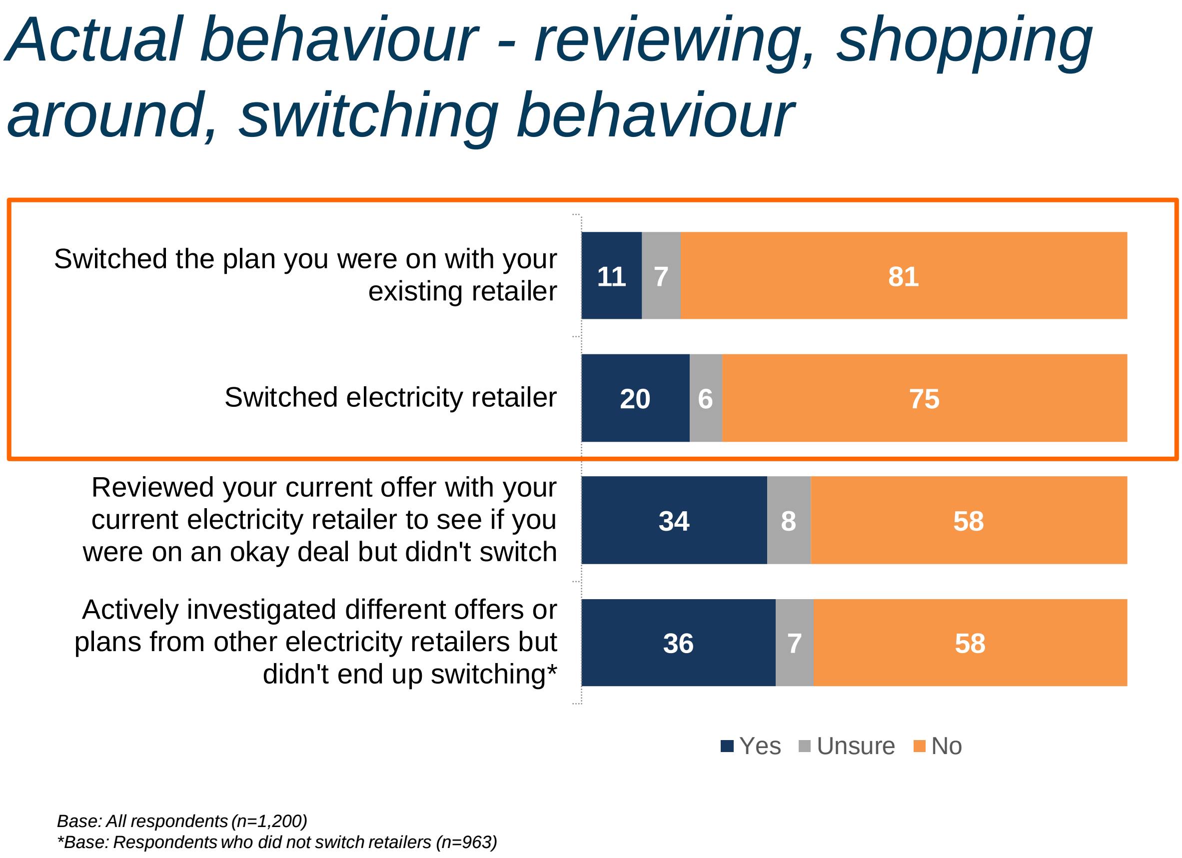
Base: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch retailer or change their plan (n=388)

Switching

5 Actual behaviour – switching plan or retailer

A fifth of people switched retailer in the last 12 months

Around a tenth (11%) of respondents switched the plan they were on with their existing retailer while 20% switched retailers.



Switchers more likely to have moved recently

People who had been at their current residence for less than two years were much more likely to have switched retailer (29%) particularly compared to people who have been at their current residence for 10 years (13%).

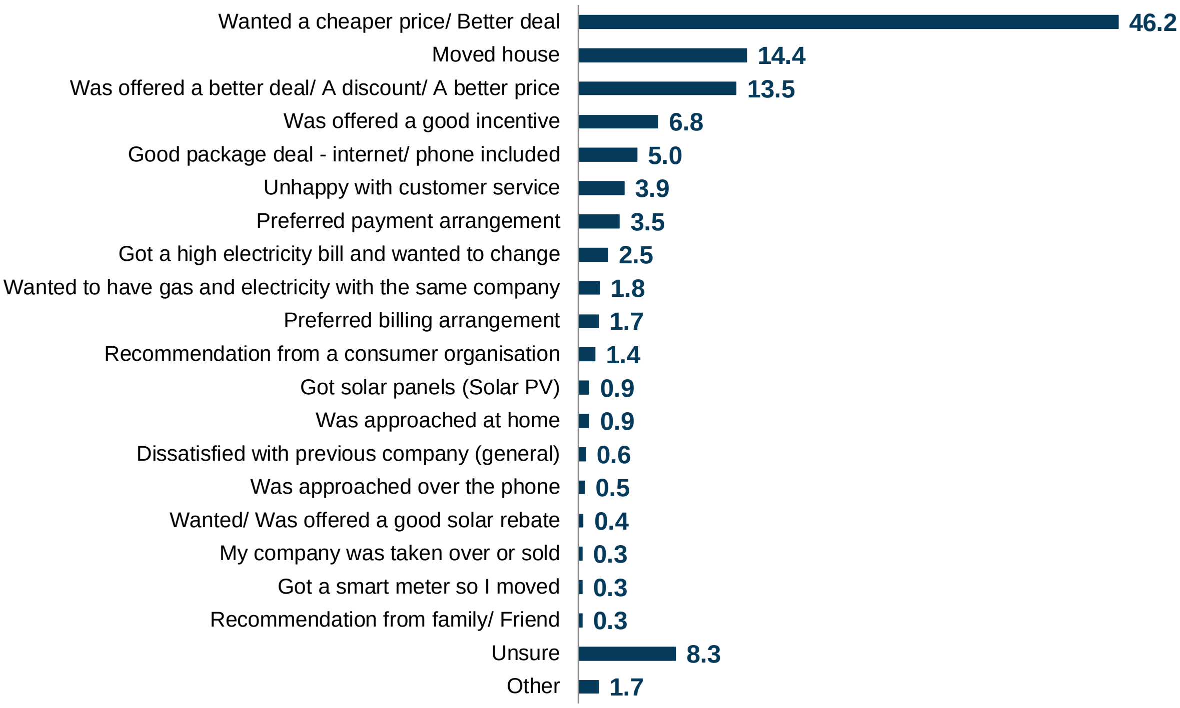
Those who indicated they cared about which electricity provider they use were more likely to have changed the plan they were on with their current retailer; 13% who 'care' did so compared to 7% of people who do not care that much.

5.1 Reasons for switching

Better price main reason by far for switching

Of those who had changed their retailer or plan, 60% did so because they wanted or were offered a better price, deal or discount, this was followed by that they had moved house, 14%. Other reasons were mentioned at much lower levels and included: that they were offered a good incentive (7%), a good package (5%), they were unhappy with service (4%) and they were offered a preferred payment arrangement also (4%). The other reasons were all cited by 3% or less of the subsample.

Reasons for changing electricity retailer or plan



Base: Respondents who switched electricity retailer and/or switched the current electricity plan. (n=319)

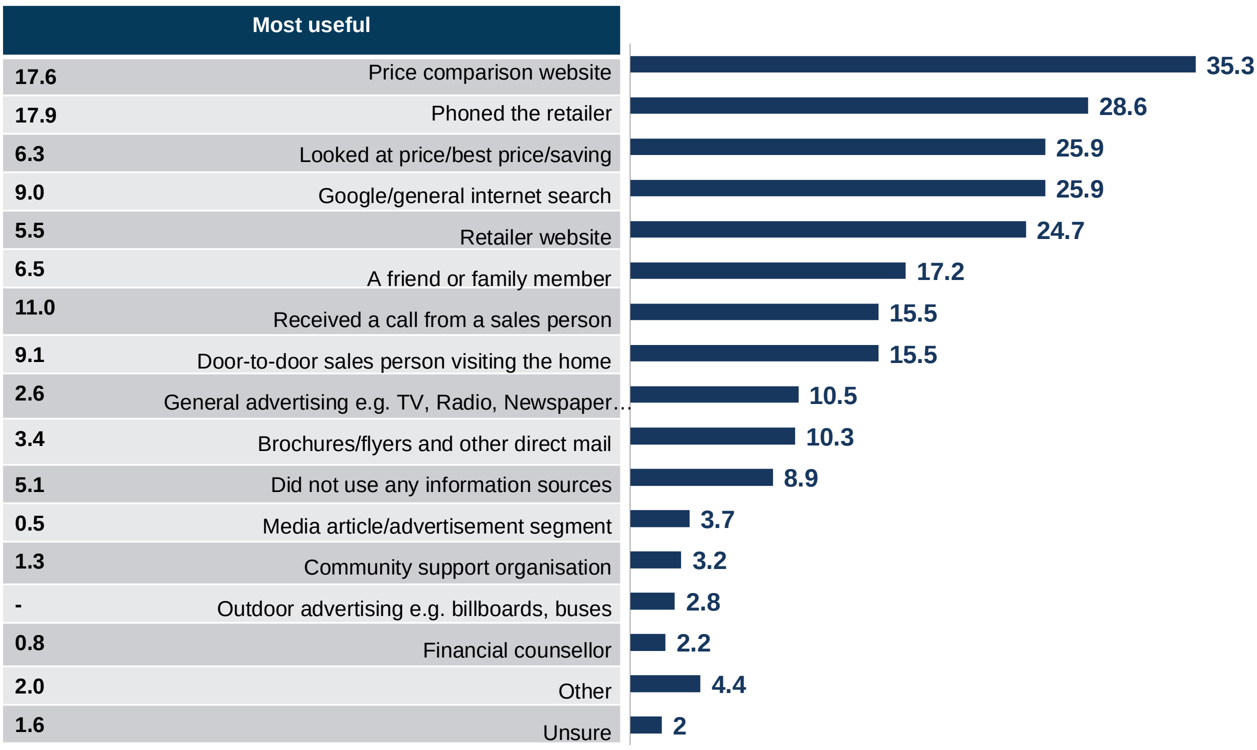
5.2 Information sources used in decision to switch

A fifth of people switched retailer in the last 12 months

The information sources used by many switchers were a price comparison website (35%), phoning the retailer (29%), looking at the price/ best price or savings (26%), a general internet search (26%), and going to the retailer website (25%).

The information sources considered most useful were a price comparison website (18%) and phoning the retailer (18%).

Information sources used in decision to switch



Base: Respondents who switched electricity retailer and/or switched the current electricity plan (n=319).
Note: Multiple response question

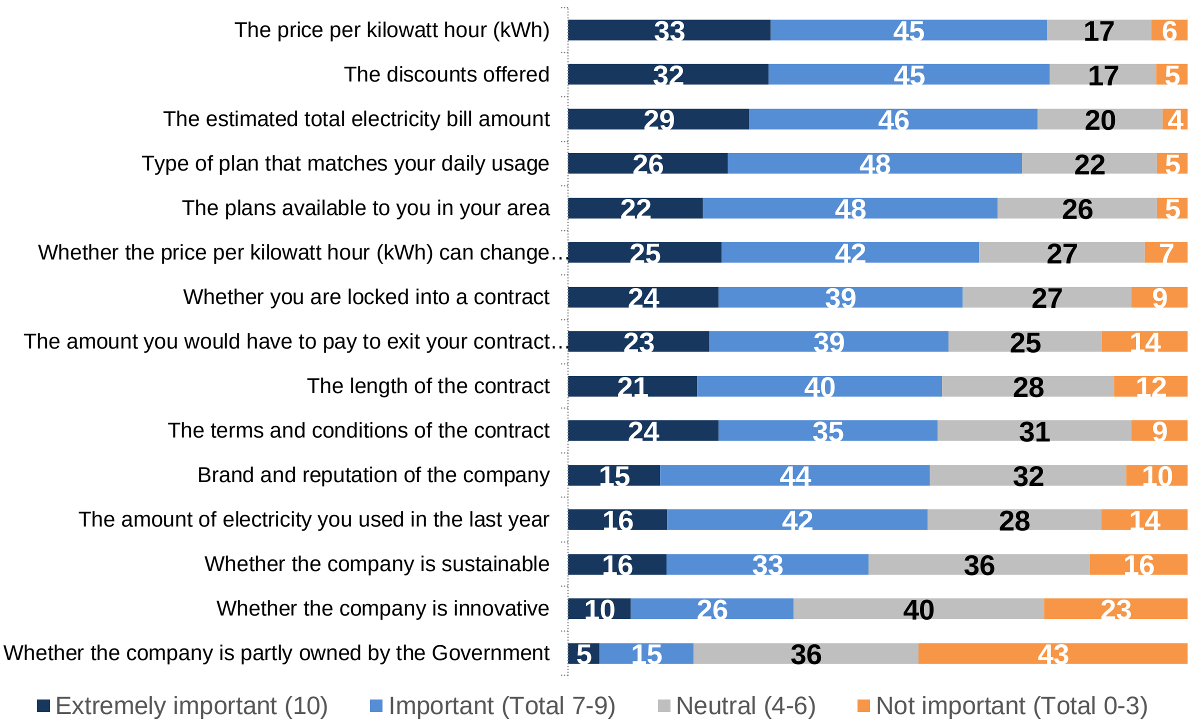
5.3 Switching factors: switchers

Switchers most important factors if switching are price related

For switchers, the most important factors used to weigh up when switching were also price related. However, switchers put much less importance on all factors than reviewers who scored factors higher. Every factor had a rating of important (7-10) that was 5% to 24% (average 14%) lower than reviewers; however, the order of the factors in terms of importance was much the same.

Switchers gave an importance rating for the price per kilowatt hour and discounts offered of 77-78%, while estimated bill and type of plan rated slightly lower on 74-75%. Whether the company was innovative and whether the company was partly government owned were again the lowest rated factors on 36% and 20% respectively.

Switching factors – by switchers



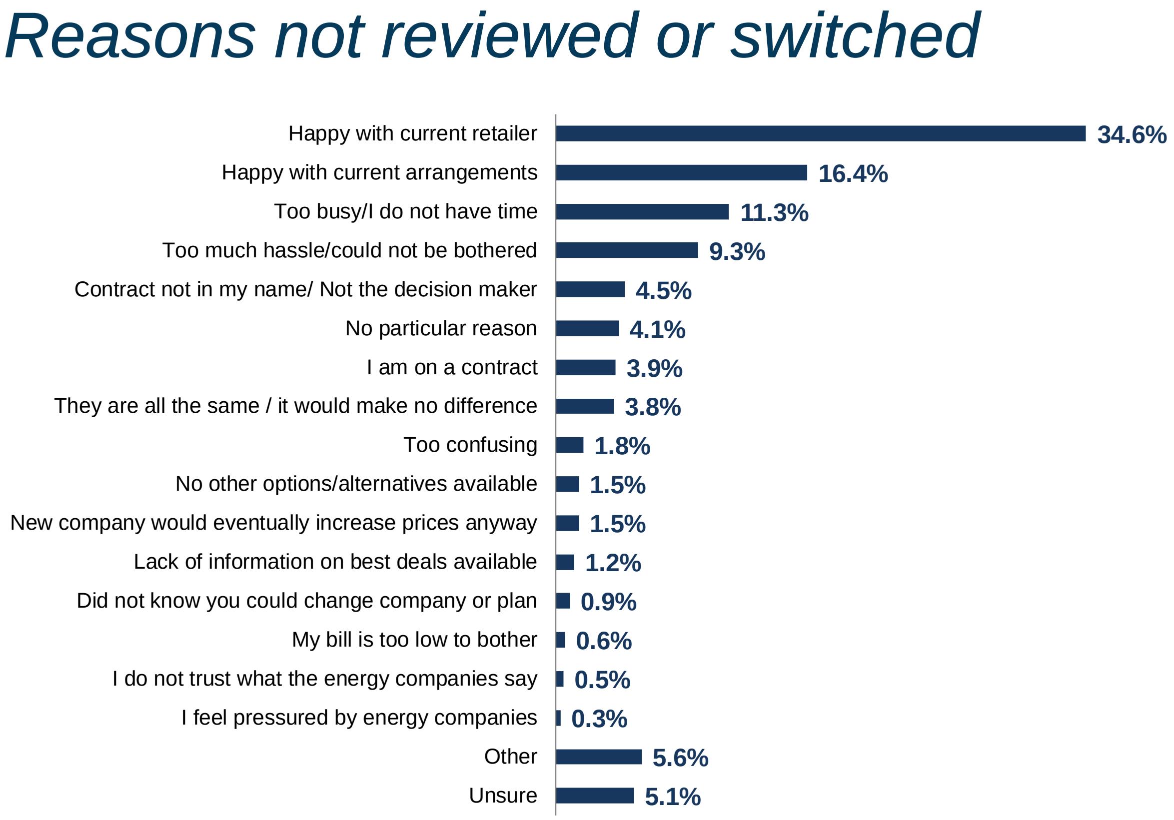
Base: Respondents who switched electricity retailer and/or switched the current electricity plan (n=319)

Barriers to taking action

6 Reasons not reviewed or switched

Being happy with current arrangements key barrier to reviewing or switching

For those that had not reviewed or switched retailer, the main reasons for not taking these actions were that they were happy with their retailer (35%) or current arrangements (16%), said that they were too busy (11%), or it was too much hassle to bother doing anything about it (9%). Lesser mentioned reasons were in relation to not being the decision maker, being on a contract and a belief that there isn't much difference between retailers (all 4-5%). Other reasons received less than 2% each.



Base: Respondents who did not review current offer, investigate different offers or plans, switch electricity retailer or switch current plan (n=432).
Note: Multiple response question

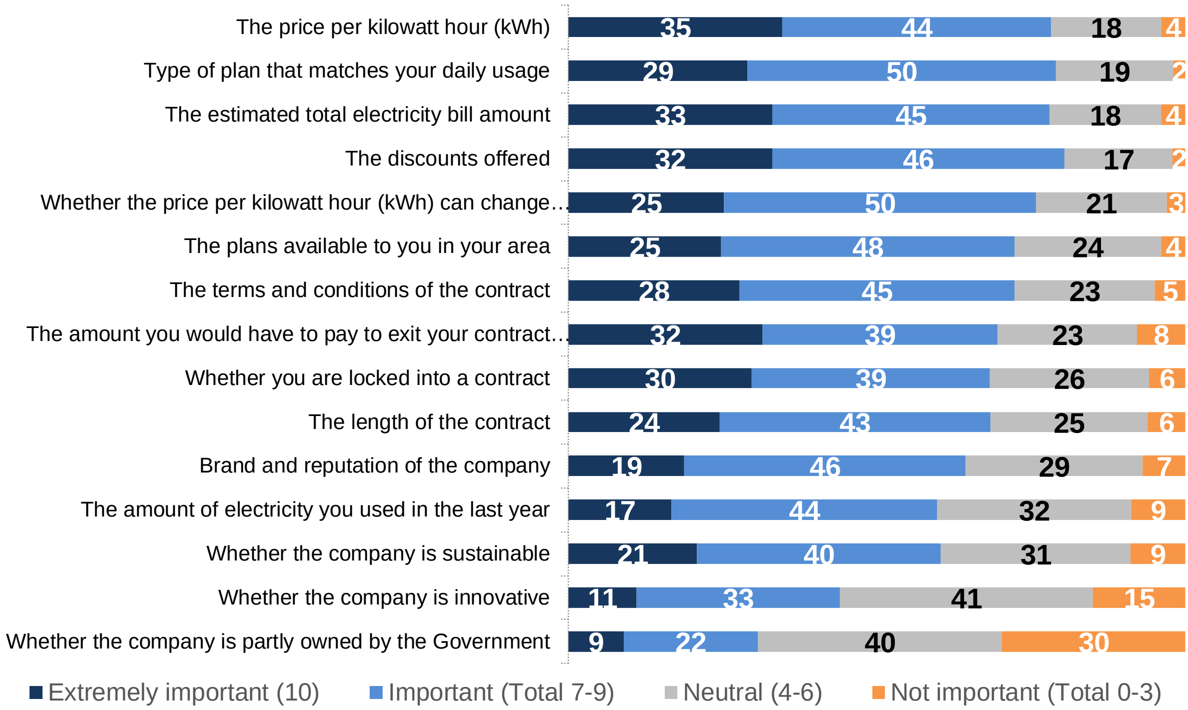
6.1 Switching factors: non-switchers

Price related factors strongest for non-switchers

Respondents who have not switched or reviewed the plans in the past 12 months gave ratings of importance (7-10, on a 0 to 10 scale where 10 is extremely important and 0 is not at all important) that were on average 7% lower than reviewers and 6% higher than switchers.

The rankings of the factors were again very similar to reviewers and switchers with price related factors as the most important, followed by factors around the contract and lastly factors about what the company was like. Price per kilowatt hour, type of plan, estimated bill and discounts offered were all rated between 78-79% important while the lowest ratings were for whether the company was innovative and partly government owned, 44% and 31% respectively.

Switching factors – by non-switchers

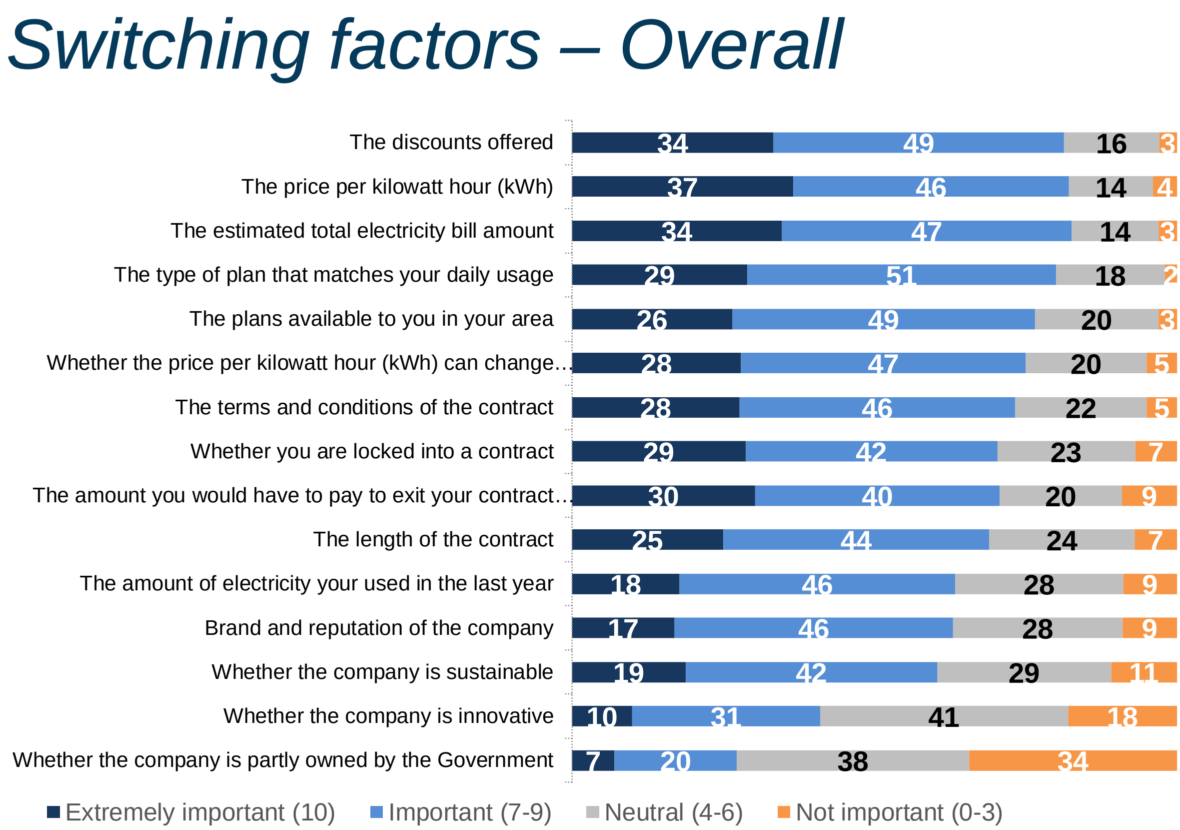


Base: Respondents who did not review current offer, investigate different offers or plans, switch electricity retailer or switch current plan (n=432)

6.2 Switching factors: overall

Key factors were around price and discounts

Over all respondents, price related factors were rated as the most important, followed by factors around the contract and lastly factors related to the brand and image of the company. The price per kilowatt hour and discounts offered were the top two factors, with both rating 83% important. The lowest ratings were given to whether the company was innovative and whether it is partly government owned; 41% and 27% respectively.



Base: All respondents, excluding not applicable (n=1139)

Level of importance strongly associated with confidence, care and interest in electricity retailers

Respondents who indicated they care about their provider gave higher ratings than their counterparts for every factor by an average of 16%. Also respondents with confidence in having adequate information and being able to select the best deal were much more likely to have higher ratings of importance than the overall sample by an average of 6%. There was a tendency for people under the age of 30 years to give on average 7% lower levels of importance than older respondents.

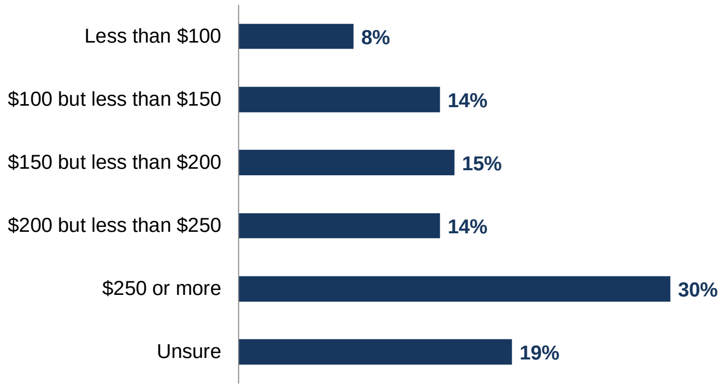
6.3 Saving needed to consider switching

Almost a third of respondents would need to save over $250 to switch

Just under a tenth (8%) of respondents said the minimum amount of money they would need to save annually on their electricity bill in order to seriously consider changing their company or plan was $100 or less. Around half (51%) said they would consider switching if the savings were $250 or less and 30% would if savings were $250 or more, while 19% were unsure.

People who had switched in the last year had lower expectations with 49% considering switching for less than $200 compared with 39% of non-switchers. Age was also a factor with 51% of under 30s, 41% of 30-44 years and 30% of over 44 years considering switching for $200 or less, as was household income ranging from 47% for people under $30,000 to 32% for those earning over $100,000.

Savings needed to consider switching electricity company or plan



Base: All respondents (n=1,200)

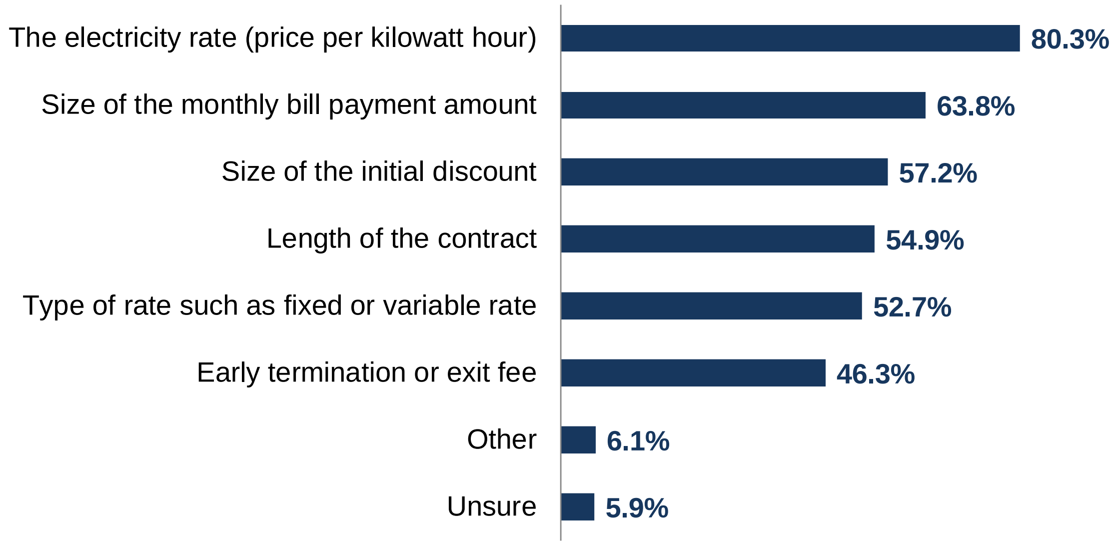
Information usage and needs

7 Information used when comparing retailers

Electricity rates main information people would use when comparing options

A clear majority (80%) of respondents said they would look at the electricity rate when comparing retailer options or plans and 64% said they would look at the size of the monthly bill payment amount. There were between 53% and 57% who would look at size of the discount, length of the contract and type of rate, while early termination fees would be looked at by slightly less (46%).

Information used for comparing electricity retailers



Base: All respondents (n=1,200)
Note: Multiple response question

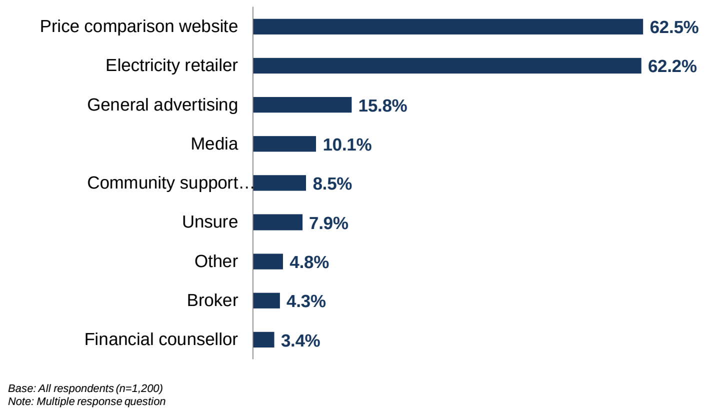
Respondents who had switched plans or retailers were less likely to use information on the type of rate available than people who had not switched (45% and 56% respectively). People under 30 years, those less engaged with the news or the internet, non-decision makers, unemployed, those with lower levels of education, and did not care so much about the choice of retailer were much more likely to be unsure about what sort of information they would look for.

7.1 Preferred method of accessing information

Price comparison websites and electricity retailers the preferred method of accessing information

Accessing information from price comparison websites and the electricity retailer were the most preferred, with 62-63% each. General advertising, media, and community support groups were next on 16%, 10% and 9% respectively. Brokers and financial counsellors were last with 3-4% each.

Preferred method of accessing information



Advertising (22%) and media (18%) feature higher for people under the age of 30 years compared to their older cohorts (14% and 8%). Those in households with incomes over $100,000 were much more likely to use price comparison websites than people in households earning less (80% to 50% respectively).

7.2 Best way to access information

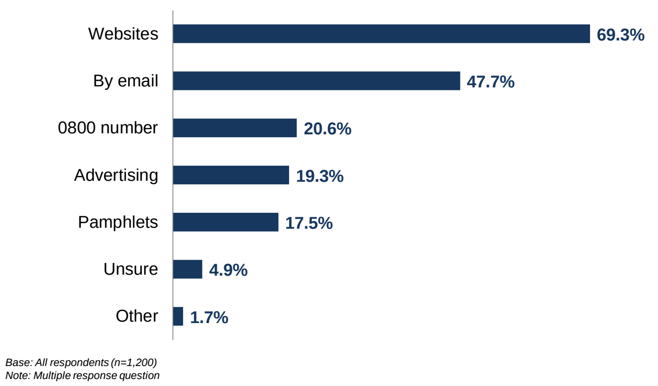
Internet best way for getting information

A majority (70%) of respondents said websites would be the best way to access this information while 50% preferred email, 0800 number, advertising and pamphlets were all lesser in importance, 18-21%.

People over the age of 60 years were more likely to nominate email (55%) and 0800 numbers (25%), while people under 44 were more likely to suggest websites (74%). This appears to suggest that respondents over 60 years old are more passive seekers of information while those under 44 years are more active seekers of information.

Males were more likely to say websites (73%) while females were more likely to prefer pamphlets (21%).

Best way to access information



7.3 Missing sources of information

Internet best way for getting information

A vast majority (86%) of people did not think there are any sources of information missing or that they had expected to find information but were disappointed to find it was unavailable or were unsure. There were no significant types of information that were seen as missing. The single most mentioned type of missing information was cited by less than 3% of respondents and related to enhancing information accessed through websites, namely, websites lacking all the costs, being difficult to use or not being clear.

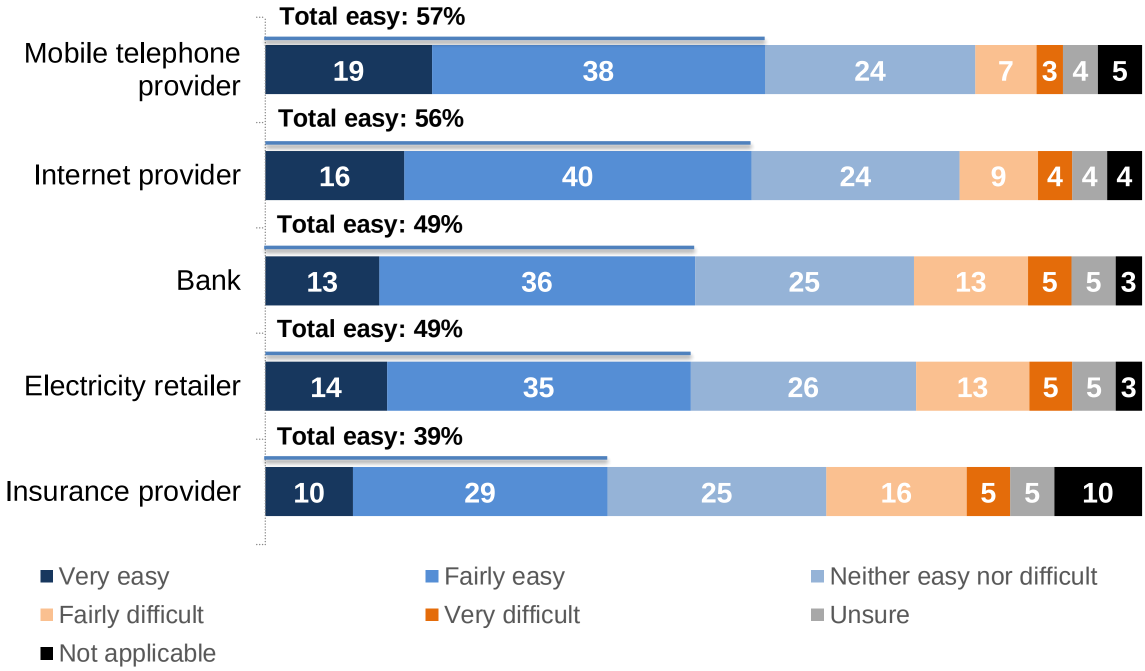
Missing sources of information – information expected to find but was unavailable		
	%	N=
No/ Unsure	86.2	1034
Websites: Some websites do not assess all costs when doing price comparisons (1.1%), Websites should be easier to navigate/ Less confusing (0.6%), Price comparison website including all retailers/ Area specific (0.4%), Competitor website/ Comparisons to other companies (0.3%)	2.4	28
Personal contact: Contact me directly, call me directly (1.0%), Door to door (0.4%)	1.4	17
Blog posts/ Social media/ Facebook	1.4	17
Price related: Price -general (0.3%), Price per kilowatt/ An expense calculator (0.3), Hidden costs (0.3%), Line charges/ daily charges (0.1%), Average cost of household similar to mine/ Average price (0.2%), Loyalty scheme for prompt payment (0.1%)	1.3	15
Advertising (e.g. billboards, local paper, media)	1.2	14
Family/ Friends/ Word of mouth	1	12
Independent representative: Watchdog group/ Community advocacy/ Community service (0.2%), Consumer Institute (0.2%), Citizen Advice (0.2%), Confirmation from someone like Consumer (0.1%), Council (0.1%), Fair Go (0.1%)	0.9	11
Telephone contact: Phone service (0.6%), 0800 numbers are often unanswered/ Poor service (0.2%)	0.8	11
Customer service: Service ratings for the electricity retailers (0.6%), Reward points earned were cancelled due to scheme ending and was not notified (0.2%)	0.8	10
Information via post/ mail	0.8	9
Unable to specify if on contract or not	0.6	7
An app that compared services	0.5	6
Ability to contact electricity retailers directly	0.3	4
Other information: Graph of usage – live (0.1%), Information on how to check usage (0.1%), Information regarding how the changeover process works (0.1%), Which companies do combined gas and electricity (0.1%), Locations of shops/ venues (0.1%)	0.5	5
Base: All respondents (n=1,200)		

7.4 Difficulty comparing offers

Electricity retailers lag behind mobile providers and internet providers on ease of comparison

Around half (49% each) of respondents thought it was very easy or fairly easy to compare offers for banks and electricity retailers. Over half (56-57%) thought it was easy to compare offers for mobile or internet providers. Insurance providers were considered the least easy to compare with an easy rating of 39%.

Difficulty comparing offers when deciding whether to switch household services



Base: All respondents (n=1,200)

Switchers and reviewers think comparing prices is easier

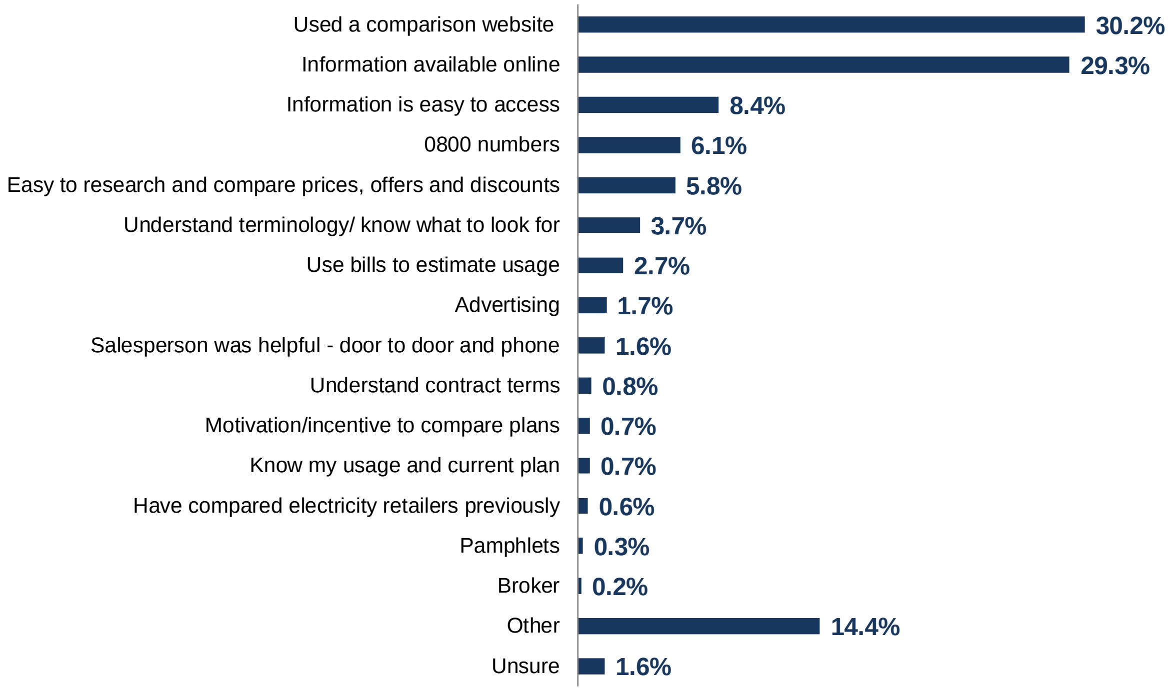
Those who care about their electricity retailer were more likely (55%) to think it was easy to compare offers than those who have indicated they do not care as much (39%). Respondents who had switched retailer or plans in the past year (61%) thought it was easier to compare offers than people who had not switched (45%), as were people who had reviewed their plans but had not switched (59%).

7.4.1 Reasons for being easy to compare electricity retailers

Having online services main reason for ease of comparison

Mentions of comparison websites and availability of online information were the most frequently cited reasons for why people thought it was easy to compare electricity retailers (29-30% each). Information being easy to access, the 0800 numbers and that it was easy to research were also frequently mentioned on 6-8%. Lesser reasons (all below 4%) include having knowledge of the industry, using bills, advertising and sales people.

Reasons easy to compare electricity retailers



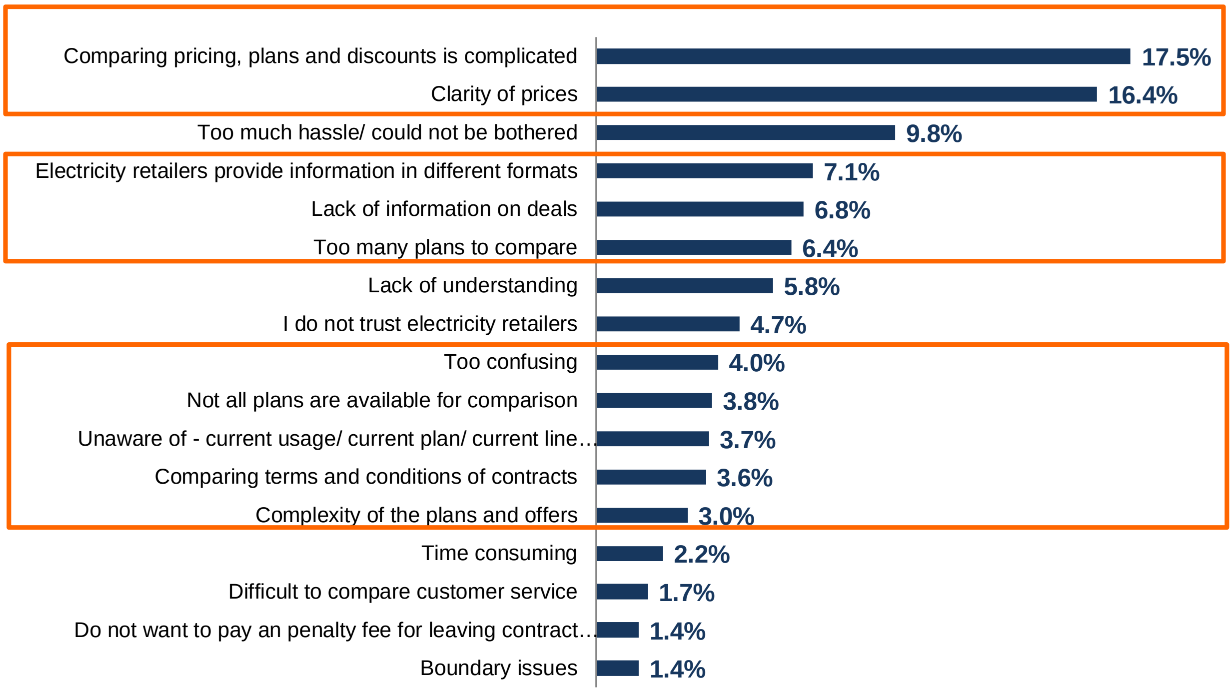
Base: Respondents who found it fairly easy or very easy to compare different offers when deciding whether or not to switch electricity retailer (n=590).

7.4.2 Reasons for being difficult to compare electricity retailers

■ Lack of clarity and confusion on pricing lead to problems comparing retailers

Reasons for believing that comparing electricity offers to be difficult were more varied than the reasons why it is easy. Lack of clarity and confusion when comparing prices were the main reasons people found it difficult to compare retailers (16-18%), followed by it being too much hassle, 10%. Other reasons that were frequently mentioned were the different formats for information, the lack of information, that there were too many plans, the lack of understanding, and a lack of trust in electricity retailers (5-7% each).

Reasons had problems comparing electricity retailers

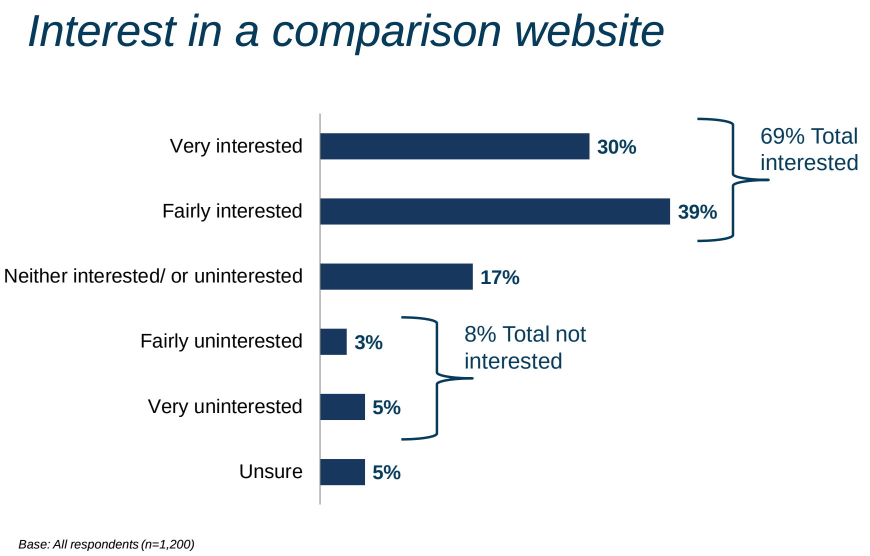


Base: Respondents who found it fairly difficult or very difficult to compare different offers when deciding whether or not to switch electricity retailer (n=214).
Note: Multiple response question

Retail data options

8 Interest in a comparison websiteHigh interest in comparison website

Over two-thirds (69%) of respondents expressed they were very interested or fairly interested in a detailed comparison website like WebJet, while 17% said they were neither interested nor uninterested and 8% said they were not interested.



Household income was strongly correlated with interest, 61% of people in households earning less than $30,000 a year expressed interest compared to 81% of households above $100,000. People who thought comparing prices was difficult had the same level of interest as those who believed it to be easy (77%) but higher than those who thought it neither easy nor difficult (57%).

8.1.1 Reasons for interest in comparison website

- Makes it easier

Over half (56%) of interested people said they were interested in a comparison website because it would be easy or convenient for comparing prices. Other reasons for interest were nominated at much lower levels with 5% to 10% saying they were interested because they knew they were getting the right deal, the information was reliable, the information would be useful, and they would then know what other companies were offering.

Reasons interested in a comparison website	
	%
Makes life easier/ Convenient for comparing prices/ Information is in one place/ Can do in own time	55.8%
Can see which provider is giving fairest deal/ Allows me to get the right deal for me	9.4%
Interested in getting the best deal/ Like to know I'm getting the best deal/ Always want a good deal	7.0%
Reliable information/ Full independent picture/ Unbiased information/ Research independent	6.2%
It would provide useful information/ Interesting to see the different information	5.8%
Good to shop around/ Know what other companies are offering/ Good to see competitors prices	4.6%
Anything to help me save	2.9%
Better than dealing with pushy sales people	2.3%
I already use them	1.9%
Current websites are not robust enough/ Need to be more comprehensive	1.6%
Free to use	1.1%
Good for other services e.g. travel	0.7%
Should have the ability to customise to my wants and needs	0.5%
Electricity retailers would be able to check out their competition and perhaps change their offerings	0.1%
Unsure	4.8%

Base: Respondents who were fairly interested or very interested in a comparison website (n=834).
Note: Multiple response question

8.1.2 Reasons not interested in comparison website

Don't want to change provider

The main reasons people were not interested in a comparison website were that they were happy with their current provider and did not want to change (41%) and that it felt like it was too much trouble to use such a site (17%). Not trusting the sites, being able to do it themselves, that it was too difficult, and that they don't give enough information were other frequently cited reasons (4-9%).

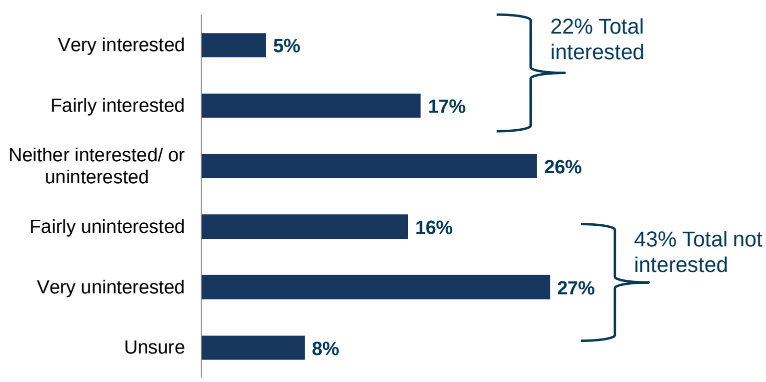
Reasons not interested in a comparison website	
	%
Happy with current provider/Do not want to change provider	40.6%
Too lazy/ time taken/too much trouble	17.2%
Don't trust them/bias/	9.2%
Can do it myself	7.6%
Too difficult/ don't use the computer much	4.3%
They are not very useful/ Don’t give enough information	3.6%
Like to talk to someone	1.9%
Out of date information	1.0%
Unsure	14.5%
Base: Respondents who were fairly uninterested or very uninterested in a comparison website (n=96)	

8.2 Interest in a third party or broker service

Low interest in third party service

There was lower interest in a third party service with 22% of respondents declaring they were very interested or fairly interested in a third party or broker who would do comparison analysis for them. Around a quarter (26%) said they were neither interested nor uninterested and 43% said they were not interested.

Interest in a third party or broker service



Base: All respondents (n=1,200)

Household income was strongly correlated with interest, 19% of people in households earning less than $30,000 a year expressed interest compared to 35% of households above $100,000. People who thought it was difficult to compare offers were much more likely to be interested (36%) than those who believed it to be easy (20%).

8.2.1 Reasons for interest in third party service

Makes it easier

The main reason nominated by 28% of interested people was that it would be easier while secondary reasons were that the brokers would be experts and give unbiased information (20% and 17% respectively). At lower levels, 13% said they would help to get the best deal to save money and 8% would use them to get a second opinion.

Reasons interested in a third party or broker service

	%
Makes it easier/saves time/ they do the work	27.8%
Experts/They know the details/'ins and outs'	20.4%
Unbiased/reliable/independent information	17.3%
Would like the best deal/save money	13.2%
To get a second opinion/ get some advice	8.1%
Have used a broker before	4.8%
If it was a free service	3.8%
Unsure	11.6%

Base: Respondents who were fairly interested or very interested in a third party or broker service (n=268)
Note: Multiple response question

8.2.2 Reasons not interested in third party service

Can do it myself

The main reason people were not interested in a third party service was the belief that they could do it themselves (44%), followed by the concern over the extra cost for using a third party (26%) and not trusting a third party to be unbiased (12%). Lesser reasons were that it would be too much hassle, that they were happy with their current provider, that they don't want a third party involved, and they can use online services (3-7%).

Reasons not interested in a third party or broker service	
	%
I can do it myself	44.3%
More cost	25.6%
Don't trust them/bias/	11.6%
Too time consuming/too much hassle	6.7%
Happy with current provider/Do not want to change provider	5.5%
Don't want a third party involved	4.2%
Can use online services	2.5%
Never used a broker	1.4%
Unsure	6.5%

Base: Respondents who were fairly uninterested or very uninterested in a third party or broker service (n=528)
Note: Multiple response question

Appendix

9 Demographic profile

Sample information/ demographics

	2015
	%
Sex	
Male	48
Female	52
Age	
18-29	21
30-44	26
45-59	27
60 plus	26
Region	
Auckland	33
Wellington	11
Provincial North Island	31
Christchurch	13
Provincial South Island	11
Household income	
Less than $20,000	9
$20,001 - $30,000	13
$30,001- $40,000	8
$40,001- $50,000	9
$50,001- $60,000	8
$60,001- $80,000	11
$80,001- $100,000	10
More than $100,000	17
Prefer not to say	15
Dependent children	
Yes	30
No/Unsure	70
Home ownership	
Renting	39
Own my home freehold	25
Own my home with a mortgage	29
Live at home with parents	7

Base: All respondents (n=1,200)

Electricity provider

What is the name of the company that you pay your monthly electricity bills to?	
	2015
	%
Contact Energy	23.1
Genesis Energy	21.7
Mercury Energy	14.9
TrustPower	11.1
Meridian Energy	7.4
Powershop NZ	4.9
Energy Online	3.8
Nova Energy	3.3
Grey Power Electricity	1.5
Pulse Energy	1.2
Glo-Bug	0.9
Tiny Mighty Power	0.8
Energy Direct	0.7
Just Energy	0.4
Flick Electric	0.4
Bosco Connect	0.3
Payless Energy	0.1
Empower	0.1
Mega Energy	0.1
King Country Energy	0.1
Other	1.2
Unsure	1.8

Base: All respondents (n=1,200)

Average electricity bill

*How much on average is your monthly **summer/winter** bill (that would be in….)*	
	2015
	%
Summer (that would be in December, January and February)	
Less than $100 a month	19
From $100, but less than $200 a month	46
From $200, but less than $300 a month	14
From $300, but less than $400 a month	4
$400 or more a month	2
Unsure/prefer not to say	15
Winter (that would be in June, July and August)	
Less than $100 a month	7
From $100, but less than $200 a month	32
From $200, but less than $300 a month	27
From $300, but less than $400 a month	13
$400 or more a month	9
Unsure/prefer not to say	12

Base: All respondents (n=1,200)

9.1 Tables

9.1.1 Summary table

Summary table

	*How satisfied are you with your provider of the following services? Please think about your main provider.**	*Base*:*	*Do you think it is worthwhile reviewing your provider of the following services?*	*Do you think it is worthwhile to actively shop around for the best deal for your supplier of:*	*How likely are you to switch the following providers?*	*Are you the person that makes the decision about using the following suppliers or has input in that decision for your household?*	*How much do you care about the following suppliers you choose for your household?*	*How easy or difficult do you think it is to switch your provider of the following services?*
	TOTAL SATISFIED %		Yes %	Yes %	TOTAL LIKELY %	Yes %	TOTAL A LOT + A FAIR AMOUNT %	TOTAL EASY %
Bank	84	*1200*	25	49	10	89	83	44
Mobile telephone provider	79	*1167*	32	61	17	90	78	67
Electricity retailer	72	*1170*	37	65	23	81	75	59
Internet provider	71	*1177*	40	67	25	84	78	52
Insurance provider	64	*1060*	34	64	17	85	77	51

*Base: All respondents (n=1200); excludes 'not applicable' where relevant

9.1.2 View of household suppliers

Satisfaction with providers

How satisfied are you with your provider of the following services? Please think about your main provider.

	Very satisfied %	Somewhat satisfied %	TOTAL SATISFIED %	Neither satisfied nor dissatisfied %	Somewhat dissatisfied %	Very dissatisfied %	TOTAL DISSATISFIED %	Unsure %
Bank	47	37	**84**	**9**	4	2	**6**	-
Mobile telephone provider	37	42	**79**	**12**	4	2	**6**	-
Electricity retailer	32	40	**72**	**15**	5	2	**7**	2
Internet provider	31	40	**71**	**14**	10	3	**13**	-
Insurance provider	29	35	**64**	**18**	4	2	**6**	1

Base: All respondents (n=1200)

Reviewing provider

Do you think it is worthwhile reviewing your provider of the following services?				
	Base: n=	**Yes %**	**No %**	**Unsure %**
Internet provider	*1177*	40	44	16
Electricity retailer	*1170*	37	43	20
Insurance provider	*1060*	34	47	19
Mobile telephone provider	*1167*	32	52	16
Bank	*1200*	25	61	14

*Base: All; excludes 'not applicable'

Shopping around

Do you think it is worthwhile to actively shop around for the best deal for your supplier of the following services?				
	Base: n=	**Yes %**	**No %**	**Unsure %**
Internet provider	*1177*	67	23	11
Electricity retailer	*1170*	65	24	11
Insurance provider	*1060*	64	25	11
Mobile telephone provider	*1167*	61	29	10
Bank	*1200*	49	38	13

*Base: All; excludes 'not applicable'

Likelihood of switching

How likely are you to switch the following providers?

	Base: n=	Very likely %	Fairly likely %	TOTAL LIKELY %	Neither likely or unlikely %	Fairly unlikely %	Very unlikely %	TOTAL UNLIKELY %	Unsure %
Internet provider	*1177*	8	17	**25**	**22**	20	27	**47**	6
Electricity retailer	*1170*	7	16	**23**	**23**	21	27	**48**	6
Mobile telephone provider	*1167*	5	12	**17**	**22**	25	32	**57**	5
Insurance provider	*1060*	3	14	**17**	**25**	22	29	**51**	7
Bank	*1200*	3	7	**10**	**18**	20	47	**67**	5

*Base: All; excludes 'not applicable'

Decision maker

Are you the person that makes the decision about using the following suppliers or has input in that decision for your household?				
	Base: n=	***Yes %***	***No %***	***Unsure %***
Mobile telephone provider	*1167*	90	6	4
Bank	*1200*	89	7	4
Insurance provider	*1060*	85	10	5
Internet provider	*1177*	84	12	4
Electricity retailer	*1170*	81	15	4

*Base: All; excludes ‘not applicable’

How much you care about the supplier you choose?

Some people care a great deal about the household suppliers they choose, some don't care at all - how much do you care about the following suppliers you choose for your household?

	Base: n=	A lot %	A fair amount %	TOTAL A LOT + A FAIR AMOUNT %	Not that much %	Hardly at all %	TOTAL NOT THAT MUCH + HARDLY AT ALL %	Unsure %
Bank	*1200*	47	36	**83**	11	3	**14**	2
Internet provider	*1177*	38	40	**78**	15	4	**19**	3
Mobile telephone provider	*1167*	35	43	**78**	15	4	**19**	2
Insurance provider	*1060*	39	38	**77**	15	5	**20**	3
Electricity retailer	*1170*	37	38	**75**	17	5	**22**	2

*Base: All; excludes 'not applicable'

Perceived ease of switching providers in different industries

How easy or difficult do you think it is to switch your provider of the following services?

	Base: n=	Very Easy %	Fairly Easy %	TOTAL EASY %	Neither easy or difficult %	Fairly difficult %	Very difficult %	TOTAL DIFFICULT %	Unsure %
Mobile telephone provider	*1167*	27	40	**67**	**16**	9	2	**11**	6
Electricity retailer	*1170*	24	35	**59**	**18**	13	3	**16**	7
Internet provider	*1177*	19	33	**52**	**20**	17	5	**22**	7
Insurance provider	*1060*	18	33	**51**	**22**	14	5	**19**	8
Bank	*1200*	16	28	**44**	**19**	22	7	**29**	7

*Base: All; excludes 'not applicable'

9.1.3 View of retailer

Electricity retailer

How would you rate your electricity retailer on the following – using a 0 to 10 scale where 0 means very poor and 10 means excellent?														
	0=Very poor												10=Excellent	
	0 %	1 %	2 %	3 %	Total 0-3 %	4 %	5 %	6 %	Total 4-6 %	7 %	8 %	9 %	10 %	Total 7-10 %
Being well established	1	1	1	1	**4**	2	15	9	**26**	16	17	19	17	**69**
The payment solutions they offer	2	1	1	2	**6**	3	14	10	**27**	16	17	16	19	**68**
Overall quality of customer service	2	1	2	3	**8**	4	16	10	**30**	16	18	15	14	**63**
The electricity plans they offer	2	1	2	4	**9**	4	19	12	**35**	17	15	12	13	**57**
Overall value for money for the products and services	3	1	3	4	**11**	4	17	11	**32**	15	16	13	12	**56**

Base: All respondents (n=1200)

Electricity options

When it comes to electricity options and offers available in your area, how confident are you about the following? Please use a scale of 0 to 10, where 0 means you are not at all confident and 10 means that you are extremely confident. How confident are you that …														
	0=Not at all confident												10=Extremely confident	
	0 %	1 %	2 %	3 %	Total 0-3 %	4 %	5 %	6 %	Total 4-6 %	7 %	8 %	9 %	10 %	Total 7-10 %
You will choose the deal that is right for your household	2	1	1	3	**7**	4	13	9	**26**	17	17	14	19	**67**
You have all the information you need to compare the different offers	3	2	3	5	**13**	6	15	11	**32**	16	14	11	14	**55**

Base: All respondents (n=1200)

9.1.4 Reviewing and shopping around

Reviewing, shopping around, switching behaviour

In the past 12 months, have you…

	Base: n=	Yes %	No %	Unsure %
Actively investigated different offers or plans from other electricity retailers but didn't end up switching*	*963*	36	58	7
Reviewed your current offer with your current electricity retailer to see if you were on an okay deal but didn't switch	*1200*	34	58	8
Switched electricity retailer	*1200*	20	75	6
Switched the plan you were on with your existing retailer	*1200*	11	81	7

*Base: Respondents who did not switch retailers (n=963)
Base: All respondents (n=1200)

Information used in decision making

Reviewing

	*When reviewing your current electricity deal or investigating different electricity offers and plans what information sources did you use?**	*Thinking about the information sources you used when investigating different retailers or plans, which one was most useful in helping with your decision whether or not to switch?*
Base: n=	***388***	***388***
Price comparison website	55.7	38.6
Google/general internet search	45.0	12.5
Retailer website	35.8	8.9
Looked at price/best price/saving	29.8	8.3
Brochures/flyers and other direct mail	23.4	4.0
Received a call from a sales person	23.0	6.8
Door-to-door sales person visiting the home	17.8	5.6
A friend or family member	17.8	3.6
General advertising e.g. TV, Radio, Newspaper advertisement	11.7	1.2
Phones retailer	9.5	3.5
Media article/advertisement segment	5.1	0.2
None of them were useful	3.1	2.0
Outdoor advertising e.g. billboards, buses	1.8	-
Community support organisation	1.5	0.6
Financial counsellor	-	-
Unsure	2.3	2.3
Other	3.4	1.9

Base: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch retailers or change their plan.
*Note: Multiple response question

Did you take action after reviewing?

Did you actually take any action after reviewing this information?	
	%
Base: n=	***388***
Yes	19
No	77
Unsure	4

Base: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch retailers or change their plan.

Switching factors – by those who reviewed or actively investigated

If you were going to switch electricity provider or change your plan, please rate how important each of these factors would be, where 0 means not at all important and 10 means extremely important?

	Not at all important												Extremely important	
	0 %	1 %	2 %	3 %	**Total 0-3 %**	4 %	5 %	6 %	**Total 4-6 %**	7 %	8 %	9 %	10 %	**Total 7-10 %**
The price per kilowatt hour (kWh)	-	-	1	1	**2**	1	3	3	**7**	10	17	22	43	**92**
The estimated total electricity bill amount	1	1	-	-	**2**	1	6	3	**10**	13	16	20	39	**88**
The discounts offered	1	-	-	-	**1**	1	4	5	**10**	8	17	26	37	**88**
Type of plan that matches your daily usage	-	-	-	-	**-**	1	5	6	**12**	13	23	20	32	**88**
Whether the price per kilowatt hour (kWh) can change during the contract	1	-	-	1	**2**	1	6	6	**13**	10	20	21	35	**86**
The terms and conditions of the contract	1	-	-	1	**2**	2	5	7	**14**	12	20	23	30	**85**
The plans available to you in your area	-	-	-	1	**1**	3	6	6	**15**	14	19	20	31	**84**
The amount you would have to pay to exit your contract early (exit or termination fee)	3	-	1	3	**7**	2	8	6	**16**	11	16	17	35	**79**
The length of the contract	1	1	1	1	**4**	2	8	7	**17**	15	16	18	29	**78**
Whether you are locked into a contract	2	-	2	1	**5**	2	10	6	**18**	13	12	21	31	**77**
The amount of electricity you used in the last year	1	-	1	2	**4**	3	12	10	**25**	16	19	14	21	**70**
Whether the company is sustainable	2	1	2	3	**8**	2	13	9	**24**	17	18	14	19	**68**
Brand and reputation of the company	3	2	3	3	**11**	4	9	12	**25**	18	13	16	17	**64**
Whether the company is innovative	6	2	3	5	**16**	5	20	15	**40**	12	13	9	9	**43**
Whether the company is partly owned by the Government	16	4	5	8	**33**	7	23	11	**41**	6	5	8	7	**26**

Base: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch retailers or change their plan. (n=388)

9.1.5 Switchers

Information used in decision making

Switching

	*The last time you changed your electricity retailer or plan, which of the following information sources did you use to help with your decision?**	*Thinking about the information sources you used when changing your electricity retailer or plan, which one was most useful in helping with your decision to switch?*
Base: n=	***319***	***319***
Price comparison website	35.3	17.6
Phoned the retailer	28.6	17.9
Google/general internet search	25.9	6.3
Looked at price/best price/saving	25.9	9.0
Retailer website	24.7	5.5
A friend or family member	17.2	6.5
Door-to-door sales person visiting the home	15.5	11.0
Received a call from a sales person	15.5	9.1
General advertising e.g. TV, Radio, Newspaper advertisement	10.5	2.6
Brochures/flyers and other direct mail	10.3	3.4
Did not use any information sources	8.9	5.1
Media article/advertisement segment	3.7	0.5
Community support organisation	3.2	1.3
Outdoor advertising e.g. billboards, buses	2.8	-
Financial counsellor	2.2	0.8
Unsure	2.0	1.6
Other	4.4	2.0

Base: Respondents who switched electricity retailer and/or switched the current electricity plan.
*Note: Multiple response question

Switching factors – by switchers

For each of these factors please rate how important it was in your decision to switch your electricity retailer or plan where 0 means not at all important and 10 means extremely important?

	Not at all important											Extremely important	
	0 %	1 %	2 %	3 %	Total 0-3 %	4 %	5 %	6 %	Total 4-6 %	7 %	8 %	9 %	10 %	Total 7-10 %
The price per kilowatt hour (kWh)	3	-	1	2	**6**	1	9	7	**17**	13	17	15	33	**78**
The discounts offered	2	1	1	1	**5**	1	8	8	**17**	11	17	17	32	**77**
The estimated total electricity bill amount	3	-	-	1	**4**	2	11	7	**20**	14	16	16	29	**75**
Type of plan that matches your daily usage	2	1	1	1	**5**	2	12	8	**22**	13	20	15	26	**74**
The plans available to you in your area	2	1	-	2	**5**	3	14	9	**26**	15	19	14	22	**70**
Whether the price per kilowatt hour (kWh) can change during the contract	2	2	2	1	**7**	3	16	8	**27**	14	16	12	25	**67**
Whether you are locked into a contract	4	1	2	2	**9**	4	14	9	**27**	12	15	12	24	**63**
The amount you would have to pay to exit your contract early (exit or termination fee)	8	2	1	3	**14**	5	12	8	**25**	10	16	13	23	**62**
The length of the contract	5	2	1	4	**12**	3	14	11	**28**	12	13	15	21	**61**
The terms and conditions of the contract	3	1	2	3	**9**	4	16	11	**31**	10	13	12	24	**59**
Brand and reputation of the company	5	-	2	3	**10**	5	17	10	**32**	16	18	10	15	**59**
The amount of electricity you used in the last year	8	1	1	4	**14**	2	18	8	**28**	15	15	12	16	**58**
Whether the company is sustainable	9	2	2	3	**16**	7	20	9	**36**	12	10	11	16	**49**
Whether the company is innovative	11	4	3	5	**23**	5	22	13	**40**	12	9	5	10	**36**
Whether the company is partly owned by the Government	26	6	5	6	**43**	7	21	8	**36**	9	4	2	5	**20**

Base: Respondents who switched electricity retailer and/or switched the current electricity plan. (n=319)

9.1.6 Non-switchers

Switching factors – by non-switchers

If you were going to switch electricity provider or change your plan, please rate how important each of these factors would be, where 0 means not at all important and 10 means extremely important?

	Not at all important												Extremely important	
	0 %	1 %	2 %	3 %	Total 0-3 %	4 %	5 %	6 %	Total 4-6 %	7 %	8 %	9 %	10 %	Total 7-10 %
The price per kilowatt hour (kWh)	3	-	1	-	**4**	3	9	6	**18**	10	17	17	35	**79**
Type of plan that matches your daily usage	2	-	-	-	**2**	2	10	7	**19**	15	19	16	29	**79**
The estimated total electricity bill amount	3	-	-	1	**4**	2	9	7	**18**	12	16	17	33	**78**
The discounts offered	2	-	-	-	**2**	2	8	7	**17**	12	16	18	32	**78**
Whether the price per kilowatt hour (kWh) can change during the contract	2	-	-	1	**3**	2	11	8	**21**	13	19	18	25	**75**
The plans available to you in your area	2	-	1	1	**4**	2	12	10	**24**	15	16	17	25	**73**
The terms and conditions of the contract	3	-	1	1	**5**	3	11	9	**23**	15	16	14	28	**73**
The amount you would have to pay to exit your contract early (exit or termination fee)	4	1	1	2	**8**	3	11	9	**23**	12	13	14	32	**71**
Whether you are locked into a contract	3	1	1	1	**6**	4	13	9	**26**	10	14	15	30	**69**
The length of the contract	3	1	1	1	**6**	3	13	9	**25**	13	16	14	24	**67**
Brand and reputation of the company	3	1	1	2	**7**	3	15	11	**29**	16	16	14	19	**65**
The amount of electricity you used in the last year	4	1	1	3	**9**	2	17	13	**32**	16	16	12	17	**61**
Whether the company is sustainable	4	1	1	3	**9**	4	17	10	**31**	14	15	11	21	**61**
Whether the company is innovative	6	2	3	4	**15**	6	21	14	**41**	13	12	8	11	**44**
Whether the company is partly owned by the Government	15	3	6	6	**30**	7	23	10	**40**	10	6	6	9	**31**

Base: Respondents who did not review current offer, investigate different offers or plans, switch electricity retailer or switch current plan. (n=432)

9.1.7 Summary of switching factors

Comparison of switching factors

Switchers: For each of these factors please rate how important it was in your decision to switch your electricity retailer or plan where 0 means not at all important and 10 means extremely important?
Reviewers and did not review or switch: If you were going to switch electricity provider or change your plan, please rate how important each of these factors would be, where 0 means not at all important and 10 means extremely important?

	Switchers	Reviewers	Did not switch or review
	TOTAL IMPORTANT (7-10) %	TOTAL IMPORTANT (7-10) %	TOTAL IMPORTANT (7-10) %
Base: n=	*319*	*388*	*432*
The price per kilowatt hour (kWh)	78	92	79
The discounts offered	77	88	78
The estimated total electricity bill amount	75	88	78
Type of plan that matches your daily usage	74	88	79
The plans available to you in your area	70	84	73
Whether the price per kilowatt hour (kWh) can change during the contract	67	86	75
Whether you are locked into a contract	63	77	69
The amount you would have to pay to exit your contract early (exit or termination fee)	62	79	71
The length of the contract	61	78	67
The terms and conditions of the contract	59	85	73
Brand and reputation of the company	59	64	65
The amount of electricity you used in the last year	58	70	61
Whether the company is sustainable	49	68	61
Whether the company is innovative	36	43	44
Whether the company is partly owned by the Government	20	26	31

Base:
For switchers: Respondents who switched electricity retailer and/or switched the current electricity plan or reviewed their plan or actively investigated different offers or plans.
For reviewers: Respondents who reviewed current offer or actively investigated different offers or plans but did not switch retailer or change their plan.
For respondents who did not review or switch: Respondents who did not review current offer, investigate different offers, switch electricity retailer or current plan.

Savings needed to consider switching electricity company or plan

What is the minimum amount of money you would need to save annually on your electricity bill in order to seriously consider changing your company or plan?

	All %
Base: n=	***1200***
Less than $100	8
$100 but less than $150	14
$150 but less than $200	15
$200 but less than $250	14
$250 or more	30
Unsure	19

Base: All respondents

9.1.8 Information usage and needs

Information used for comparing electricity retailers

What information would you look for when comparing electricity retailer options or plans? Please choose your preferred options from the list below and add any information that is not on this list.

	All %
Base: n=	***1200***
The electricity rate (price per kilowatt hour)	80.3
Size of the monthly bill payment amount	63.8
Size of the initial discount	57.2
Length of the contract	54.9
Type of rate such as fixed or variable rate	52.7
Early termination or exit fee	46.3
Other	6.1
Unsure	5.9

Base: All respondents.
Note: Multiple response question

Preferred method of accessing information

Where or who would you prefer to get your information from? Please choose your preferred options from the list below and add any that are not on this list.

	All %
Base: n=	***1200***
Price comparison website	62.5
Electricity retailer	62.2
General advertising	15.8
Media	10.1
Community support organisation	8.5
Broker	4.3
Financial counsellor	3.4
Other	4.8
Unsure	7.9

Base: All respondents
Note: Multiple response question

Best way to access information

What would be the best way to get this information to you? Please choose your preferred options from list below and add any that are not on this list.

	All %
Base: n=	***1200***
Websites	69.3
By email	47.7
0800 number	20.6
Advertising	19.3
Pamphlets	17.5
Other	1.7
Unsure	4.9

Base: All respondents
Note: Multiple response question

Ease of comparing different offers

How difficult is it for you to compare the different offers when deciding whether or not to switch your supplier of the following services?

	Very easy %	Fairly easy %	TOTAL EASY %	Neither easy or difficult %	Fairly difficult %	Very difficult %	TOTAL DIFFICULT %	Unsure %	Not applicable %
Mobile telephone provider	19	38	**57**	**24**	7	3	**10**	4	5
Internet provider	16	40	**56**	**24**	9	4	**13**	4	4
Electricity retailer	14	35	**49**	**26**	13	5	**18**	5	3
Bank	13	36	**49**	**25**	13	5	**18**	5	3
Insurance provider	10	29	**39**	**25**	16	5	**21**	5	10

Base: All respondents (n=1200)

9.1.9 Retail data options

Comparison website

How interested would you be in visiting a comparison website that will provide tailored information outlining all the options that are available to meet your needs, based off tariff and consumption data? We envisage it to be similar to the WebJet website that lists all flights for a specific route, based on your needs while cutting out the deals that aren't compatible.

	All %
Base: n=	***1200***
Very interested	30
Fairly interested	39
TOTAL INTERESTED	**69**
Neither interested/ or uninterested	**17**
Fairly uninterested	3
Very uninterested	5
TOTAL UNINTERESTED	**8**
Unsure	5

Base: All respondents

Third party or broker service

How interested would you be in using a third party or broker who would do the comparison analysis for you? They would be able to assess the options and provide expert advice, like a mortgage broker. We envisage you will contact them by telephone and they may offer this service for a range of suppliers like insurance, as well as electricity.

	All %
Base: n=	***1200***
Very interested	5
Fairly interested	17
TOTAL INTERESTED	**22**
Neither interested/ or uninterested	**26**
Fairly uninterested	16
Very uninterested	27
TOTAL UNINTERESTED	**43**
Unsure	8

Base: All respondents