

Consumer research and collaborative engagement on the proposed Standards of Conduct – Domestic Customers

Full Report

October 2012

Insight Exchange
7 Maidstone Buildings Mews,
72-76 Borough High Street
SE1 1GD
www.insightexchange.co.uk

Prepared for



Contents

	Pages
1. Management Summary	3 - 9
2. Introduction	10 - 12
- 2.1 Background and objectives	10
- 2.2 Methodology and sample	10
- 2.3 Overview of the question areas	11
3. Current perceptions of the energy industry	13 - 18
- 3.1 Overall perceptions	13
- 3.2 Tariff complexity	14
- 3.3 Contacting suppliers	14
- 3.4 Bills and usage	15
- 3.5 Channels	16
- 3.6 Switching	16
- 3.7 Context of current views: perceptions and experiences	17
4. Building trust in the energy industry	19 - 24
- 4.1 Heritage and longevity	19
- 4.2 Consistency and reliability	20
- 4.3 Honesty and transparency	20
- 4.4 Simplicity	21
- 4.5 Trusting consumers	21
- 4.6 Keeping consumers informed	22
- 4.7 Resolving problems	22
- 4.8 Meeting and exceeding expectations	23
- 4.9 Local	23
- 4.10 Ethical	23
5. What do consumers want from their energy supplier?	25 - 32
- 5.1 Good basics and limited contact	25
- 5.2 Clear and simple tariffs	25
- 5.3 Ease of contact when needed	27
- 5.4 An efficient experience	29
- 5.5 To be treated decently and like a human being	30
- 5.6 To feel valued	31
- 5.7 Proactive help and advice	31
6. Initial reaction to the Standards	33 - 35
- 6.1 An overarching principle?	34
7. What the Standards should mean in practice	36 - 41
- 7.1 In general	36
- 7.2 For specific interactions	37
8. Positioning and communication	42 - 44
- 8.1 Content and positioning	42
- 8.2 Communication	42
- 8.3 Monitoring	43
- 8.4 Labelling	43
9. Overall summary chart	45

Appendices	46 - 55
- 1. Discussion guide and event outline	46
- 2. The draft Standards	51
- 3. Sample breakdown	52
- 4. Feedback from participants	54

1. Management Summary

1.1 The research and engagement process

- Insight Exchange carried out a two-stage research and engagement process on behalf of Ofgem to better understand consumer needs, and their expectations of energy supplier standards. The process also set out to help inform the development of the proposed Standards of Conduct, and to help suppliers consider how they may embed the Standards into their business. The first stage involved group discussions and depth interviews with domestic consumers. The second stage brought some of those participants back to take part in three collaborative events with energy suppliers. The fieldwork was carried out in Cardiff, Glasgow and Nottingham during August 2012.
- Representatives from all of the big six energy companies and one smaller supplier took part in the collaborative events¹. Those attending largely engaged constructively and felt that it had been a valuable opportunity to hear directly from consumers. Consumers also valued the opportunity to discuss their experience with energy suppliers, what they expect from suppliers, and to work with them on consideration of the Standards.
- The views of those who took part in the depth interviews (frail elderly people, people with disabilities that find it difficult to leave the house, those with low levels of numeracy and/or literacy) were very similar to other participants. They had similar expectations regarding level of service and similar frustrations to others. Most had found ways of dealing with energy suppliers that overcame any particular difficulties that their circumstances caused. These included getting relatives to contact the energy supplier on their behalf or, in one case, using a prepayment meter to avoid having to read and deal with bills.

1.2 Trust and overall perceptions

- The overall perception of the energy industry is fairly negative and rarely rises above neutral. The negativity on the whole is less about personal experience as an individual consumer and more as a result of perceptions of excess profits. This is seen as particularly unfair because suppliers are selling an essential service. Where consumers feel that their energy supplier has treated them poorly, this exacerbates their negative feelings over the profit issue.
- The complexity of tariffs is also a major issue and feeds into a lack of trust in the industry.

¹ All domestic suppliers were invited to take part in the collaborative events.

- It is clear that consumers often feel powerless. They tend to feel that all companies within the sector are fairly similar and that, unless there is a significant price saving, there is little point in changing supplier. They therefore tend not to engage with the market.
- Where consumers had engaged in the market a few reported poor experiences with their new supplier that caused them either to return to their existing supplier or to decide not to switch again. A few also reported difficulties with their old supplier when switching away, which caused them to think that they would be unlikely to switch again unless the cost savings were substantial.
- In relation to other companies and sectors energy suppliers tend to be rated fairly low in relation to trust. They also do not appear on the lists of companies that consumers love or even like.
- Overall however, there is a sense that, profit issues aside, energy suppliers' treatment of their customers has improved over the last couple of years or so. This seems to largely be because of the demise of doorstep selling and the positive way suppliers are generally dealing with customers who are in debt. Treating consumers consistently well, however, remains an issue with many reported incidences of treatment being different depending on who consumers speak to and a mix of good and poor experiences from the same supplier.

1.3 What do consumers want from their energy supplier?

- Consumers do not really know what an excellent or outstanding relationship looks like in the energy sector, as they do not think anyone is currently consistently providing this. They mostly say they just want a good basic service from their energy supplier and hope not to have to contact them.
- The fact that it is an essential service that they cannot opt out of means that consumers feel that it is particularly important that the basic service provided is **consistently** good. This means having:
 - Consistent staff behaviour - so that the way consumers are treated is not dependent on who answers the phone or visits their home.
 - Consistent response - so that the answers consumers are given do not vary and that if they are told something verbally it is not later ignored or denied.
 - Consistent treatment of all consumers - because it is an essential service that you cannot opt out of, people believe that everyone should be treated in the same way.
 - Consistency between people and processes - currently there are sometimes good and poor touch points in the same interaction.

- When they do have to contact their supplier, consumers want to be able to get through quickly without running up an expensive telephone bill. They want to be treated **efficiently**. This means speaking to knowledgeable staff and not having to repeat the details of their issue more than once. It also means suppliers meeting commitments such as timescales for resolutions and calling back when they say they will. Consumers also want to be treated **decently**. This means being treated empathetically, being given the benefit of the doubt and being treated as an individual. At the moment the industry is inconsistent in meeting these expectations – there were good and bad experiences reported across all the large suppliers, and overall more were bad than good.
- Most of those consumers who had had to contact their supplier because of a debt issue, however, felt that they have been well treated and dealt with in an empathetic manner. The examples of really good interactions mostly related to consumers in this situation. Where treatment of those in debt had been poor, it tended to have been very poor with people feeling threatened and that the supplier would not listen to them.
- Consumers welcome the ‘right kind’ of proactive behaviours from suppliers. They see intermittent courtesy calls and advice around tariff choice and energy efficiency as evidence of more consumer-focussed companies. Consumers often feel undervalued by their suppliers, and supplier-led activity that looks after their best interests inspires loyalty and a more positive perception of the company’s behaviour and values. At present this type of proactive approach to managing relationships with customers is rare.

1.4 Reaction to the Standards

- The initial reaction to the Standards was fairly muted. However, as the consumers discussed the Standards in more detail many thought that they could be valuable, particularly those who had had poor experiences. There were concerns though about how the Standards would be measured and enforced.
- Whilst consumers generally feel like the Standards are a good thing to have, many are surprised that they do not already exist. This is largely because the Standards feel so basic that they cannot quite believe that they are only just being proposed. For others it is because they have limited contact or generally good, or at least satisfactory, experiences with energy suppliers. This group see the Standards as largely being about improving customer service and therefore do not see that they are needed. However, introducing Standards is not seen as a bad thing and, for some, it would give a sense of comfort that they will be treated decently if things do go wrong.

- Some of those who have had poor experiences actively welcome the Standards and feel that if they are implemented they should make a real difference and help to address the current power imbalance.
- Most consumers are quite cynical about the ability of the Standards to have an impact and are concerned about how the Standards can be measured. On the whole, consumers feel that unless the Standards are legally binding they are unlikely to have much impact. Many want to know what will happen to suppliers if they do not meet the Standards. They are interested in the ‘stick’ that Ofgem has and are keen to see both penalties and league tables publishing cross-industry performance.
- Consumers and suppliers both largely feel that if suppliers get Standard A – which provides an overview of the first part of the proposed Standards - right then all the others will follow. Some consumers are also keen to additionally stress the importance of suppliers being easy to contact.

Standard A

Energy companies behave in a manner which is:

- Fair
- Honest
- Transparent
- Appropriate
- Professional

- Within Standard A there is a general consensus that ‘fair’ and ‘transparent’ cover everything else and could constitute an overarching principle. Drawing on discussions during both the initial research stage and the collaborative events, the boxes below show what fair and transparent should mean in practice.

At this high level **‘Fair’** means suppliers:

- Providing consistent service
- Being understanding and empathetic
- Being easy – and not costly – to contact
- Admitting to their mistakes and putting them right quickly and easily
- Making sure their customers are on the best tariff
- Treating their existing customers as well as they treat their new customers.

At this high level **‘Transparent’** means suppliers:

- Providing simple, clear information
- Having simple, clear, easy to compare tariffs
- Using Plain English
- Explaining how their retail prices move in relation to wholesale prices

- Clearly communicating the level of profit and where it goes
- Being clear, honest and consistent about what they can and cannot do for their customers

- Both consumers and suppliers feel that, if implemented properly, the Standards should bring all interactions up to an acceptable level. Although suppliers on the whole believe that they largely live up to the Standards anyway, they acknowledge that there could be issues around always doing this consistently.
- The words 'simple', 'knowledgeable' and 'empathetic' were frequently added by consumers to the Standards during this research, and need to be incorporated in the way suppliers implement the Standards. They want to have tariffs and language that is simple to understand so they feel informed and able to make choices; knowledgeable staff so they are not passed from one person to another; and staff who are empathetic when consumers talk to them about problems. Many of the suppliers taking part in the collaborative events also acknowledged that these things are important and need to be embedded in the way they treat consumers.
- Whilst consumers and suppliers agree that mistakes should be dealt with promptly and courteously, companies actually admitting they have made a mistake is also important to consumers. This admission is currently felt to be often lacking.

1.5 Positioning and communicating the Standards

- This research suggests that consumers will be happy if they are consistently treated 'efficiently' and 'decently' in their interactions with their suppliers. They believe that the regulator (or 'the government') has a role in ensuring this happens. The Standards should therefore be about shifting the current level of basic customer experience upwards to provide consistently good experiences. If suppliers want to go further and deliver excellent customer experiences then consumers believe that is up to the supplier. From the collaborative engagement discussions, suppliers seem to agree with this positioning.
- The consensus is that Ofgem should produce a one page – or shorter – set of Standards outlining **what** should be achieved e.g. consumers must be dealt with in a fair and transparent manner. Suppliers should then produce more detail explaining **how** they will do this e.g. how they will behave appropriately, behave empathetically, communicate in simple language etc. to meet these Standards. Suppliers should also explain what improvements they are going to make and how they will measure their performance against the Standards. Both consumers and suppliers feel that the suppliers' part of this could go further than the Ofgem Standards. This is seen as the suppliers' opportunity to

explain what they will do on issues such as proactively helping their consumers and going 'above and beyond'.

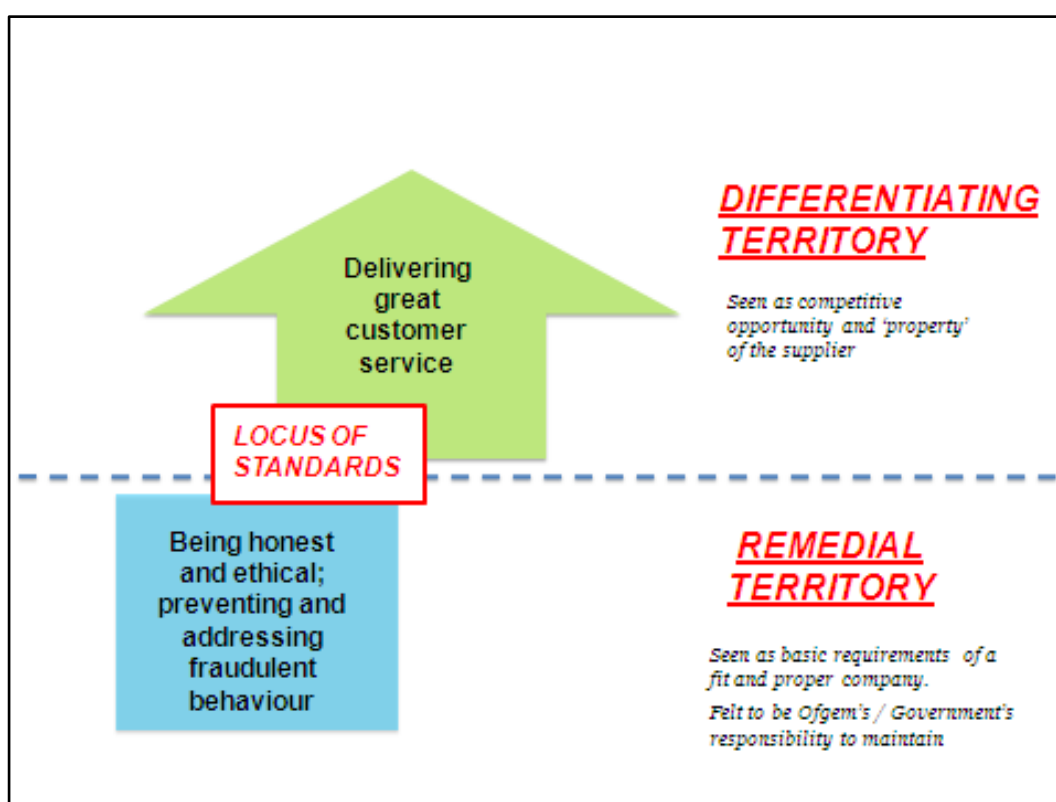
- For consumers who do not have much contact with energy suppliers, the Standards suggest things are considerably worse than they would expect. At worst, the inclusion of the word 'honest' suggests to consumers that Ofgem believes energy companies are bordering on being fraudulent.
- Therefore, there is a risk that a high profile national launch might backfire and actually decrease trust in the industry if the regulator is seen to need to be introducing these types of basic Standards. In terms of positioning and building trust in the industry, it will be important for suppliers to be seen to be signing up to the Standards 'in good faith' and for it not to feel as if Ofgem has had to force the Standards onto suppliers.
- Because consumers see the Standards as being about getting the basics right, they feel it is important to signal that suppliers have no choice as to whether to abide by the Standards or not. Consumers therefore tend to favour 'hard' names to demonstrate that the Standards are compulsory – '*rules*', '*commitments*', or '*regulations*' were frequently mentioned. Suppliers tended to agree with this naming approach during the collaborative events although some advocated 'softer' names for the Standards, saying that if Ofgem had to bring the Standards in as 'rules' it could give the wrong message and decrease trust in the industry.



The Glasgow collaborative event

1.6 Overall summary chart

- Consumers think that the Standards should focus on ensuring consistently good basic service, fair treatment, and transparent information. Delivering a level of service above this is seen as the territory where suppliers can differentiate what they offer. Consumers do not see the Standards as needing to set mandatory levels of customer service but are keen to see transparent measurement and enforcement against the Standards.



2. Introduction

2.1 Background and objectives

Building on the 2008 Energy Supply Probe, in 2010 Ofgem announced the Retail Market Review - an investigation into the gas and electricity markets in Great Britain. In March 2011, they presented the findings of the Review, which concluded that further action is needed to make the retail energy market work more effectively in the interests of consumers. This was followed by proposals to implement a range of reforms² which were published for consultation in December 2011.

As part of Ofgem's December proposals, they set out their intention to develop the current Standards of Conduct, extending their range and giving them a stronger legal status. They proposed introducing revised Standards as legally binding licence conditions covering all supply licence conditions *and* all interactions between consumers and suppliers.

Ofgem developed the new draft Standards using the existing Standards as a foundation, but also drawing on consumer research, interactions with key stakeholders (such as suppliers and consumer groups) and their other insight into the market (e.g. obtained through dealing with customers/complaints and enforcement cases).

To inform this strand of the Retail Market Review, Insight Exchange was commissioned to carry out a two-stage research and engagement process to help inform the proposed Standards of Conduct and begin to embed them through discussions with suppliers.

The overarching objectives of this work were:

1. To ensure Ofgem's draft Standards of Conduct are fit for purpose and inclusive of consumers' priority concerns; and
2. To enable energy suppliers to understand the 'spirit' of the Standards of Conduct from a consumer perspective, by listening first-hand to consumers' views, experiences and expectations.

2.2 Methodology and sample

The first stage involved twelve group discussions and nine depth interviews with domestic consumers.

Consumers were recruited purposively for the group discussions to four different profiles:

² Proposals for the Retail Market Review and accompanying research is available at: <http://www.ofgem.gov.uk/Markets/RetMkts/rmr/Pages/rmr.aspx>

- Those who have limited contact with their energy supplier;
- Those who have had contact with their supplier during the last 12 months on a general issue such as switching or changing their method of payment;
- Those who have contacted their supplier during the last 12 months about a debt issue; and
- Those who have had a problem with their energy supplier over the last 12 months.

Additionally, the sample was recruited to be a broad cross-section of adult energy consumers in terms of: their supplier/s; their payment method used; their switching behaviour; whether they live in an urban, suburban or rural area; their age; socio-economic group; ethnicity; disability; and confidence in using the internet.

The focus of the depth interviews was on vulnerable consumers: Three of these were with frail elderly people; three with people who were disabled and find it difficult to leave their homes; and three with people with low levels of literacy and numeracy.

A total of 105 consumers were involved in stage 1 of the research overall. . The second stage brought 67 of the participants from the first stage of the research back to take part in three collaborative events with energy suppliers. These participants were selected to be a good cross-section of those who took part in stage one. All the fieldwork was carried out in Cardiff, Nottingham and Glasgow between 31st July and 16th August 2012.

2.3 Overview of question areas

During the initial research stage consumers were asked to think about and discuss the following:

- Companies that they love or like, companies that they dislike, and companies they trust. This helped to put their views of energy suppliers into context.
- The type of interactions they have with energy suppliers, their views of the quality of those interactions and how the energy suppliers stack up against the companies that they trust.
- Their initial reaction to the draft Standards of Conduct.
- What the Standards might mean in practice.
- How they felt they should find out about the Standards and what they should be called.

The collaborative events began with a recap of some of the main themes emerging from the research. Consumers and energy suppliers then worked in small groups of around ten people:

- The first part of the discussion was essentially a customer immersion session for suppliers to hear about consumers' current views of the interactions they have with energy companies.
- The discussion then moved onto a more collaborative session considering the draft Standards of Conduct and what these should look like in practice. Discussion also considered if there was an overarching principle that encapsulated the entire scope of the Standards.
- The final part of the discussion considered how the Standards should be communicated to consumers.



Small group discussions during a collaborative event

3. Current perceptions of the energy industry

During the initial research stage consumers discussed their current perceptions of energy suppliers and how they formed these perceptions. This discussion formed the backdrop for their following deliberations on the proposed Standards. It allowed consumers to think through what the Standards could, and should, mean in practice in light of their current views and experiences.

3.1 Overall perceptions

The overall perception of the energy industry is fairly negative and rarely rises above neutral. It is not, however, an industry that consumers generally spend a lot of time thinking about. These negative perceptions – particularly for those consumers who have little contact with their supplier – are not top of mind. The gas and electricity works, and they simply pay their bill.

For most, the negativity on the whole is less about personal experience as an individual consumer and more as a result of perceptions of excess profits. The perception that suppliers make excess profits from selling an essential service is seen as particularly unfair and, for some, morally wrong. Where consumers feel that they are also receiving a poor service from energy suppliers this exacerbates their negative feelings over this issue. Consumers want fairness from a market that they cannot opt out of. It is clear that consumers often feel powerless. They tend to feel that all companies within the sector are fairly similar and that, unless there is a significant price saving, there is little point in changing supplier.

Some consumers – particularly those in more regular contact with suppliers – also have other frustrations with the industry as a whole and the behaviour of individual suppliers within it. Suspicion and negativity is caused by a perceived lack of transparency on costs, complex tariffs and lack of consumer empowerment within the industry. Consumers also generally do not feel valued by their suppliers who they feel become more difficult to contact and liaise with after they have signed up, even if they are very helpful during the sales and switching process.

However, there is a sense that, profit issues aside, energy suppliers' treatment of their customers has improved over the last couple of years or so. This seems to be because of:

- The demise of doorstep selling;
- The positive way suppliers are dealing with customers who are in debt;
- Making it easier for customers to give meter readings – by text, online and automated phone system; and
- Growing (albeit still limited) proactivity around account management such as offering energy efficiency and tariff advice.

3.2 Tariff complexity

Tariff choice and complexity is a key frustration for consumers. Regular price fluctuations, the number of tariffs, and the detail of these tariffs leads to a feeling of disempowerment amongst consumers who are bewildered by the amount of choice. Potential savings are not fully understood and mostly believed to be marginal. This creates uncertainty and low confidence as to whether or not it will be beneficial to switch suppliers. Many consumers believe that this complexity is deliberate. They feel that suppliers have a vested interest in making their tariffs difficult to understand in order to protect their profits by preventing consumers from identifying the best tariffs.

3.3 Contacting suppliers

In addition, actually making contact with suppliers is often a source of frustration. Long hold times on the phone and difficulty in speaking to the right person within the company can often lead to expensive phone bills and a perception that suppliers lack ownership of consumer queries and problems. This in turn makes consumers feel disempowered.

“And being on hold: I’ve been on hold for like half an hour and 40 minutes. I think that’s ridiculous at times as well.”

Glasgow consumer

“Then they’ve got to pass you on, pass you on, pass you on and put you on hold and don’t come back to you for 20, 30 minutes while they’re trying to find a manager or somebody to discuss the issue with.”

Glasgow consumer

For those who need to contact their supplier, staff attitude and behaviour also plays a significant role in their perception of their supplier. Many consumers feel that when they phone to query something, the suppliers tend to automatically assume that the consumer is in the wrong.

“The way they speak to you; they speak to you as though you’re just a halfwit that doesn’t know how their company works. Maybe we don’t know...but we do know how we pay our bills and that they are in credit and not debit”.

Nottingham consumer

“One day when I phoned them up and they answered the phone the person on the phone said they’d pass me onto somebody else, a supervisor; they didn’t put me on hold so I could hear her saying: does somebody else want to tell [consumer name] that lie this time.”

Glasgow consumer

Most of those consumers who felt that they had been dealt with particularly well by their supplier were those who had contacted their supplier about debt issues. As with many other aspects of supplier service, being treated well is often felt to be dependent on the individual member of staff that consumers speak to. However, when it came to

debt, consumers tended to have consistently spoken to empathetic, resourceful members of staff who had been able to agree reasonable repayment plans with them.

The views of those who took part in the depth interviews (frail elderly people, people with disabilities that found it difficult to leave the house, those with low levels of numeracy and/or literacy) are very similar to other consumers. They have similar expectations regarding level of service and similar frustrations to others. Most have found ways of dealing with energy suppliers to overcome any particular difficulties they might have in their interactions. For example, one man with learning disabilities used a prepayment meter so that he didn't need to deal with bills. Another with poor English had another family member call the energy supplier when this was necessary. However, some spoke of difficulties in getting energy suppliers to accept a third party dealing on their behalf.

3.4 Bills and usage

Most consumers say that they do not know exactly what they are paying for (e.g. confusion over what a kilowatt hour represents in practical terms) which makes it hard for them to assess value for money.

*"It's the only bill that comes in my house that I don't understand."
Glasgow consumer*

*"I find that a lot of my family members, including my Nan, they can't understand their bills and only from my experience am I able to explain in [Layman's] terms how that bill is broken down. So, I think their bills should be easier to read and easier for people to understand rather than everything says kilowatt hours and we can't understand what that means."
Cardiff consumer*

*"Going back to the bill again, or sometimes some of the responses you get on the phone is not transparent. They seem to have their own language and it's hard to get through."
Glasgow consumer*

A few consumers whose energy supplier had given them an energy monitor are very positive about how helpful these have been in understanding, and controlling, their energy usage. However, most consumers are unaware that such monitors are available.

Estimated bills are a cause of frustration and negativity. Whilst some consumers speak positively about being able to submit their own meter readings by text, phone or online, others do not feel comfortable reading their own meters. Problems with meter readings (both supplier and consumer-led) are not unusual.

“It went on for another year and a half and it was only the final year of it was basically they’d gone, yes, we’re reading the wrong meter, they switched the meter twice. So they’d read the wrong meter for two different flats other than my own.”

Nottingham consumer

“Something I found really irritating was I had to take days off work to be in the flat for a technician to come round to read the meter, correct it and discuss the problem. And then the problem still wasn’t solved but I wasn’t reimbursed for the day’s wage that I lost.”

Cardiff consumer

3.5 Channels

Some consumers miss the days of face-to-face contact when they could call into their local gas or electricity showroom and talk to someone. Some make the analogy with mobile phone shops and say they would value being able to talk to someone face-to-face about tariffs and any problems they have.

More positively, some consumers talk about how convenient and helpful they find text and email communication with suppliers. Consumers using online account management welcome the lack of direct interaction with suppliers. Instant access billing information gives them a greater sense of control over their account, enables them to carry out whatever interactions they need to at a time to suit them, and goes some way to improving their perceptions of the openness of suppliers.

“I pretty much do most things with them online. You just open your account so you can do everything. You can change a direct debit; you can change the date it comes out. The only thing I couldn’t do on there... take a name off the bill but I had to ring up for that, which was fine, it was no hassle. But I like it if you can do everything online so you don’t need to speak to somebody all the time.”

Nottingham consumer

Overall, consumers view the increase in contact options as a good thing, though some (particularly elderly customers) feel that they are being ‘pushed’ down the online route despite low confidence in using the internet. During the collaborative events, a couple of suppliers acknowledged that their company should review whether they were focussing too much on the online route as they could see how this was inappropriate for some customers.

3.6 Switching

Experiences and perceptions of switching are mixed. Some consumers who have switched have found it to be a simple and smooth process with their new supplier doing the majority of the work in switching them across. Some of these consumers had initially anticipated that switching would be a hassle and were pleasantly surprised when it was not. It is also apparent that some are put off from embarking on switching

due to a perception that it will be a hassle, due either to awareness of instances where they, or someone then knew, had encountered problems in the past or simply a general belief that doing something like that must be complicated.

Although the mechanics of the process itself are generally reported as being smooth, problems with the company that the consumer is switching away from appear to be quite common. Persistent attempts to retain consumers, and problems with unresolved or outstanding fees and balances, often lead to consumers leaving their previous supplier on a sour note. In some cases they had been prevented from switching because of an unexpected debt due to estimated bills or underpayment through direct debit.

3.6 Context of current views: Perceptions and experiences

Consumers tend to have a mixture of broad perceptions of the energy industry as a whole, based largely on press coverage, and very specific perceptions of individual companies, based on their levels of interaction and engagement with their suppliers.

Media coverage remains a strong driver in forming perceptions for consumers who have more limited contact with their suppliers. Media coverage is largely negative – particularly when linked to high profile news around profits and prices. For those with limited direct experience of interaction with an individual company, this often heavily impacts on their perceptions of the wider industry if not their own supplier.

“They just see us as this source of income, with all this, ‘oh, sorry, we’ve got to put our prices up’, when the cost of fuel to them has actually gone down. We see it in the papers. They don’t pass that on, but as soon as it goes up, they don’t waste any time in passing that on at all. And I think they just pull the wool over our eyes, to be honest with you. But they’re a necessary evil. You can’t do without them.”
Glasgow consumer

“They have their shareholders and everything and they have to make a profit but they can’t accept... They can’t live by the same rules as [major brands] because they’re... People rely on them more than anything.”
Cardiff consumer

Generally people will only hear from others about their experiences of energy suppliers when they have been negative. Many consumers differentiate between negative word of mouth and their own experiences when forming perceptions of individual energy companies, but this leads to a perception of inconsistency across the industry as a whole.

Similarly, historic experiences and ‘folklore’ about energy companies can sometimes assume disproportionate importance with consumers. Those who have had historic problems (often around door to door sales or substantial billing issues) but no recent contact are more likely to retain a negative perception of the industry.

However, where perceptions about individual companies have been formed as a direct result of recent personal experiences, there tended to be a more balanced cross-section of good and bad interactions across the large suppliers.³

Consumers' views of the industry and suppliers are therefore formed through a mixture of perception – through media and the views of others – and personal experiences. In discussions with consumers, we explored both to understand how they impact on trust, their decisions around switching, and interactions with suppliers.



Discussing views during a collaborative event

³ There were an insufficient number of consumers using small energy suppliers in the sample to be able to say whether this is true of smaller suppliers too

4. Building trust in the energy industry

During the initial group discussions consumers were asked to talk about companies they love, those they dislike and those they trust. This was to help explore how views of energy suppliers compare to companies in other sectors, and what energy suppliers might do to help increase trust by looking at how companies in other sectors become trusted.

Trust in the energy industry is currently low. Consumers spoke of companies in other sectors and industries that are retaining and/or building comparatively higher levels of consumer trust through a combination of attributes relating to their processes, products/services, people, and branding. Large internet retailers and some well known high street retailers are those that many consumers particularly trust. This trust has often been built up over time through repeated high quality interactions.

There is some overlap between companies that consumers love and those that they trust, but companies do not necessarily need to be loved to be trusted. This is because many consumers are happy to have a highly functional rather than emotional relationship with companies. In these instances, trust can be built just through the efficient and high quality provision of services and products. Companies that make themselves *easy* to interact with, resolve problems promptly, and are transparent about how they operate tend to be trusted by consumers. There are some companies that people love because they provide a particularly good product or they are an aspirational brand. However, these companies are not necessarily highly trusted.

Trusted companies share several attributes regardless of their sector. Factors such as heritage and longevity, consistency and reliability, honesty and transparency, and simplicity all play a part.

However, the relative importance of these attributes varies by industry. Large online retailers were often cited as companies that people trust. These companies score well on being transparent, keeping their customers informed and resolving problems well. Some long established high street retailers were also frequently mentioned. These tend to be trusted particularly because of their longevity, high levels of customer service, knowledgeable staff and good hassle free returns policies. Consumers also spoke highly of retailers that were run on a not- for-profit or partnership basis.

Below we look at each of the attributes that help to build and maintain trust and how energy suppliers are perceived to match up to these. None of these attributes created high trust levels on their own, but a combination of them proved to be highly effective in generating and maintaining trust and goodwill with consumers. There is more detail on what people want from their energy supplier in the next section of the report.

4.1 Heritage and longevity

It was clear that trust from consumers takes time to build, and yet can be quickly eroded through negative experiences and interactions. Many companies that have

existed for a long time have proved to be good at what they do and have built reputations around this. Even if consumers do not have direct experience of them their longevity can lead to an assumption that they must be good at what they do. The companies referred to tend to be high street retailers that consumers see as having high quality products, clear and consistent processes and inherent brand value.

“... they go out of their way and they do actually provide a legendary customer service..... they've always kept by their word, by their promise.”
Nottingham consumer

Energy suppliers: The energy industry on the whole does not have a positive heritage with consumers. Many consumers have had poor experiences with selling and switching in the past, or know others that have.

4.2 Consistency and reliability

Consistency in high quality products, services and messages from companies helps to build trust. This includes not just written information that the company disseminates – both online and in hard copy form – but also the knowledge and expertise of staff. When consumers phone or visit the store of a trusted company, they expect to receive the same accurate information from whoever they speak to. Meeting these expectations over a period of time, through different types and levels of interaction, gives consumers the security that the company will continue to honour commitments and deliver on its promises.

“When they say they are going to phone to make delivery arrangements, they phone. When they say they’re going to phone the day before or the morning, they do. They turn up at the time, it gets installed, set up, laid out, whatever it is. Done, dusted and they’re gone. Reliable.”
Cardiff consumer

Energy suppliers: Lack of consistency in the service received from energy suppliers is clearly a problem at the moment. Consumers feel quite strongly that the way they are dealt with, and the answers they are given, depends on the individual they happen to speak to at the supplier. They therefore do not feel that the answers they are given are necessarily reliable.

4.3 Honesty and transparency

Hidden charges and costs erode consumer trust quickly. Consumers want companies to be upfront and open about the full cost of their products and services from the start. Choice is important to consumers, and they want to be able to compare like-for-like costs between companies offering similar products and services. Where a company appears to be the only option for a produce or service, then clarity and visibility of costs becomes even more important as being able to understand and control expenditure is the way consumers can reduce their costs.

Energy suppliers: The complexity of tariffs, and bills that are hard for consumers to understand, mean that the energy industry is currently not seen as transparent. Consumers do not really understand what they are being charged for. Price rises - that happen seemingly at random times and appear to be out of step with wholesale price changes - also add to the view that the industry is not transparent.

4.4 Simplicity

Consumers need to be comfortable with the company that they are interacting with – jargon and overly complicated processes can undermine this and leave consumers feeling helpless. Companies build trust by making their processes and products straightforward and easy to understand. Simplicity means that there are no hidden catches and consumers can see what they are actually spending their money on. By making themselves easily comparable to competitors they also empower consumers through easier decision making. This empowerment in turn means that consumers trust them more.

Energy suppliers: Again, energy suppliers on the whole do not score well here. This is due to the complexity of tariffs and the use of terms and language that consumers find difficult to understand (e.g. ‘kilowatt hour’ ‘tiered rates’ etc.).

4.5 Trusting consumers

For consumers, trust works both ways. When they put their trust in a company, they also expect the company to trust them. For example, when returning products or querying services, trusted companies make this process as simple and straightforward as possible – trusting their consumers in turn by giving them benefit of the doubt. Consumers talked positively about companies who authorise refunds or send replacement products before receiving the faulty goods. This mutual trust leads consumers to form long-term relationships with these companies.

Energy suppliers: Many consumers feel that if they contact their energy supplier to discuss something like a problem with their bill then the supplier’s starting position tends to be to assume that the consumer is in the wrong. There is a sense that processes are designed to put the company rather than consumer first, and that good experiences are sometimes the result of trustworthy individuals rather than systems or the company’s overall approach. However, consumers who are in debt through difficult financial circumstances do tend to feel that they are trusted by suppliers, and that suppliers will believe them and negotiate reasonable repayment plans.

“I think that comes down to the training of the people that you deal with. You can employ ten people and they all say they’re going to do the same thing but actually half of them might do really well and the other half might not be bothered.”

Nottingham consumer

4.6 Keeping consumers informed

Consumers value proactive communication from companies. This might be keeping them informed about the product or service that they have purchased; updating them on progress of something they have ordered; reassuring them that they are getting best value for money; or advising them how they can save money in future. Consumers understand that companies want to make profits, but by telling them how they can reduce their expenditure they engender a feeling amongst consumers that the company also has their best interests in mind.

“They’re just keeping me informed as to where it is... Should something happen to the [product] I will then get an email to contact them and I have the option to cancel the order, no cost, no messing around, or to see if we can find it from another supplier.”
Cardiff consumer

“... simple things like I get an email every step of the way that the order had been received, the order had been dispatched, the tracking number for the phone to chase it that way. And then I had to send something back to them and just this morning I get an email saying return confirmed, refund processed.”
Glasgow consumer

Energy suppliers: There were some, although limited, examples of the energy industry working well here in providing energy monitors, giving energy efficiency advice or help with applying for benefits.

“They’ve always been really helpful. They sent me out the government thing where you get money towards your winter bills if you’re getting child tax credit or something like that... And they sent me the letter out and the form out to fill in. Whereas some people I know they had to ring their [energy] company up and hassle them for it...”
Nottingham consumer

However, in general consumers do not feel that energy suppliers are on their side or proactively helping them to save money or choose the best tariff.

4.7 Resolving problems

Consumers understand that problems can occur, but they expect companies they trust to minimise this risk through simple and transparent processes. They also recognise that problems can present opportunities for companies to build consumer trust by resolving them quickly and efficiently. Trusted companies have processes in place to deal with problems promptly and to the consumer’s satisfaction; they also have staff who treat the customer well while the problem is resolved. Apologies and empathy from staff are highly valued by consumers, and help to build trust.

“Everybody can make a mistake but I think if they deal with it right away and to your satisfaction without all this faffing about, it makes life easier. I don’t mind

if they've made a mistake if they rectify it properly without months down the line..."

Glasgow consumer

Energy suppliers: Experiences with energy suppliers varied here. Some consumers who had had problems felt they had been dealt with well. Others had encountered rude or unhelpful staff and problems that required persistence from the consumer to get resolved.

4.8 Meeting and exceeding expectations

For many consumers, companies need only meet their expectations (of quality, fairness, simplicity etc.) to retain their trust. Companies that deliver on the implicit or explicit promises they make to consumers are seen to be reliable, consistent and trustworthy. We also heard that companies can build consumer trust more rapidly by 'going the extra mile' – in other words, by exceeding the baseline of consumer expectations whether through providing a higher quality product or service, resolving a problem more quickly, or rewarding consumer loyalty.

Energy suppliers: Expectations of energy companies are generally low. There were a few fans of particular energy companies who feel that they had been well treated or found their supplier particularly easy to deal with. However, these tended to be the exception rather than the norm. It was clear that consumers who had contacted suppliers because of debt issues had often been pleasantly surprised at the way they had been dealt with.

4.9 Local

For some consumers, it is easier to trust local companies because they are visible and feel familiar compared to larger national or multinational 'faceless' corporations. Local companies are perceived to be more aligned to the needs of local people and more dependent on the support and business of local communities. This can create trust in their operating methods. Similarly, large companies often retain high trust in their traditional or original operating areas. They are often liked for being a big local employer and may also invest in the local community. Despite their size, and national or even international scale, consumers in these locations consequently feel more connected to these companies and trust them more than similar companies based elsewhere.

Energy suppliers: Some of the energy suppliers, most notably those that have 'Scottish' as part of their name, benefit from this feeling of being local. However this can also backfire if, for example, consumers call and do not always speak to someone Scottish.

4.10 Ethical

Although more important for some than others, many consumers are reassured by companies that they perceive behave in an ethical way. Companies who are clear and transparent about how they treat their suppliers and staff are more likely to be trusted by consumers who assume that the same values will apply to them.

“I think if they do their purchasing ethically, then they’ll treat their customers with good ethics. I think they’re applying the same good ethics”
Glasgow consumer

For some consumers, the profits that companies make have a bearing on how much they trust the company. Consumers appear to inherently trust not-for-profit organisations because they perceive there to be no incentive for the organisation to over-charge consumers. However, consumers generally do not mind companies making profits, provided that they feel that they have the choice as to whether or not they purchase the product or service from that company.

Energy suppliers: In a market such as energy where the service is a necessity and consumers feel there is no real choice, their expectation of fairness around pricing and profits is higher. They are more likely in this context to be negative towards companies who they perceive to be abusing their advantageous position within the market. The large energy companies are perceived to behave in similar ways – raising prices with little transparency or direct connection to changes to the wholesale price of gas and electricity. For example, when natural gas prices fall, consumers note that there is often a significant delay before energy prices fall or feel that they do not fall at all. This view about pricing lowers consumers’ trust in the industry as a whole.

“It’s something you have to have, and they’re making untold amounts of money, which I think is unfair. The amount of money that is being charged for the utilities that are an absolute necessity that you can’t live without...”
Cardiff consumer

5. What do consumers want from their energy supplier?

Before being introduced to the proposed Standards in the group discussions, consumers discussed what they wanted from their energy suppliers. They tended to focus on what they wanted in terms of customer service. Consumers do not really know what an excellent or outstanding relationship looks like in the energy sector as they do not think anyone in the industry is currently providing this. They mostly say they just want a good basic service from their energy supplier and hope not to have to contact them. When they do have to contact them they want to be treated 'efficiently' and 'decently'. The key issue that is most often singled out for improvement is around reducing tariff complexity. More detail on all the qualities and behaviours consumers expect from suppliers is provided below.

5.1 Good basics and limited contact

Most consumers do not want, or need, very much from their energy supplier beyond the basics of supply and billing. As long as the gas and electricity works and there is not anything noticeably remiss about their bill then they mostly give the relationship with their supplier little thought. This is particularly true of those who pay by direct debit, as they do not need to even actively look at, or do anything, as a result of their bill.

"If I plug something in and the light comes on I'm happy. All I want is switches that work. It's not a lot. As long as the supply comes in and it's at a fair price, what more can you ever want from a gas or electricity company?"

Cardiff consumer

"I've not had problems for a while. Just the bill comes in, I pay it and that's it. It might be a wee bit out but nothing much - on the whole I'm happy with it."

Glasgow consumer

5.2 Clear and simple tariffs

Consumers are calling for fewer tariffs and tariffs that are simple to understand. The current complexity is top of most consumers' concerns about their dealings with the industry. This relates to:

- Difficulties in understanding bills – mostly because of tiered rates and unclear technical language such as kilowatt hour;
- The sheer number of tariffs that each supplier has, making it difficult to know if you are on the best tariff for you; and
- The difficulty of making comparisons between tariffs and suppliers.

Having clear and simple tariffs is important to consumers so that they can:

- Understand what they are paying for;
- Budget for and reduce usage;
- Make informed switching decisions.

Each of these is explored in more detail below.

What am I paying for?

At a basic level many just want to understand what they are paying for (for example what is a kilowatt hour?). Not understanding this at the moment feeds into their feelings of powerlessness. It makes the relationship between the consumer and their supplier feel like an unequal one.

*“If you can’t even understand what you’re paying for how can you query it?”
Glasgow consumer*

*“I’d like a conversion table or something to say when something is in kilowatts what it is... If I know I’m getting something from the shop, like a bottle of pop or something, I’ve had that much out of it so I know what that means. But I wouldn’t know if I had a bottle of gas, what a kilowatt out of that would look like and what amount I’ve used.”
Nottingham consumer*

Budgeting and reducing usage

Some also want to understand what they are paying for so they can budget for their use by working out roughly what their bill will be. Others would like to understand what they are using so they can reduce their usage.

*“If it was just we will charge you 10p or whatever, then you could say I’ve had so many clicks in a year and it will cost me this. But because it’s X amount on this day and X on the first days, then at certain times it would be different... Trying to guess my bill in my head, it’s just, they actually have to get a pie chart to show you how your bill’s broken down for just flicking a switch... It’s got to be simpler”
Glasgow consumer*

*“[what you want to know is] you boil the kettle and it comes to 20p.”
Nottingham consumer*

Switching decisions

Consumers feel that energy suppliers make their tariffs deliberately confusing to deter switching. This makes it hard for consumers to be confident in making a decision about switching or to even know if they are on the best tariff with their existing supplier. This not only causes frustration but, as we have seen, appears to be one of the main reasons why trust in the industry is so low.

*“I don’t trust any of them in the sense of them putting you on the best tariff because you phone any of them up and say ‘what’s your cheapest tariff’ and it’s like a puzzle. It’s like nobody knows – they don’t know themselves... You should just be on the cheapest tariff.”
Nottingham consumer*

“They’ll say for the first whatever it’s 10p and then after that it’s 8p so you never really know. You can’t really calculate it yourself. It’s not as if you say for every unit you use it’s 10p and you could work it out and you could look at other companies to see if they were cheaper”

Cardiff consumer

“I still don’t understand why each company has so many different types of tariff. I can understand different companies having different prices but a unit of electricity is a unit of electricity. Why on that tariff does it cost this much and on that tariff it costs a different amount – it’s the same company”

Cardiff consumer

The consumers taking part in this research spent an evening discussing potential improvements to energy supplier behaviour that was mostly centred around interactions not related to tariffs. However, consumers still came back to complex tariffs being the issue they would most like to see rectified. Resolving the issue of complex tariffs would make a major contribution to improving levels of trust in the industry. In later discussions, some also felt that simpler tariffs would be required for suppliers to demonstrate the standards of fairness and transparency.

5.3 Ease of contact when needed

For most consumers, contact with energy suppliers is associated with phoning call centres. Their experiences and perceptions are therefore influenced by process issues such as call waiting times, availability of 0800 numbers, and use of Interactive Voice Response (IVR) systems, as well as by their actual interaction with staff.

UK call centres

Non-UK call centres are almost universally disliked and are always raised when consumers talk about contacting large companies – in the energy sector or otherwise. Rigid following of scripts and difficulties in understanding accents are the two reasons cited for this dislike.

Some consumers in Glasgow feel particularly strongly that they cannot be understood when talking to non-UK call centres. Some Glasgow consumers also object to talking to a call centre ‘down south’ when they are calling a company they think of as Scottish. This is partly because they simply think it is right that the call centres should be in Scotland, but also because of experiences of difficulties being understood by some staff.

“Gas companies, ... you never get through to one in Glasgow, it’s always somewhere down south. They can’t understand a word that you’re saying and I always get agitated.”

Glasgow consumer

However, for some consumers who have English as a second language, non-UK call centres can be a positive. For example, one consumer we spoke to asks to be put

through to someone speaking Urdu when he calls Indian based call centres and this enables him to deal confidently with the company.

Interactive Voice Response (IVR) systems

Consumers accept some limited use of IVR systems as long as the actual person they speak to can help them. What frustrates them is long lists of options that they might have to listen to several times to work out which option is right for them. They also object to being passed around once they do get to speak to someone.

Handling call waiting times

Consumers accept that sometimes companies cannot answer calls as quickly as either the customer or company would like. However, they also talk about some companies being much better at handling these situations than others. The process issues that really help are:

- Having an electronic message that tells customers how long they are likely to have to wait (e.g. 'you are fourth in the queue and we expect to be able to speak to you in the next five minutes'). This gives the consumers choice about what action to take and alleviates some of the frustration. It thus redresses some of the power imbalance.
- Offering automatic callbacks. Many consumers talk favourably about these as, again, it gives the customer more control. However, some have also had experiences of being offered these and then them not happening.
- Having a message saying when a quieter time to call is – as long as that actually proves to be the case.

Conversely people get frustrated with the following:

- Waiting times when being charged for the phone call: this is seen as really unfair. This is particularly true when consumers are calling because they believe the supplier has made a mistake. A few consumers even go as far as to say they think it is a deliberate ploy by energy companies to keep them hanging on so they make money out of the telephone call.
- Frequent reminders whilst waiting on the phone that it is possible to access services via the internet. People know they can do this. They have chosen to call for a reason. Some either do not have access to the internet or are not confident in using it. Others feel that their issue requires a conversation with someone. One reminder about the internet option is fine but repeating it causes frustration.
- If, after waiting a long time, they get through and the person they speak to has to pass them on to someone else or cannot answer what the consumer considers to be a straightforward query.

"That's the thing with energy companies though... you'll ring them and they're on the 08 numbers... you're on hold and it's costing you a lot of money to actually ring

them. And then people say they're going to ring you back and don't and then you have to ring again and then go through the whole thing again with somebody else."
Nottingham consumer

"[my experience of gas and electricity companies is] Being held on the phone for ages and then someone saying, I can't help you in this department, I need to put you through to someone else. And so you go through to someone else and you have to say it all over again, and then they say, well, I'm not sure, I'll give you a call back, and then they don't call back. And so the next day when you're quite fed up you've got to phone again and start all over again."
Nottingham consumer

It was clear from the discussions at the collaborative events that sometimes what can seem like a long, frustrating and expensive wait to a consumer may look to a supplier like a reasonable - or at least not completely unacceptable - answer time.

5.4 An efficient experience

When speaking to an energy supplier, consumers expect to be dealt with efficiently. They are not really expecting excellence - just the basics that they think all large companies should get right.

"We don't expect the world, we're not expecting a miracle, but a fair outcome to your problem, a fair solution, I would say."
Glasgow consumer

"I just don't want to feel 'oh no I have to phone them' "
Cardiff consumer

By efficiently, consumers mean getting the basics right and making it easy for the consumer to interact with their supplier. This, for example, entails:

- Making it easy to contact the supplier e.g. widely publicised 0800 numbers, and an online facility (though consumers stress that online should be a consumer choice and is not right for everyone).
- Answering the phone within a reasonable time, offering call backs etc.
- Not having to repeat things when calling again.
- Speaking to one person who can actually help them and is not just a gate-keeper.
- Clarifying timescales, e.g. clarifying how long it will take to resolve an issue, and updating consumers if this needs to change.
- Agreed actions being carried out, and carrying them out within the timescale agreed.
- Receiving written confirmation of what has been agreed (e.g. debt repayment plans). This can be sent by post or email depending on customer wishes.

“Obviously if they can't resolve your query and they need to find more information out then through courtesy you'd expect them to ring you back. I was promised that by two energy companies, and both of the companies didn't give me a call-back and yet they promised it. And I had the name and everything of the person, but...it just didn't happen.”

Nottingham consumer

“You're speaking to one person who said it's sorted, you're speaking to somebody else again on the phone, they haven't a clue what's going on, they don't know the situation so you're being passed from pillar to post really.”

Cardiff consumer

“I think they should give you a timescale that is realistic. People don't expect things to be done exactly as they are ringing up. If it's explained to you that it's going to take this time to sort it out or it's going to take a week, as long as they keep to the timescales that they tell you, and if they are realistic.”

Nottingham consumer

5.5 To be treated decently and like a human being

Beyond being dealt with efficiently, consumers talk a lot about the way they are treated when talking to energy suppliers. Whilst consumers mostly talk about call centre staff, some also talk about doorstep selling, meter readers, and visits to sort out meter problems. Consumers want to be treated like an individual human being, not a number. They stress the need for energy suppliers' staff to treat them decently and be **courteous, understanding and empathetic**, recognising how stressful it is for a consumer to have to call about a problem. This is particularly true if the consumer is calling because they are in debt.

Consumers report good and bad experiences and, again, inconsistency in treatment is an issue. Consumers do, however, recognise that there is a tension between wanting consistency of treatment and wanting to be treated as an individual. This is a difficult balance for energy suppliers to strike.

For consumers to feel like they are being treated like human beings, suppliers need to allow call centre staff to act like human beings too. Staff need to be empowered to act on their own initiative. This might mean putting something right or making an agreement on repayment with the consumer. They also need to be sufficiently knowledgeable that they do not need to pass the consumer on to someone else – particularly if the issue is a fairly straightforward one. Above all, consumers appreciate staff who take responsibility for the issue.

“I want them to be genned up on everything ... so they can give me an answer - maybe not there and then. Might have to get back to me.”

Glasgow consumer

“When I arranged a payment plan – normally you phone up and you speak to somebody, they record the calls most of the time and you speak to different people and then your call is logged on their system so that they can see that you’ve called before and discussed this. But someone actually took charge at [supplier] and gave me her name, emailed me with the payment plan. Gave me her name – any problems contact me and I thought ‘wow’ I’ve actually got someone to take charge and actually do something for me.”

Nottingham consumer

5.6 To feel valued

At some level consumers would like to feel that the energy suppliers value them as customers. Getting good, efficient treatment and being treated like an individual would help with this. They also want to feel that the supplier is on their side or at least will give them the benefit of the doubt. Many complain that they feel that the power is currently all with the supplier. They feel suppliers confuse them with the language they use and the complexity of their tariffs. Consumers also appreciate being given a reward for loyalty. They get annoyed and feel undervalued when they think that new customers get better deals than existing ones.

5.7 Proactive help and advice

Consumers would also welcome more proactivity from suppliers. They do not see the current lack of this as a major issue, but they talk about a desire for a courtesy call, perhaps once a year, to check their usage, offer energy efficiency advice and suggest a different tariff if there is one that looks as if it would be cheaper. One supplier pointed out that it would not be right for a supplier to just swap a customer onto a different tariff because the supplier believed it would be better. The consumers clarified that they did not expect the supplier to make the decision for them but to offer advice and recommendations.

Where suppliers have offered tariff or energy efficiency advice this had generally been in response to an approach from a customer, but was nevertheless appreciated. However, there were incidences where consumers said they had called asking for such advice and none had been forthcoming. During the collaborative stage of this project, suppliers were surprised to hear this and told the consumers that they should have been given the advice asked for.

“I was reviewing my bill and she was saying I can tell you that you’re burning so much at night – is there anything you can think of as to what’s causing this? She also offered... a different department that you can speak to somebody and they actually talk you through what you’re spending and how to save money; how to reduce your bill.”

Nottingham consumer

In truth few expect suppliers to be proactive in offering tariff and energy efficiency advice though they would welcome it. When they discussed the Standards, this was territory that consumers largely saw as not being about basic service. They therefore

did not feel that it needed to be guaranteed through the Standards but should be for suppliers to decide if, and how, they wanted to offer this type of service

*“Surely they should have account managers to look at these and think this lady’s paying a lot. A good company would do that”
Nottingham consumer*



Capturing consumers’ experiences and expectations

6. Initial reactions to the Standards

Consumers were first introduced to the Standards following discussion of companies they loved/liked, companies they disliked, companies they trusted, and their experiences of energy suppliers.

The initial reaction to the Standards was fairly muted. Whilst consumers generally feel like the Standards are a good thing to have, many are surprised that they do not already exist. This is largely because the Standards feel so basic that they cannot believe that they are only just being proposed in their current form. For others it is because they have limited contact or generally good, or at least satisfactory, experiences with energy suppliers. They see the Standards as largely being about improving customer service and therefore do not see that they are needed.

“This should be law already; this should be the law for the last 50 years and they're only just bringing them in now!”

Nottingham consumer

“I think energy companies are pretty close to this. There are obviously glitches, When you get it wrong it winds people up but I would think 90% of the time gas and electric just comes into the home at a reasonable rate and we're not that bothered”

Cardiff consumer

“But it is pretty shocking now that they've had to bring these standards in because there obviously has been a lot of complaints...I can't say I've had a lot of problems and a lot of queries”

Glasgow consumer

However bringing the Standards in is not seen as a bad thing and for some it would provide a sense of comfort that they will be treated decently if things do go wrong.

Some of those who have had poor experiences actively welcome the Standards and feel that if they are implemented they should make a real difference and help to address the perceived current power imbalance.

“If they [suppliers] had signed up to it then I think if I did have any issues I'd expect them to be dealt with concisely and clearly.”

Glasgow consumer

Consumers tend to be quite cynical about the ability of the Standards to have an impact and are concerned about how the Standards can be measured.

“It's a bit like this patients' charter thing. Who knows what the patients' charter is? They still do whatever they want. Whoever reads it?”

Glasgow consumer

“How is it all going to be measured, and by whom? With all standards, there's got to be some kind of measurement so who will be doing that. I don't know, really.”
Nottingham consumer

Many consumers focus on what will happen to suppliers if they do not meet the Standards. They are more interested in how the Standards will be enforced than they are in the detailed content of the Standards. They want to know what ‘stick’ Ofgem has and how this will be used. Some are also interested in whether they would be entitled to compensation if suppliers failed to meet the Standards.

“Some sort of serious penalty, not just a slap on the wrist. Because £20,000 for British Gas is like 10p to us. So it's got to have an impact if they don't follow these standards.”
Nottingham consumer

Consumers also feel that the words are so broad that they do not necessarily mean very much. Their views on each of the key words in the Standards are explored in more detail below, along with consideration of whether an over-arching principle is felt to exist.

6.1 An overarching principle?

Consumers and suppliers both largely feel that if suppliers get Standard A – which provides an overview of the first part of the proposed Standards - right then all the others will follow. Some consumers are keen to additionally stress the importance of suppliers being easy to contact.

Standard A

Energy companies behave in a manner which is:

- a. Fair
- b. Honest
- c. Transparent
- d. Appropriate
- e. Professional

Within Standard A there was a general consensus that ‘fair’ and ‘transparent’ cover everything else and could constitute an overarching principle. Drawing on discussions during both the initial research stage and the collaborative events, the following boxes show what fair and transparent should mean in practice.

At this high level **'Fair'** means suppliers:

- Providing consistent service
- Being understanding and empathetic
- Being easy – and not costly – to contact
- Admitting to their mistakes and putting them right quickly and easily
- Making sure their customers are on the best tariff
- Treating their existing customers as well as they treat their new customers.

At this high level **'Transparent'** means suppliers:

- Providing simple, clear information
- Having simple, clear, easy to compare tariffs
- Using Plain English
- Explaining how their retail prices move in relation to wholesale prices
- Clearly communicating the level of profit and where it goes
- Being clear, honest and consistent about what they can and cannot do for their customers.

Whilst some say consumers also say that **'Honest'** is key and should be an overarching principle, for many 'honest' goes too far by suggesting suppliers are dishonest at the moment, and not far enough because 'honest' is not about how you are treated (whereas fair and transparent are).

"It's a sad state of affairs that we have to have this meeting because you need a company to be honest and truthful." Cardiff consumer

Most people felt that if companies were transparent they would by definition have to be honest because they would not be able to hide anything.



Studying the draft Standards

7. What the Standards should mean in practice

7.1 In general

Because of the essential nature of gas and electricity - and consumers' general perception that all energy companies behave in the same way - consumers feel that there is little they can do if they have a bad experience with an energy company. Some contrast this with media companies where they say that not only can they swap to a different one if they are unhappy, but they can also choose to stop having the service altogether.

There are clearly many good interactions that consumers have with their suppliers. If the Standards work then consumers feel that they should bring a much higher degree of **consistency** to interactions with energy suppliers. This means:

- Consistent staff behaviour - so that the way consumers are treated is not dependent on who answers the phone or visits their home.
- Consistent response - so that the answers consumers are given do not vary and that if they are told something verbally it is not later ignored or denied.
- Consistent treatment of all consumers - because it is an essential service that you cannot opt out of, people believe that everyone should be treated in the same way.
- Consistency between people and processes - currently there are sometimes good and poor touch points in the same interaction. Consumers, for example, talk of staff sometimes blaming aspects of the service like waiting times and scripts on 'the system'. Suppliers confirmed that sometimes staff do have to read out things to comply with regulations or company policy but that perhaps they were not particularly good at this or at explaining the relevance.

"It depends who you speak to – sometimes when I've phoned up I've got somebody who has tried to be quite helpful and another time when you ring up they're not there and you get somebody who is not really interested at all. They just treat you as though you're a second class citizen and they just want your money."

Nottingham consumer

Both consumers and suppliers feel that, if implemented properly, the Standards should bring all interactions up to an acceptable level. Although suppliers on the whole said that they believe that they largely live up to the Standards anyway, they tended to accept on hearing consumers' experiences that this was not always the case.

Consumers spontaneously recognise how challenging it is to get everyone in large companies to deliver a good customer experience and that "you are only as good as your worst employee". They therefore focus on the need for training and on taking actions like monitoring telephone calls and taking remedial action if needed. Some consumers who had worked in similar consumer-facing environments also raised the importance of having incentive schemes that rewarded staff for the right action and behaviours.

Most feel that, if suppliers get Standard A right, then everything else will follow. Within Standard A both consumers and suppliers generally find it difficult to distinguish between **Appropriate** and **Professional**. These are words that only really mean anything in context and even then appropriate behaviour is generally considered to be professional. For a couple of consumers the word ‘professional’ is objectionable as it signifies power imbalance – ‘you’re a professional and I’m not’. They feel that ‘professional’ could actually mean being patronised and suppliers not being transparent but expecting consumers to just trust the professional to do things right.

The words ‘**simple**’, ‘**knowledgeable**’ and ‘**empathetic**’ were frequently added by consumers to the Standards during this research. They want to have tariffs and language that is simple to understand so they feel informed and able to make choices; knowledgeable staff so they are not passed from one person to another; and staff who are empathetic when consumers talk to them about problems. Many of the suppliers taking part in the collaborative events also acknowledged that these things are important and need to be embedded in the way they treat consumers.

Whilst consumers and suppliers agree that mistakes should be dealt with promptly and courteously, consumers also point out that companies actually admitting they have made a mistake is important. They feel that this is often lacking at the moment. Consumers also feel that they should be given the benefit of the doubt. At the moment they feel suppliers tend to assume they are in the right and the consumer in the wrong. Consumers accept that mistakes can happen but feel that the onus is often on them to persuade the supplier to look into the issue. This came up most frequently amongst those who were in debt because they had moved into a property with unpaid (or unbilled) energy usage and those who believed that there was an issue with their meter such as the wrong one being read.

7.2 For specific interactions

Following some initial discussion in the first stage research, during the collaborative events participants were asked to consider what each part of Standard A should mean in practice in relation to different interactions between consumers and suppliers. Their views link very closely to what they want more generally from their energy suppliers. There is also inevitably some overlap in what behaviour is considered to fall under the different parts of Standard A. As highlighted above, consumers also find it difficult to distinguish between what is appropriate behaviour and what is professional behaviour.

Standard A

Energy companies behave in a manner which is

- a. Fair
- b. Honest
- c. Transparent
- d. Appropriate
- e. Professional

For example, if you call your energy supplier with a bill query

Behaving fairly would be....

- The supplier offering to look into the issue without making any assumption that the consumer is in the wrong
- The supplier giving an apology if they have made a mistake
- If it is the consumer's mistake, helping them to sort it out
- If it is the supplier's mistake, sorting it out as quickly as possible
- Getting the same information and helpful approach whoever you speak to
- Suppliers showing understanding of the consumer's personal circumstances but balancing this with ensuring that all consumers are treated in basically the same way.
- Giving consumers a decent period of time to pay the money owing if they have mistakenly underpaid.

Behaving honestly would be....

- The supplier acknowledging if they do not know the answer. Then finding out and calling the consumer back
- The supplier admitting if it is their mistake
- Offering to give consumers their credit back if they have overpaid
- Consumers being able to assume that their direct debit is set at the correct amount.

Behaving transparently would be....

- Having bills that are easy to understand and in simple language so consumers would not need to query them
- All suppliers presenting their tariffs and prices in the same way so consumers would find the bills easier to understand and therefore they would be less likely to have a query.

Behaving appropriately and professionally would be....

- Addressing consumers by their surname or asking if they mind being called by the first name. Consumers particularly object to staff calling them 'love', 'duck' 'honey' or similar
- The person dealing with the consumer to give them their name. Consumers would also like it to be the same person calling them back, though accept that this might not always be possible
- The people answering the calls having knowledge about the different tariffs available
- If a consumer has made a mistake explaining it to them in a non-patronising, non-threatening, empathetic way
- The supplier recognising individual needs such as someone who has English as second language.

Notifying consumers of a price change

Behaving fairly would be....

- Explaining why the price has changed
- Having a standard notice period and making sure consumers are aware of it
- Telling consumers the new cost based on their previous consumption
- Giving customers advice if there is another tariff that might be cheaper for them
- Giving consumers energy efficiency advice at the same time so they can consider how they might offset any increase – *“make it personal, tell me what will help me”*
- Not giving newer customers better offers than existing customers.

Behaving honestly would be....

- Having yearly price reviews rather than putting up prices whenever suppliers want to. This would help consumers to plan and would make them feel less powerless.

Behaving transparently would be....

- Giving advance notice about the price change
- Not hiding in the small print the fact that prices might go up
- Suppliers telling consumers when they sign up if prices are going to go up within the next three months
- Being clear what the increase means: *“Don’t say it’s now going to be x pence for a kilowatt hour – tell me how many more pounds it’s going to cost me.”*

Behaving appropriately would be....

- Informing consumers via their chosen contact method.

There were no suggestions as to what behaving professionally would be in these circumstances. Participants thought it was all covered under the other headings.

Making a complaint

Behaving fairly would be....

- Having an 0800 number, or at the very least not a premium rate number, so the consumer is not paying for the supplier’s mistake
- Listening to the consumer carefully without being presumptuous about the situation
- Not assuming the consumer is in the wrong - *“Don’t make me feel like a criminal”*
- Trying to resolve the issue

- Being able to quickly access a manager or expert if the problem cannot be resolved by the first member of staff
- Giving compensation to the consumer if the mistake is the supplier's fault.

Behaving honestly would be....

- The supplier taking ownership of the problem
- The supplier owning up if they have made a mistake
- Not making unrealistic promises e.g. about the time the situation will take to resolve
- The person taking the call admitting if they do not know how to resolve the issue and passing it on to someone who can.

Behaving transparently would be....

- Acknowledging the complaint in writing
- Reading the details of the complaint back to the consumer so they can check the issue has been properly understood
- Giving realistic timescales for resolving the complaint and keeping the consumer informed if it is not possible to meet these.

Behaving appropriately and professionally would be....

- Taking the complaint seriously
- Treating the consumer with patience, empathy and politeness
- Having the best trained and most knowledgeable staff dealing with complaints
- Giving the consumer the name of the person responsible for dealing with the complaint, a direct dial number and a reference number
- Taking ownership for resolving the issue
- Keep consumers informed of progress
- Offering an apology (e.g. if not resolved in timescales)
- Giving the consumer an explanation of why the issue has arisen – but not excuses.

Calling an energy supplier to discuss a debt issue

It is worth noting here that by and large those consumers who had contacted suppliers because of a debt issue that had resulted from their own circumstance felt that they had been treated well. There were however a few consumers who had had very poor experiences including feeling threatened and having people visit their property seemingly without prior notice. Those who had ended up in debt due to unpaid or unbilled energy from a previous tenant or because of a meter problem generally felt less well treated.

Behaving fairly would be...

- Being empathetic and understanding that each person's personal circumstances might be different (e.g. a single mother who has had to take a month off work may require a different solution from someone who has just lost their job)

- Suppliers sending someone out to check the meter if it looks like that could be the root of the problem.

Behaving honestly would be....

- Looking at the tariff that the consumer is on and putting them on a cheaper one if possible
- Being clear about what the consumer's options are
- Establishing a relationship with the consumer so that they feel able to be honest about their circumstances too. Consumers recognise that they have a responsibility here too and should be honest with their supplier.

Behaving transparently would be...

- Making sure consumers know what to do if they are in debt and letting them know that suppliers will treat them fairly and empathetically
- Confirming the agreed repayment plan to the consumer in writing (either letter or email as agreed with the consumer).

Behaving appropriately would be....

- Being compassionate and understanding that people have not been reckless by getting into debt through using energy – *“you need energy, you don't choose to have it – it's not a new pair of shoes”*
- Working with consumers and being flexible, for example by spreading payments and/or giving payment holidays. Some consumers also made comparisons with other companies who they said wrote part of the debt off when they could not pay
- Giving consumers the option to repay the debt over a longer period if they need to.

Behaving professionally would be....

- Staff being able to use their own initiative to agree a repayment plan that suits the individual customer
- The supplier calling the consumer when a bill is unpaid and gently reminding them and exploring if there is a problem.

8. Positioning and communication

8.1 Content and positioning

For consumers who do not have much contact with energy suppliers, the Standards suggest that supplier behaviour is a lot worse than they would expect. And at worst the inclusion of the word ‘honest’ suggests that Ofgem think the energy companies are bordering on being fraudulent. Consumers do not tend to regard suppliers as being currently dishonest in their interaction with consumers. Including ‘honest’ therefore jars with what the Standards are really about. As discussed above, the words ‘fair’ and ‘transparent’ are the ones that consumers and suppliers feel the Standards should focus on.

Those consumers who have had good, or at least satisfactory, experiences when interacting with their suppliers are surprised that these Standards are needed. It leads them to question whether they have just been ‘lucky’ and to debate the importance of consistency. They do not want to be ‘unlucky’ next time and expect that, if all suppliers adhered to the Standards all of the time, then it could lead to an improvement in the consistency of consumer experiences. They also think that, in a market that you cannot opt out of, it is only fair that everyone has a decent level of service.

As reported in previous sections of this report, consumers will be happy with an efficient experience and decent treatment; they believe that is what the regulator (or ‘the government’) should make sure happens. The Standards should be about shifting the baseline upwards to provide consistently good service and quick courteous resolution if things go wrong – which all accept is going to happen on occasion. If suppliers want to go further and deliver excellent customer experiences then consumers believe that is up to the supplier. From the collaborative engagement discussions suppliers seemed to agree with this positioning.

In terms of building trust in the industry, it will be important for suppliers to be seen to be signing up the Standards ‘in good faith’ and for it not to feel that Ofgem has had to force the Standards onto suppliers. This might mean, for example, when suppliers place the Standards on their website or send them to consumers they say something along the lines of ‘we have signed up to these guaranteed Standards from Ofgem’. Consumers also need to understand what teeth the Standards have. If it is not clear how the Standards are going to be enforced they are likely to be dismissed by consumers.

It will also be important to consumers to understand how the Standards fit with other interventions. In particular, the work on simplification of tariffs as this should address one of consumers’ main concerns.

8.2 Communication

The consensus from both consumers and suppliers is that Ofgem should produce a one page – or shorter – set of Standards outlining **what** should be achieved e.g. consumers must be dealt with in a fair and transparent manner. Suppliers should then produce

more detail explaining **how** they will do this e.g. how they will behave appropriately, behave empathetically, communicate in simple language etc. to meet these Standards. Suppliers should also explain what improvements they are going to make and how they will measure their performance against the Standards. Both consumers and suppliers feel that the suppliers' part of this could go further than the Ofgem Standards. This is seen as the suppliers' opportunity to explain what they will do on issues such as proactively helping their consumers and going 'above and beyond'. Suppliers see that this could form part of their marketing to current and potential consumers.

Consumers would also like all of the suppliers' customer codes/charters to be easily available from one source.

When asked how they thought they should find out about the standards, consumers initially talked about a launch with national adverts. However, this could potentially backfire - as some consumers themselves recognise. It might actually decrease trust in the industry if the regulator is seen to need to be introducing these types of basic Standards. It might be better to make the Standards easily available to those who are interested and those who might particularly need them. This could mean signposting them within the bill, having them readily available on suppliers' websites, and requiring suppliers to send them out with complaint acknowledgements.

8.3 Monitoring

Consumers are keen to see that the Standards are monitored. They suggest that Ofgem, or another independent body, should publish some kind of league table of suppliers. Various suggestions on how to measure performance included mystery shopping results for the way suppliers deal with consumers, complaint numbers, and numbers of customers lost and won. Some of the suppliers at the collaborative events indicated that they would be supportive of this if it helped to increase consumers' confidence in the industry. The idea of a league table was very popular as consumers tended to feel that the publicity surrounding it would be a good motivator for suppliers to get things right. As such some also suggest that good performance as well as bad should be specifically highlighted. However, very few consumers feel they would use such information to inform their decision on which supplier to be with. Those who did switch tended to do so purely on price or because of a particularly persuasive or charming salesperson.

8.4 Labelling

Because consumers see the Standards as being about getting the basics right, they feel it is important to signal that suppliers have no choice as to whether to abide by the Standards or not. Consumers therefore tend to favour 'hard' names to demonstrate that the Standards are compulsory – '*rules*', '*commitments*', or '*regulations*' were frequently mentioned.

'Promises', '*charter*' and '*standards*' are seen as signifying something that is potentially optional and moveable. These '*softer*' names are seen as more in keeping with the

communication from suppliers about how they are going to live up to, and perhaps go beyond, the Standards. Suppliers tended to agree with this naming approach during the collaborative events although some advocated 'softer' names for the Standards themselves saying that if Ofgem had to bring the Standards in as 'rules' it could give the wrong message and decrease trust in the industry.

Both consumers and suppliers feel that it should be clear that these Standards are from Ofgem (although many consumers just say from 'the government' rather than specifically from Ofgem). It also needs to be clear that the Standards are industry-wide and govern all interactions with any energy supplier.

"I think it needs to be like proper regulations...like we have the safety standards for items that we buy, there should be a recognised sign which you know they'd be covered by this organisation and that everything fits that bill. That gives us confidence."

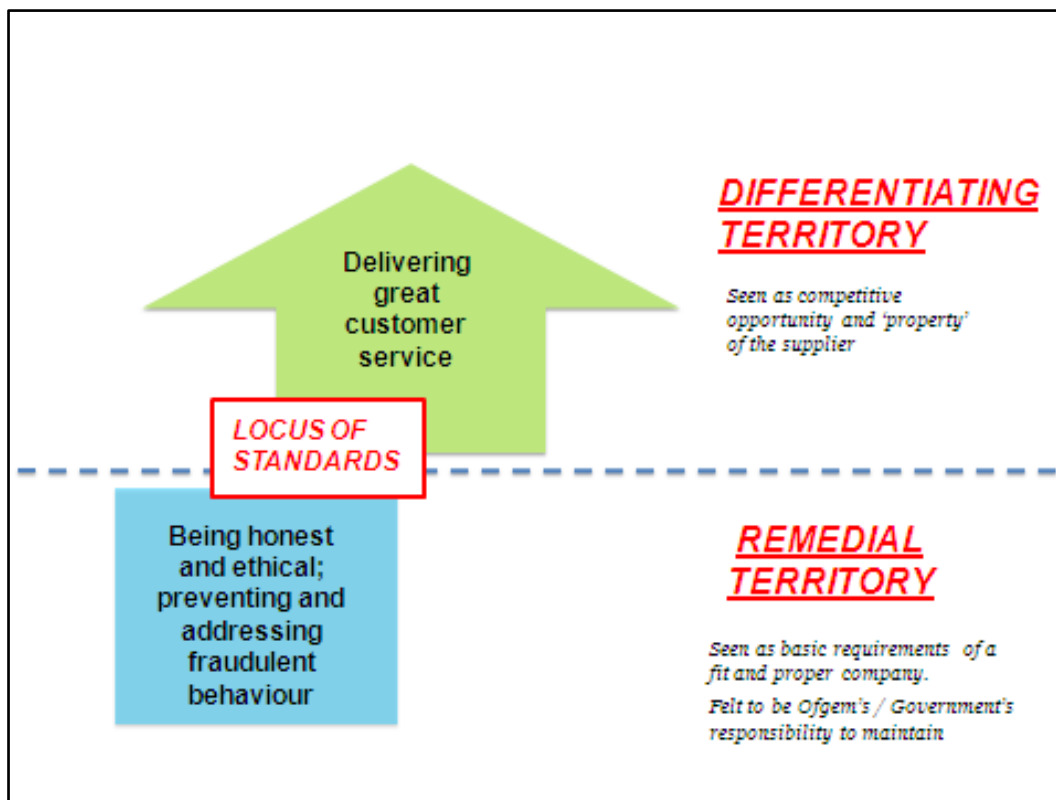
Nottingham consumer



Listening and sharing experiences

9. Overall summary chart

- Consumers think that the Standards should focus on ensuring consistently good basic service, fair treatment, and transparent information. Delivering a level of service above this is seen as the territory where suppliers can differentiate what they offer. Consumers do not see the Standards as needing to set mandatory levels of customer service but are keen to see transparent measurement and enforcement against the Standards.



APPENDICES

Appendix 1: Research discussion guide and collaborative event agenda

1. Discussion Guide

Pre-Task

Please bring along an example of something from a company you love and an example of something from a company you dislike. This could be a letter, leaflet, product or anything else.

Introduction

5 mins

Welcome. Explain purpose of research. Explain collaborative event and selection process. Round table introductions.

Pre-task discussion/Customer Service/Trust

25 mins

Companies I love:

- What did you bring from a company you love? *[for anyone that's forgotten just ask them to think about a company they love]* Why did you choose that? Why do you love that company?
- What do they do differently from other similar companies? What makes them special? How do they make you feel? What do you think it is that makes you feel like that?
{list of attributes of companies people love}
- *{using logos and adding in any companies the group have talked about place companies on a spectrum from 'trust a lot' to 'don't trust at all'}*
- Would you say you trust any of these companies? Which ones? Why? What do you mean when you say you trust X company? Are there any other companies you trust? Why?

Companies I dislike:

- How do the companies you dislike compare to this? What did you bring from those companies? Why did you choose that? What is it that makes you dislike them? How do they make you feel? What could they do to make you feel better about them? Is there anything you actually like about these companies? Why is that not enough to make you like them overall?
{list of attributes of companies people dislike}
- *{using logos and adding in any companies the group have talked about add companies into the trust spectrum}*
- How much would you say you trust these companies? Why?
- If you were in charge of X company – what one thing would you change so people trusted them more?

How companies treat their customers

- How should companies treat their customers?
- What is fair treatment? – {List key words/phrases “FAIR is x, y, z..”}
- What do you think is unfair? {List key words/phrases “UNFAIR is x, y, z..” }
- (NB note what situations consumers refer to when judging fair/unfair treatment)

Energy Suppliers (general service and trust)

20 mins

- How much do you trust gas and electricity companies? Why? {Place the participants’ individual suppliers on trust spectrum}
- What one thing could they do that would make you trust them more?

- Which gas and electricity companies are you with?
- When did you last have any contact with them or with any other gas or electricity companies? What was it about?
- Have you had any particularly good experiences? Why was that particularly good?
- Have you had any particularly bad experiences? Why was that particularly bad? What could they have done that would have improved that? [probe for how they could have done things differently as well as what they could have done]
 - o NB it is the quality of contact with the energy company that we are particularly interested in not the outcome of the contact
 - o (NB when people talk about high/rising prices unpick what - apart from lowering prices - companies could do about this e.g. transparency, explanations, fixed term deals, the way direct debit payments are calculated)

- How do they compare to the companies we have been talking about? Close to those we love or those we dislike? Why? Where are they similar to companies we have already talked about? Where are they different?

Standards of Conduct

30 mins

Handouts of a simplified version of the SOCs – facilitator to explain that these are standards of service that all gas and electricity companies are going to be required to meet [explanatory slide attached to be read out]

- What are your initial reactions to these service standards?

Taking (A), and (B) from the SOCs in turn – rotated through the focus groups:

- What would they mean in practice? (general)
- What would they mean if....[if a sales rep from an energy company approached you in a shopping centre] [when you call your energy company with a query on

your bill] [other example that group have discussed earlier e.g. *interactions relating to debt, notifying customers of price changes, when you switch to another supplier, responding to a complaint*)

- What should the supplier do if they were abiding by these standards? (probe for each component of the SOC)
- What shouldn't they do? (probe for each component of the SOC)
- How different is this from what happens now?

(C, D, and E) from SOCs – rotated so before (A) and (B) for some groups:

- How easy do you find it to contact your gas or electricity supplier now?
- What would make it easier? How practical do you think that is for them to do?

- What would make you feel a supplier has acted courteously towards you if they make a mistake? What should they do? What shouldn't they do? What would you consider to be prompt action?

F from SOCs

- What do you think it would mean if “Energy companies have customer service arrangements and processes which are:
 - a. Complete
 - b. Thorough
 - c. Fit for purpose
 - d. Transparent”

Do you have any experiences of when this wasn't the case?

Using sort cards –group into three groups of Very Important / Quite Important / Least important.

- Why are these ones the most important?
- Why are these ones the least important?
- Do you think there is anything missing from the standards?

Standards of Conduct (communication)

5 mins

- What do you think these Service Standards should be called? What do you think of these names for these Standards? Which do you like most? Why? Least? Why?
- How do you think customers should be told about these standards? Who should the information come from? In what form? How often?
- How do you think knowing about the standards would change the way you deal with your energy supplier?

Wrap-up

5 mins

2.Event agenda

6 pm – 6.30 pm	<i>Briefing Session with suppliers and other key stakeholders</i>
6.30 – 6.40	Consumers arrival and food
6.40 – 6.55	<i>Introductory session for all</i> <ul style="list-style-type: none"> • IE introduction to the workshop • Background to Ofgem and the Standards • Qs from participants • IE present key outputs from stage one discussion – what makes a consumer love/like a company? What makes consumers trust particular companies? • Big Sofa reel – what success might look like?
6.55 – 7.30	<i>Small groups: Initial discussion on Standards and desired impact</i> <ul style="list-style-type: none"> • What do you think about the <i>concept</i> of the Standards? Do you think they are needed? Why/not? • Examples of when you think energy suppliers have lived up to these? • Examples of when they haven't? • If the energy supplier had been living up to these standards what would have been different about these poor experiences?
7.30 – 7.40	Present back to plenary – behaviour that should be different if abiding by the standards (1-2 participants from each group to present)
7.40 – 7.45	IE to introduce <i>getting to the heart of the standards</i> discussion.
7.45 – 8.15	<i>Getting to the heart of what the Standards are about</i> <ul style="list-style-type: none"> • What is the MOST important part of the standards? • What parts do you think are LESS important? <p><i>Matrix exercise on Standard A: For specific interactions</i></p> <p>What would being a) Fair b) Honest c) Transparent d) Appropriate e) Professional look like</p> <ol style="list-style-type: none"> 1. If you call your energy company with a query on your bill 2. When your energy company notifies you of a price change 3. If someone phones up their energy company because they cannot pay their bill 4. If you make a complaint to your energy company

	5. Other (from earlier discussion)
8.15 – 8.30	Break
8.30 – 8.45	<p><i>Getting to the heart of what the Standards are about (cont.)</i></p> <ul style="list-style-type: none"> • <i>Overarching principles:</i> Are there key words / overarching principles that if suppliers get right covers everything? • What do those words mean in practice / what does their opposite mean?
8.45 – 8.50	Present back to plenary - What overarching principle / words would the group have. What would that look like in practice?
8.50 – 8.55	IE to introduce packaging and communication discussion
8.55 – 9.20	<p><i>Packaging and communication</i></p> <ul style="list-style-type: none"> • Small groups: What should these be called • How should consumers find out about these? From whom? • What information should be available – from energy companies? From Ofgem? At what level of detail? <p>What would be the one thing you would most hope would change as a result of these standards?</p>
9.20 – 9.25	Plenary: wrap up
9.25 – 9.30	<ul style="list-style-type: none"> • Completion of feedback forms

Appendix 2: The draft Standards (presented in a simplified form to aid discussion)

Standards

- A) Energy companies behave in a manner which is
 - a. Fair
 - b. Honest
 - c. Transparent
 - d. Appropriate
 - e. Professional

- B) Energy companies provide information to you which is:
 - a. Complete
 - b. Accurate
 - c. Not misleading (in terms of the information provided or omitted)
 - d. In plain, easy to understand language
 - e. Fair – in content
 - f. Fair – in the way in which it is presented (e.g. with more important information being given appropriate prominence)

- C) Energy companies make it easy for you to contact them

- D) Energy companies act promptly to put things right when they make a mistake

- E) Energy companies act courteously to put things right when they make a mistake

- F) Energy companies have customer service arrangements and processes which are:
 - a. Complete
 - b. Thorough
 - c. Fit for purpose
 - d. Transparent

Appendix 3: Sample profile

Main numbers are those attending the group discussions for the stage one research. The profile of respondents invited back to the collaboration events is shown in brackets

Respondent totals: 96 (67)

Energy Suppliers

Supplier	Gas customers	Electricity customers
British Gas	12 (9)	14 (9)
EDF	13 (13)	13 (13)
E.ON	15 (7)	13 (7)
Npower	10 (9)	12 (11)
Scottish Gas	9 (7)	4 (3)
Scottish Hydro	2 (1)	5 (3)
Scottish Power	18 (12)	19 (12)
Southern Electric	3 (2)	3 (2)
SWALEC	11 (5)	10 (5)
Other	3 (2)	3 (2)

Age

Age	20-29	30-39	40-49	50-59	60-69	70-79
Number	19 (11)	24 (17)	21 (18)	14 (9)	15 (9)	3 (3)

Socio-economic group (SEG)

SEG	AB	B	C1	C2	D	E
Number	2 (2)	18 (14)	34 (26)	23 (16)	11 (7)	8 (6)

Ethnicity

White (British and other)	Asian or Asian British	Black or Black British	Other
78 (55)	8 (5)	6 (6)	2 (1)

Health or mobility issues

Yes	9 (5)
No	87 (62)

Residence

Urban	38 (29)
Suburban	28 (26)
Rural	20 (12)

Switching energy supplier (gas and electricity)

Yes	39 (30)
No	38 (23)
Unsure	19 (14)

Payment method

Method	
Direct debit	57 (45)
Pre-payment	6 (4)
Cash	13 (5)
Other	2 (1)
No response	18 (12)

Internet confidence/usage

Level	
High	52 (39)
Low	21 (13)
None	7 (4)
No response	16 (11)

Collaborative event attendance by consumer profile

Glasgow

Limited contact	6
Recent general contact	6
Recent contact about a debt	4
Recent problem with energy supplier	6

Cardiff

Limited contact	6
Recent general contact	5
Recent contact about a debt	6
Recent problem with energy supplier	5

Nottingham

Limited contact	5
Recent general contact	5
Recent contact about a debt	6
Recent problem with energy supplier	7

Depth interviews

Frail elderly	3
People with disabilities making it difficult to travel	3
People with low levels of literacy and numeracy	3

Appendix 4: Feedback forms from collaborative events

1. Consumer Feedback

Content and facilitation

	Good	OK	Poor
Introductory session	56	5	
Session 1: Standards of conduct and desired impact	57	4	
Session 2: Getting to the heart of what the Standards are about	57	4	
Session 3: packaging and communication	53	8	
Quality of facilitation	55	6	

Arrangements and facilities

	Good	OK	Poor
Arrival and welcome	56	5	
Event organisation	56	5	
Venue and catering	52	9	

Taking part

	Yes- fully	Yes- partly	No
I feel that I understood the issues being discussed	59	2	
I feel that my views have been heard	60	1	
Taking part in the event was worthwhile	58	3	

2. Supplier feedback

Three suppliers that attended did not complete a feedback form.

Content and facilitation

	Good	OK	Poor
Introductory session	10	4	1
Session 1: Standards of conduct and desired impact	9	6	
Session 2: Getting to the heart of what the Standards are about	13	2	
Session 3: packaging and communication	12	3	
Quality of facilitation	14	1	

Arrangements and facilities

	Good	OK	Poor
Arrival and welcome	15		
Event organisation	15		
Venue and catering ⁴	8	6	

Taking part

	Yes- fully	Yes- partly	No
I feel that I understood the issues being discussed	14	1	
I feel that my views have been heard ⁵	10	3	
Taking part in the event was worthwhile	12	3	

⁴ 1 supplier responded 'n/a' to this question

⁵ 2 suppliers responded 'n/a' to this question