Quantitative Research into Non-Domestic Consumer Engagement in, and Experience of, the Energy Market

for

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Final report

The Research Perspective

Element Energy

Quantitative research into non-domestic consumer engagement in, and experience of, the energy market

Submitted by

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1. Executive summary

1.1. Introduction

Ofgem's Retail Market Review (RMR) identified the need to support businesses in a number of areas, including raising awareness of contract terms, improving the experience of switching energy supplier, and improving trust and confidence in suppliers and third party intermediaries such as energy brokers. The RMR will bring in a number of reforms including helping micro businesses know when they can 'shop around' by including clearer information on bills, allowing them to give termination notice at any time during their contract and putting in place enforceable Standards of Conduct that require suppliers to treat micro business consumers fairly. Ofgem felt it was important to conduct a survey of non-domestic consumers to provide a measure of the experience of different segments of business consumers, the challenges they face and the resources they have to support them. Ofgem is also committed to monitoring developments in the market in general as well as to understand impact of the RMR policies once they take effect.

Ofgem commissioned Element Energy and The Research Perspective to undertake this survey, the objectives of which were to:

- Understand current supply arrangements and experiences
- Provide insight into businesses' engagement with contracts and the renewal process
- Track market engagement and switching behaviours
- Understand businesses' experience of intermediaries.

A total of 1,300 non-domestic (or business) consumers were surveyed between June and August 2013 using telephone interviewing. The sample included businesses operating across a broad range of industry sectors in Great Britain, including both private and public sector organisations. Quotas were set both by region and business size, with results weighted back to actual population proportions where required. Findings were analysed at a total sample level, and also separately by predominant fuel use (electricity or gas), and across different business sizes.[1]

1.2. Summary of key findings

Overall behaviour and engagement

Most non-domestic consumers surveyed were on fixed term contracts (83%) and the most common duration for these contracts was either one (29%) or two (30%) years. Just over half had moved beyond their first contract with their current supplier (54%), most having renegotiated a new contract (42%) rather than being rolled over an existing contract (12%). Most were paying their energy bills by direct debit (83%).

One of the measures of non-domestic consumers' engagement in this survey was how often they review key aspects of their own supply arrangements with a view to possibly changing these, for example:

- the overall service provided by their supplier,

[1] Micro = 0-9 employees, small = 10-49 employees, medium = 50-249 employees, large = 250+ employees.

- the contract and specific contractual elements,
- energy costs and consumption.

Most claimed to have reviewed these aspects at some point (between 73% and 82% across the five aspects measured). The most commonly reported frequency for such reviews was annually (between 46% and 55% across the five aspects). On the other hand, only about one in four (26%) had reviewed their contract in the last year. In addition, less than half of all businesses claimed to know exactly when their contract ended (49%) or their renegotiation period was (48%). Most of the remainder claimed to know these dates 'approximately' (38% for contract end date and 36% for renegotiation period). Relatively few businesses had contacted their own supplier with a query or complaint (12% in the last year, 14% in the last two years).

With respect to wider market engagement, around one in seven (14%) had switched suppliers in the last year, rising to two in five (40%) over the last five years. Businesses appear to be making informed switching decisions. Respondents who had switched reported that, on average, they had contacted more than three suppliers and also that more than three suppliers had provided offers in return. Switching sites also played an important role: 29% reported use of such sites when choosing their current contract/tariff, making them the top overall influence of contract/tariff choice.

Whilst only just over one in ten (12%) reported the use of brokers in choosing their current contract/tariff, the level of marketing activity by brokers was apparently significant. Almost two thirds (64%) of all non-domestic consumers reported that a broker contacted them in the last year, with an average of 12 broker contacts during this time.

Overall attitudes and satisfaction

Non-domestic consumers' satisfaction with their current supply arrangements and suppliers was generally high, with the majority indicating that they were satisfied with the specific aspects measured on billing (between 76% and 79%), contracts (between 75% and 85%), and the supplier's service and information provision (between 60% and 79%)[2]. In addition, reasons for switching tended to be price-driven rather than relating to dissatisfaction with the previous service. The main reason reported for not switching was being satisfied with their current supplier.

However, there was comparatively lower satisfaction with suppliers' responses to queries (with 49% - 56% of those who had contacted their supplier with a query being satisfied with aspects of the supplier's response). Satisfaction with the value for money offered by the supplier was also relatively lower than for other aspects of the service (60%).

It is also worth noting that, despite generally high levels of satisfaction with energy suppliers, there was a low level of reported customer advocacy (measured by asking respondents if they would recommend their supplier to a friend or colleague). Overall only 11% emerged as

[2] Satisfaction with the supplier's service was not significantly different between business sizes, although micro businesses were more likely to be dissatisfied with value for money and the information provided on available tariffs and options. Electricity consumers were more polarised in their views across all the aspects of service tested apart from value for money – i.e. with the exception of value for money, they were both more positive and more negative compared to gas customers who tended to be more neutral in their responses. See section 2.3 below for more differences by sub-groups.

'Promoters', 42% as 'Neutral' and 44% as 'Detractors'; this results in a negative Net Promoter Score (NPS) of -33%[3].

The majority of businesses were satisfied with aspects of the switching process (between 76% and 80%). However, there was an appetite for further streamlining of the process: 47% wanted the option of quicker switching, 50% wanted to give less warning of a switch to their previous supplier. Relatively smaller majorities were satisfied with the level of competition in the market (58%) and with the ease of understanding offers (53%) than with some other factors measured. In addition, only a minority were happy with the sales approach taken by either suppliers (40%) or brokers (36%).

There was a polarised view of brokers from respondents in this survey (34% positive and 31% negative). It appears non-domestic consumers have a particular issue with aspects of broker sales activity, with the majority agreeing with only two of the four statements provided: that the broker had 'correctly identified themselves' (59%) and that they had a 'professional tone' (57%). By contrast, less than half agreed that 'accurate information about the services they offer' had been provided by the broker (49% agreed, 21% disagreed) and responses were particularly polarised on whether the broker had been 'upfront about whether there was a cost...for their services' (38% agreed, 31% disagreed). However, those who report having *used* brokers' services (12%) were highly satisfied with the seven aspects of broker service measured in this survey (between 80% and 85%). This indicates that the issues with brokers are not related to services provided to their own customers, but with their sales activity.

Areas or audiences recording lower engagement or satisfaction

In summary, the findings reported above were generally positive, both in terms of engagement and satisfaction, for the non-domestic consumer base overall. However, there were also some market-wide exceptions or variations noted, such as:

- Lack of engagement with contracts
- Lower satisfaction with supplier responses to customer contact
- Lower satisfaction with some aspects of the wider energy market, such as the sales approaches of suppliers and particularly brokers

In addition, there were some areas where particular sub-groups showed lower levels of engagement or satisfaction and these instances are highlighted below.

Micro businesses showed comparatively lower engagement or satisfaction compared to other business sizes across a number of aspects measured in this survey. For example, they were less satisfied with billing accuracy, as well as with the value for money provided by their supplier. They were also less positive about broker activity.

On the engagement side, they were less likely to have read their contract or reviewed aspects of their current energy arrangements. They were less likely to have switched suppliers, and more likely to cite complexity as a barrier to switching. They were also more likely to disagree that the process of choosing a new supplier was easy. This indicates that increasing simplicity and transparency of the energy market is a key priority for micro businesses.

[3] 'Promoters' are those reporting a recommendation score of 9-10/10, 'Neutral' are those reporting 7-8/10 and 'Detractors' are those with ratings of 1-6/10.

Differences in responses by the type of energy used were more mixed. **Gas customers** showed lower satisfaction than their electricity counterparts on some issues – such as value for money[4], billing, contracts and brokers. **Electricity customers** gave more polarised responses on aspects of their current energy supply, and were more likely to be 'Detractors' with respect to levels of advocacy towards their own supplier. Electricity customers were less likely than gas customers to review aspects of their supply arrangements with a view to possibly changing them.

1.3. Recommendations for key indicators to monitor over time

As mentioned in the introduction, one of the aims of this survey was to establish a measure of non-domestic consumers' experiences and attitudes, in order to understand how these may change over time as RMR interventions are embedded.

Some of the areas that are subject to specific RMR measures and other protections include:

- Conduct of suppliers – through enforceable Standards of Conduct with respect to micro businesses
- Contract renewal process – including the requirement to publicise contract end dates and notice period on micro business customers' bills, and to allow micro businesses to give notice to terminate at any point in their contract
- Conduct of brokers – in addition, Ofgem is developing a regulatory approach to apply to interactions between third party intermediaries (TPIs) and non domestic consumers. Through discussions with industry, Ofgem has developed a draft code of practice and plans to consult in early 2014.[5]

Some of the key indicators and findings from this survey with respect to each of these areas above are summarised below.

The key indicators in this survey relevant to monitoring supplier conduct include satisfaction with the supplier's response to customers' contact, and potentially also general satisfaction with the service provided by the current supplier. It is not possible currently to split out satisfaction with supplier contact by business size due to the relatively small proportion overall that made contact with their supplier (with a query or complaint). Overall satisfaction with the supplier's service is not currently significantly different for micro businesses compared to other business sizes. As mentioned previously, those contacting their supplier gave relatively lower satisfaction ratings to the supplier's response (between 49% and 56% satisfied) compared to what was recorded for other specific aspects of supplier service measured in this survey. Satisfaction with the supplier's service overall was by contrast relatively high (79%).

Recommended indicators to track relating to brokers include satisfaction with aspects of broker service amongst those who used brokers, and views on broker approaches amongst those who have been contacted by brokers. As shown in the previous sections, there is currently a large gap between the experience of broker customers and others who have had sales-related

[4] Gas consumers were less likely to report being satisfied with value for money than electricity consumers, although the average value for money satisfaction rating for these two groups was the same.

[5] Ofgem has also been granted powers to enforce against misleading marketing in this area https://www.ofgem.gov.uk/press-releases/ofgem-gains-new-powers-protect-businesses-misleading-marketing

interactions with brokers. Broker customers were generally satisfied with the service they received, whereas there were areas of significant dissatisfaction amongst non-customers, particularly with respect to brokers providing accurate information about their services and being upfront about the costs that would be incurred.

The key indicators to measure with respect to the contract renewal process includes whether and when the organisation reviews the contract and specific contractual aspects such as payment methods or billing period, and claimed knowledge of the contract end date and renegotiation window. The baseline findings on these measures indicate that micro businesses are currently less likely than other business sizes to read over their contracts or to have reviewed their contractual arrangements, however there are not significant differences in claimed knowledge of contract end date and when the renegotiation window starts.

2. Introduction

2.1. Background

Since 2010, Ofgem has been developing a major package of regulation to make the energy market simpler, clearer and fairer for consumers, including non-domestic (or business) consumers. Ofgem's Retail Market Review (RMR) identified the need to support businesses in a number of areas, including raising awareness of contract terms, improving the experience of switching energy supplier, and improving trust and confidence in suppliers and third party intermediaries such as energy brokers. Following extensive research with consumers and consultation with industry, final proposals to address these concerns were published in March 2013[6]. Ofgem's decision to implement these proposals was published in June 2013[7]. Ofgem's reforms are designed to help businesses get the best deal from the energy market by:

- protecting more businesses by expanding the definition of a micro business consumer;
- helping micro business consumers to know when they can shop around, by including the contract end date and notice period on all bills;
- allowing micro business consumers to give termination notice at any time during their contract; and
- putting in place enforceable Standards of Conduct that require suppliers to treat micro business consumers fairly.

To ensure that any future support is efficient, and targeted on the problem to be solved, Ofgem recognises the importance of understanding the experience of different segments of business consumers, the challenges they face and the resources they have to support them. Ofgem is also committed to monitoring developments in the market once RMR proposals take effect.

2.2. Objectives

Ofgem commissioned Element Energy and The Research Perspective to develop, deploy and analyse a survey of non-domestic energy consumers. The overarching aims of this research were:

- to provide Ofgem with an up to date picture of non-domestic consumers' engagement in the energy market, including insight into experiences of micro, small, medium and large businesses across a range of sectors;
- to highlight any issues these consumers may have which may be emerging in the market; and
- to form part of an ongoing evidence base tracking key trends and developments over time.

[6] The Retail Market Review – Final non-domestic proposals, Ofgem, March 2013 https://www.ofgem.gov.uk/ofgem-publications/39355/retail-market-review-final-non-domestic-proposals22-marchfinal.pdf

[7] Implementation of the Retail Market Review non-domestic proposals – decision to make licence modifications, Ofgem, June 2013 https://www.ofgem.gov.uk/ofgem-publications/74749/implementationoftheretailmarketreviewnon-domesticproposals-decisiontomakelicencemodifications.pdf

Therefore the specific objectives of this survey were to:

- **Understand current supply arrangements and experiences** across a range of businesses, including methods of payment, satisfaction with bill, nature of and satisfaction with contracts, evaluation of interactions with suppliers and overall satisfaction with current supplier.
- **Provide insight into businesses' engagement with contracts and the renewal process**, including previous contract history, satisfaction with contract renewal processes, familiarity and satisfaction with current contract and knowledge of contract end and notice period dates.
- **Track market engagement and switching behaviours**, including how frequently businesses review their current supply arrangements, switching history and behaviours, reasons for switching and not switching, and levels of satisfaction with aspects of the energy retail market.
- **Understand the role of intermediaries,** including overall experiences of energy brokers and satisfaction with their role and services.

It was considered important that the above could be analysed for both electricity and gas supply according to a number of variables. Therefore the survey also collected detailed profiling information from respondents including size of business (measured by number of employees), nature of business by sector, current supplier, predominant fuel, energy usage and share of energy in total costs.

2.3. Methodology

The report is based on responses to a single survey of 1,300 non-domestic (or business) consumers using Computer Assisted Telephone Interviewing (CATI). The fieldwork for this survey was completed between June and August 2013. This research was undertaken by The Research Perspective Ltd and Element Energy Ltd. Fieldwork was carried out by Millward Brown and was executed under the quality standard ISO MRQSA 20252.

The sample included both private and public sector organisations. The only restriction was that the organisation was required to operate from a business premises and not exclusively from a residential address. For the purposes of this report, respondents' organisations are referred to as businesses.

Filtering questions were used to ensure that the person within each business completing the survey was the person responsible for paying energy bills and/or for recommending or deciding on the energy supplier used by the business.

To ensure that the results from the research would be statistically robust and representative of the population of non-domestic business consumers across Great Britain, regional quotas were set. In addition, to allow reporting of results by business size cateogry, quotas were set for each of these categories: micro businesses (zero to nine employees), small businesses (10 to 49 employees), medium businesses (50 to 249 employees) and large businesses (250 or more employees).

To produce nationally representative results, responses were weighted to reflect the actual proportions of businesses in each size category within Great Britain. No weighting was required with respect to regions as the regional quotas were representative.

Another key objective of the research was to capture perspectives of consumers in both the non-domestic gas and electricity markets. All respondents (n=1,300) were non-domestic consumers of electricity and a proportion (n=691) also received mains gas supply. However, to ensure that the survey length did not impose an unacceptable burden, respondents from businesses consuming both electricity and gas were asked detailed questions about either electricity or gas. Respondents were selected to answer the questions related to gas only if their estimated gas consumption was greater than or equal to their estimated electricity consumption (or where estimates for neither were available, the set of questions asked was decided at random). Using this approach, a total of 888 respondents were asked most questions focused on their electricity supply and 412 respondents were asked most questions focused on their gas supply.

More information on the weights used is included in Appendix 4.

A quantitative survey with non-domestic energy consumers was also commissioned by Ofgem in 2012[8]. Although a similar methodology was used, and there was overlap in terms of content and coverage of the survey, the questionnaire was redesigned in 2013 to ensure that relevant indicators could be tracked to understand future developments in the non-domestic energy market following the implementation of RMR. As such, the findings from this survey are not directly comparable with the findings from the previous survey, and a comparative analysis is not included within the main body of this report.

2.4. Structure of this report

The information in this report is set out as follows:

- **Chapter 3**: covers current energy supply arrangements and satisfaction with suppliers – how businesses pay for their energy, levels of satisfaction with energy bills, the nature of current energy contracts used by businesses (such as fixed term and length of contract), overall satisfaction with energy contracts, contact with suppliers around queries and complaints and the likelihood to recommend their current supplier.

- **Chapter 4**: looks at how business consumers engage with their energy contracts - renewal – how the current contract was chosen, previous contract history, satisfaction with the contract renewal process and knowledge of contract end and notice period dates.

- **Chapter 5:** covers market engagement and switching – including how frequently consumers review key aspects of their energy supply arrangements, switching history over the previous five years and during the previous twelve months, the number of alternatives suppliers when consumers last switched and the number of offers received, reasons for switching and not switching, consumers' evaluation of their most recent switching experience, and satisfaction with key aspects of the energy market including the variety of options available to non-domestic energy consumers, and how easily these are understood and the perceived level of competition in the market.

- **Chapter 6**: examines the role of energy brokers in the market (otherwise known as third party intermediaries or TPIs) – including the overall view of energy brokers by non-domestic consumers, the number of approaches made by brokers during the previous twelve months, the broker services utilised, and the level of satisfaction with the services provided by the broker among those who used a broker to choose their current contract/tariff.

[8] Quantitative Research into Non Domestic Customer Engagement and Experience of the Energy Market Report, Accent, November 2012 https://www.ofgem.gov.uk/ofgem-publications/39449/quantitative-research-non-domestic-customer-engagement-and-experience-energy-market.pdf

Appendix 1 presents survey results in relation to business profiles and energy use.

Appendix 2 presents detailed survey results of questions relating to how frequently non-domestic energy consumers review their energy supply arrangements (the main conclusions are covered in chapter 5).

Appendix 3 presents the satisfaction with aspects of the energy market by predominant fuel.

Appendix 4 provides a summary of the sampling and weighting approach applied to this survey.

Appendix 5 provides a copy of the questionnaire.

2.5. Reporting conventions

As already stated, all participating organisations are referred to as businesses, whether they operate in the private or public sector.

Businesses have been categorised by the total number of employees using the following definitions: micro businesses (zero to nine employees), small businesses (10 to 49 employees), medium businesses (50 to 249 employees) and large businesses (250 or more employees).

The report presents findings from all respondents (n=1,300) as well as the following sub-groups:

- Respondents from businesses that consume electricity as their primary fuel (n=888).
- Respondents from businesses that consume mains gas as their primary fuel (n=412).
- Respondents from different business sizes (micro n=394, small n=422, medium n=279, large n=205).

All findings in the report are weighted except when reporting on the individual business sizes referred to above. Differences in scores are reported as statistically significant on the basis of tests conducted at the 95% confidence level.

Percentages in the tables and figures do not always add to 100%. This may be because the question allowed multiple answers to be selected or because of rounding.

Tables are headed by actual question wording and a question number, which matches the question numbers in the full questionnaire included in Appendix 5 to this report.

Any findings referred to which are not shown in the tables are all available in the original copy of the data tabulations held by Ofgem.

3. Current energy supply arrangements and satisfaction with suppliers

3.1. Overview and key findings

This chapter includes findings from a number of questions related to non-domestic consumers' current gas and electricity supply arrangements and their general experiences of energy suppliers. As such it covers:

- Payment methods used by business consumers.
- Their satisfaction with energy bills, including perceived clarity, accuracy and views on the language used.
- The nature of the energy contracts used by businesses, including whether or not they are fixed term and the length of contract.
- Satisfaction with energy contracts.
- The contact businesses have with their energy suppliers for queries or complaints, including the incidence, nature and satisfaction with this contact.
- Satisfaction with, and likelihood to recommend, current supplier.

Appendix 1 presents detailed information on the profile of those business consumers who responded to the survey, including a breakdown of the energy suppliers they are currently with.

Key findings are as follows:

Payment methods used, and satisfaction with energy bills

- Overall, the great majority of non-domestic consumers said that they pay their energy bills using direct debit (83%). However large businesses were less likely than other business sizes to pay in this way (67%) and more likely to pay on receipt of a bill (26%).
- The majority were satisfied with all aspects of billing measured in this survey (between 76% and 79% satisfied). However, gas customers were less satisfied with their bills than electricity customers. Micro businesses showed less satisfaction on aspects such as billing accuracy.

Nature of, and satisfaction with, energy contracts

- Most non-domestic consumers reported being on a fixed term contract (83%).The most common duration for these contracts was either one (29%) or two (30%) years.
- Only about one in four (26%) had looked over their contract in the past year, which is one indication of a lack of consumer engagement. Micro businesses were least likely to have read their contract.
- Amongst those who had engaged with their contract, the majority were satisfied with all aspects measured in this survey (between 75% and 85% satisfied). However, as with

billing, gas customers were less satisfied than their electricity counterparts with their contracts.

Business consumer contact with energy suppliers

- The majority had not contacted their supplier recently, but around one in seven (14%) had made contact in the past two years and around one in eight (12%) in the past year. Large businesses were significantly more likely to have contacted their supplier compared to other business sizes.

- Among those who had recent contact, the main reason for contacting a supplier was regarding a query (62%) rather than a complaint (23%), and the main subject for both queries and complaints was billing.

- Non-domestic consumers' satisfaction levels with how suppliers handled the contact were not overwhelming. On the factors measured, the proportions indicating satisfaction ranged from 56% (for time taken to respond) to 49% (for the follow up provided). Conversely, dissatisfaction ranged from 23% to 34%, indicating scope for improvement.

Satisfaction with, and likelihood to recommend, energy suppliers

- The majority of non-domestic consumers were satisfied with the aspects of their suppliers' service measured in this survey, however there was some variation recorded across different attributes and between different sub-groups, indicating some scope for improvement:

    - There was relatively higher satisfaction with service provided (79% satisfied, 6% dissatisfied) and meeting the organisation's needs (78% satisfied, 6% dissatisfied).

    - Conversely, their satisfaction was relatively lower with information on tariffs and options (71% satisfied, 12% dissatisfied) and particularly with value for money (60% satisfied, 15% dissatisfied).

    - Micro businesses tended to be comparatively less satisfied with the information provided on available tariffs/options and with value for money.

    - Electricity consumers were more polarised in their views across all the aspects of service tested apart from value for money. They were both more positive and more negative compared to gas customers who tended to be more neutral in their responses. Electricity consumers were more likely to be satisfied with value for money than gas consumers, although the average value for money satisfaction rating for these two groups was the same.

- Despite generally high levels of satisfaction with energy suppliers' service, there was a low level of reported advocacy, with only 11% emerging as 'Promoters', 42% as 'Neutral' and 44% as 'Detractors' overall; this results in a negative Net Promoter Score (NPS) of -33%.

    - Large businesses were more negative than other business sizes and electricity consumers were more likely to be Detractors compared to their gas counterparts.

3.2. Methods of paying for energy

All respondents were asked about the method they use to pay for their energy. This is of interest to Ofgem as a feature of the market, and because different payment methods may prompt different kinds of engagement among business consumers (e.g. payment on receipt of bill requires a business consumer to review information and act upon it, whereas payment by direct debit may not).

Table 1: Payment method used by business

Q.20 How does your firm pay for ELECTRICITY/GAS?

	Overall (weighted) (n=1,300)	Predominant energy source (weighted)		Business Size			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Direct debit	83%	83%	82%	83%	84%	78%	67%
Pay only on receipt of bill	13%	13%	14%	13%	12%	15%	26%
Standing order	1%	1%	1%	1%	2%	1%	0%
Prepayment meter	0%	1%	0%	1%	0%	0%	0%
Other	1%	1%	0%	1%	1%	3%	3%
Unsure	1%	1%	3%	1%	1%	3%	2%

(Base: All non-domestic consumers)

Direct debit was the most common form of payment for all non-domestic consumers (83%), with similar proportions of electricity (83%) and gas (82%) businesses[9] stating that they paid by this method. Direct debit was also the main method of payment used across businesses of all sizes. However, large businesses were significantly less likely to use direct debit (67%) than other business sizes, and significantly more likely to pay on receipt of the bill (26%, compared to 13% overall). This more widespread use of payment on receipt by large businesses may reflect the more sophisticated financial controls and large accounting departments typically in place in larger business, leading to reduced use of automated payment methods.

3.3. Satisfaction with bill

Respondents were asked to rate their level of satisfaction with key aspects of their energy bill, on a scale from one to five where one is very dissatisfied and five is very satisfied. For each of the four aspects tested, the results are presented in two ways:

- The percentage who were 'net satisfied' – i.e. the percentage of businesses that responded with a rating of four or five
- The mean score (i.e. average score) of the ratings provided by respondents.

[9] i.e. businesses where electricity or gas is the predominant fuel used

Table 2: Satisfaction with different aspects of the bill

Q.32 Thinking now about your energy bill, please rate the following on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied.

% net satisfied = 4 & 5 / *mean score*	**Overall (weighted) (n=1,149)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=790)	Gas (n=359)	Micro (n=334)	Small (n=376)	Medium (n=250)	Large (n=189)
Clarity of how the bill is calculated	79%	81%	77%	80%	80%	75%	85%
	3.94	*3.97*	*3.85*	*3.92*	*3.99*	*4.11*	*4.10*
Accuracy of the bill	77%	78%	76%	76%	83%	82%	82%
	3.98	*4.02*	*3.89*	*3.96*	*4.09*	*4.21*	*4.08*
Clarity / usefulness of information	76%	77%	75%	75%	79%	75%	80%
	3.92	*3.94*	*3.86*	*3.90*	*4.01*	*4.06*	*4.10*
Language and terminology used	76%	76%	75%	75%	82%	79%	83%
	3.90	*3.92*	*3.84*	*3.88*	*4.07*	*4.14*	*4.17*

(Base: All non-domestic consumers who review any of cost/consumption/contract/overall service/specific aspects of the contract at least every 3 years[10])

When asked to rate their level of satisfaction with key aspects of their energy bill (clarity, usefulness of information, language used, and accuracy) the majority of respondents reported that they were satisfied or very satisfied with all aspects included in the survey. Most respondents said they were satisfied (either 4 or 5, where 5 is very satisfied) with: *clarity of how the bill is calculated* (79%), *bill accuracy* (77%), *clarity/usefulness of information provided* (76%), and *language and terminology used* (76%).

Although, only a small minority of respondents were dissatisfied with these aspects of their bill, it is worth noting that:

- One in ten (10%) said that they were dissatisfied with the language and terminology used;

[10] Those respondents (151) who stated they 'never' reviewed information about their energy supply (such as consumption or cost) or 'less often than every 3 years' were not invited to reflect on bills, as they were considered unlikely to have had recent experience of reviewing a bill.

- One in ten (10%) said they were dissatisfied with the clarity of how their bill is calculated;
- One in twelve (8%) said that they were dissatisfied with the clarity and usefulness of information provided; and
- One in fifteen (7%) said that they were dissatisfied with the accuracy of the bill.

Although electricity bills scored higher than gas bills across all four of the aspects tested, this difference was only significant in the case of 'clarity of how bills are calculated', where 81% were satisfied with this aspect of electricity bills and 77% for gas bills. Micro businesses were significantly less satisfied with the accuracy of the bill (76%) compared to the other business size categories (82-83%).

3.4. Nature of current energy contract

Respondents were asked whether they were on a fixed term contract for their electricity or gas at the present time, and if so what the term (or length) of their contract was. Given the majority of non-domestic consumers do have a contract in place with their energy supplier (see below), it is important for Ofgem to understand the duration of these contracts and how this may vary across different business sizes. Ofgem also wishes to understand the proportion of businesses that are unsure about the length of their contract, or whether they have a contract in place or not, as these are potential indicators of business consumers lacking awareness of a key aspect of their energy supply arrangements.

Table 3: Total term of the current energy supply contracts (where a contract is in place)

Q.21 Do you have a fixed term contract for your ELECTRICITY/GAS supply? By that I mean, a contract that is for a set period of time and defines when you can change to another supplier?

Sub-question if business has a fixed term contract:

Q.22 What is the total term of your contract? By that I mean the length of your contract in total (from beginning to end), not the time remaining.

	Overall (weighted) (n=1,300)	Predominant energy source (weighted)		Business Size			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
No fixed term contract	10%	10%	12%	10%	9%	5%	9%
Less than 1 year	4%	5%	2%	4%	3%	2%	2%
1 year	29%	27%	30%	28%	35%	30%	30%
2 years	30%	30%	29%	30%	27%	29%	26%
3 years	11%	12%	8%	11%	12%	11%	12%
4 years	1%	2%	1%	2%	1%	1%	3%
More than 5 years	2%	1%	2%	2%	2%	1%	3%
Unsure of duration of contract	6%	6%	8%	6%	6%	13%	11%
Unsure if contract exists	8%	8%	8%	8%	5%	8%	5%

(Base: All non-domestic consumers)

Over four fifths of non-domestic consumers (83%) stated that they currently had a fixed term contract with their energy supplier. By comparison, only one in ten (10%) reported that they did not have a fixed term contract in place. Around one in twelve (8%) was unsure of whether a contract existed.

A small proportion (overall 6%) stated that they had a fixed term contract in place but were unsure of the duration of the contract. Medium businesses and large businesses were roughly twice as likely as micro or small businesses to report that they were unsure of the duration of their contract. Although this is a potential indicator of a lack of consumer awareness, this may be due to the separation in larger businesses of the responsibility for the legal aspects of the supplier relationship (including contract management) from that for the billing and supplier management aspect of the supplier relationship[11].

[11] This may have affected the ability of individual respondents from medium and large businesses to answer this question.

Among those with a fixed term contract, the total period of the contract was most commonly reported as being either one year (accounting for 29% of all consumers) or two years (30% of all consumers). Those in small businesses were significantly more likely to report being in a one year contract (35%) compared to other business sizes. Just over one in ten (11%) reported being on a three year fixed contract and very few (3%) said they were on contracts longer than this.

3.5. Satisfaction with contract documentation

Respondents were asked a number of questions relating to their satisfaction with the content of their contract documentation, including is clarity and transparency (e.g. in relation to contract length). All respondents were initially asked if they had read through their contract in the last twelve months, so that only those with relatively recent experience of reading their contact were asked to evaluate it.

Table 4: Whether respondent has read contract during previous twelve months

Q.29 Have you read your contract document in the last twelve months? (by which I mean you've at least glanced through it)

	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Yes	26%	24%	29%	25%	30%	29%	29%
No	74%	76%	71%	75%	70%	71%	71%

(Base: All non-domestic consumers)

Just over one quarter (26%) of non-domestic consumers reported that they had read (or at least glanced through) their energy contract in the last twelve months. Micro businesses were least likely to have read their contract (with only 25% doing so), compared with other business sizes (with 29%-30% doing so).

Those who stated they had read or glanced through their contract documentation in the last 12 months were asked to evaluate their documentation across six key aspects relating to its clarity and transparency. The percentage of businesses who reported being satisfied with these six aspects is set out below, as is the mean score for each aspect.

Table 5: Satisfaction with aspects of the contract documentation among respondents who have read it in the previous 12 months (presenting percentage net satisfied and means are reported on each issue)

Q.30 Thinking about your current contract, please rate the following on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied							
% net satisfied (4 & 5) / *Mean score*	**Overall (weighted)**	**Predominant energy source (weighted)**		**Business Size**			
	(n=366)	Electricity (n=242)	Gas (n=124)	Micro (n=99)	Small (n=125)	Medium (n=82) [12]	Large (n=60) [13]
Clarity of the duration of the contract	85%	87%	84%	86%	84%	87%	75%
	4.08	*4.12*	*3.99*	*4.08*	*4.07*	*4.22*	*4.03*
Clarity of the renewal terms and dates	83%	84%	83%	75%	70%	71%	71%
	4.05	*4.09*	*3.95*	*4.04*	*4.05*	*4.28*	*4.07*
Language and terminology used	82%	85%	75%	83%	75%	80%	70%
	3.98	*4.03*	*3.86*	*3.99*	*3.88*	*4.06*	*3.87*
Transparency of costs and charges	77%	77%	76%	77%	81%	74%	70%
	3.88	*3.93*	*3.76*	*3.86*	*4.01*	*3.90*	*3.87*
Clarity and usefulness of information	76%	77%	73%	76%	74%	82%	72%
	3.88	*3.91*	*3.82*	*3.88*	*3.89*	*4.07*	*3.88*
Length of the contract document	75%	76%	74%	74%	77%	79%	69%
	3.93	*3.96*	*3.88*	*3.93*	*3.95*	*4.10*	*3.90*

(Base: non-domestic consumers who stated that they had read or glanced through the contract in the previous twelve months)

Among respondents who stated that had read the contract in the previous twelve months, the majority stated that they were satisfied with these key aspects of the documentation. They were most likely to be satisfied with: *the clarity of the duration of the contract* (with 85% satisfied with this), *the clarity of renewal terms and dates* (83% satisfied) and *the language and terminology used* (82% satisfied). Just over three quarters were satisfied with: *the transparency of costs and charges* (77%), and *the clarity and usefulness of the information* (76%). Although three-

[12] NB: please treat findings with caution in light of low base size.
[13] NB: please treat findings with caution in light of low base size.

quarters (75%) were satisfied with *the length of the contact document*, this scored less well in comparison with the other aspects evaluated.

Although only a small minority of respondents were dissatisfied with these aspects of their contract, it is worth noting that:

- One in ten (10%) were dissatisfied with the clarity and usefulness of information;
- Under one in ten (9%) were dissatisfied with the length of the contract document;
- One in twelve (8%) were dissatisfied with the language and terminology used;
- One in twelve (8%) were dissatisfied with the transparency of costs and charges
- One in fifteen (7%) were dissatisfied with the clarity of the renewal terms and dates; and
- One in twenty (5%) were dissatisfied with the clarity of the duration of the contract.

Between electricity and gas consumers, electricity consumers tend to be comparatively more satisfied with their contract documentation than gas consumers and the greatest differences in satisfaction were:

- *Language and terminology used,* where satisfaction with electricity contracts (85%) was significantly higher than with gas (75%); and
- *Clarity and usefulness of information*, where satisfaction with electricity contracts (77%) was significantly higher than with gas (73%).

3.6. Business consumers' contact with their energy supplier, including handling of queries and complaints

Ofgem is interested in the level of engagement business consumers have with their energy suppliers on an ongoing basis, and how well energy suppliers meet the needs of business consumers when handling their queries and complaints. While acknowledging that businesses may contact energy suppliers for a number of reasons, most consumer contacts may be characterised as relating to queries or complaints. Respondents were therefore asked whether they had contacted their own electricity or gas supplier in the previous 2 years with either a query or complaint, and the reasons for that contact.

Table 6: Whether contacted supplier during previous two years for queries or complaints

Q.33 Have you contacted your ELECTRICITY/GAS supplier with a query or complaint in the past two years? By complaint, I mean that you wanted to express dissatisfaction over a particular part of their service or product, and by query I mean contact for any other reason.

	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Yes - within last year	12%	10%	15%	11%	12%	14%	20%
Yes - within last 2 years (but not within last year)	2%	2%	1%	2%	2%	1%	0%
No	85%	86%	83%	86%	84%	82%	78%
Don't know	1%	1%	1%	1%	3%	3%	2%

(Base: All non-domestic consumers)

The majority of businesses (85%) said they had not contacted their energy supplier with a query or complaint over the past two years. Approximately one in seven (14%) had made contact with most of those (12%) making contact within the last year. Large businesses were most likely to have made contact with their supplier in the last year (20%); this compares to just one in nine (11%) for micro businesses, and around one in eight (12%) for small businesses. Those who had been in contact with their supplier in the past two years were asked to provide the main reason for their most recent contact. The categorisation between query and complaint was driven purely by the respondent's perception of their most recent contact.[14]

[14] It should be noted that the frequency figures for both queries and complaints reported in this research may not match energy supplier reported rates. In the case of complaints, it is plausible that a customer may believe that they made a complaint but it was not recorded on the supplier's complaint system as such (for example if the issue was resolved during the first call, required no additional follow-up and potentially not recorded as a complaint).

Table 7: Reasons reported for last supplier contact amongst those contacting their supplier in the past 2 years

IF CONTACT WITH SUPPLIER MADE IN PREVIOUS 2 YEARS

Q.34 Thinking about the last time you contacted your supplier, what was the main reason for contacting them?

		Overall (weighted) (n=192)	Electricity (weighted) (n=131)	Gas (weighted) (n=61)[15]
Query regarding:	Billing process	26%	30%	18%
	The bill (e.g. accuracy or amount)	26%	19%	41%
	Current contract/tariff	3%	4%	1%
	Information on changing supplier	2%	3%	0%
	Other	5%	4%	5%
Complaint regarding:	The bill (e.g. accuracy or amount)	14%	18%	6%
	Current contract/tariff	5%	5%	6%
	Billing process	2%	3%	1%
	Information on changing supplier	0%	0%	0%
	Other	2%	3%	1%
Other (neither query nor complaint)		13%	9%	22%
Unsure		2%	3%	0%

(Base: All non-domestic consumers who contacted their electricity or gas supplier with a query or complaint in the past two years)

Among businesses that had contacted their supplier in the last two years, around three in five (62%) of recent contacts were queries, just under a quarter (23%) were regarded as complaints and just over one in ten (13%) were considered to be ‘other’ contact (that could not be classified easily as either a query or complaint). Most queries were about the billing process or the accuracy or amount of the bill itself, accounting for over half (52%) of all recent contacts. The accuracy of the bill was also the predominant reason for recent complaints, accounting for around one in seven (14%) of all recent contacts.

[15] NB: please treat findings with caution in light of low base size.

Although differences in the responses of gas and electricity business consumers can be observed, these should be treated as indicative only in light of the low base of gas customers who had contacted their supplier in the last two years.

Table 8: Assessment of most recent contact experience with regard to a query among consumers who contacted their supplier in the past 2 years

Q.35 Still thinking about the last time you *contacted your supplier; please rate each of the following statements on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied. If a statement is not applicable to your experience, please say so*				
Satisfied = 4,5 Neutral = 3, Dissatisfied = 1,2 Not applicable = 6 *Mean (excluding not applicable)*		**Overall (weighted) (n=136)**	**Predominant energy source (weighted)** Electricity (n=91)[16]	Gas (n=45)
The time they took to respond to your query	Satisfied	56%	47%	Insufficient responses to report
	Neutral	21%	26%	
	Dissatisfied	23%	26%	
	Mean	*3.41*	*3.23*	
The solution they offered	Satisfied	54%	43%	
	Neutral	13%	19%	
	Dissatisfied	34%	38%	
	Mean	*3.22*	*3.00*	
Their follow up service/communication	Satisfied	49%	42%	
	Neutral	15%	21%	
	Dissatisfied	32%	35%	
	Not applicable	0%	2%	
	Mean	*3.24*	*3.06*	

(Base: All non-domestic consumers who contacted their electricity or gas supplier with a query [17]in the past two years)

Over half (56%) of respondents who contacted their supplier in connection with a query were satisfied with the time the supplier took to respond; this is true for under half (47%) of electricity consumers[18]. Over half (54%) of energy consumers were satisfied with the solution offered by the supplier and half (49%) were satisfied with the follow-up service/communication provided. The proportions for electricity were lower with two fifths (43%) satisfied with the solution offered and a similar figure (42%) satisfied with the follow-up service/communication.

A significant minority of businesses who had contacted their supplier in connection with a query were dissatisfied: one third (34%) were dissatisfied with the solution offered to their query, a similar proportion (32%) were dissatisfied with the follow-up service/communication, and close to a quarter (23%) were dissatisfied with the time taken to respond to the query. This suggests

[16] NB: please treat findings with caution in light of low base size.
[17] The number of respondents who had contacted their supplier in connection with a complaint is insufficient for reliable reporting of results
[18] The number of gas respondents is insufficient for reliable reporting of results

there is scope for suppliers to be improving their handling of queries from business customers to ensure more feel satisfied with the solutions provided and the follow-up service received.

3.7. Satisfaction with, and likelihood to recommend, current supplier

Business consumers were asked to provide feedback on their overall satisfaction with their energy supplier, by considering the service they provide, the degree to which the supplier meets the needs of their business, the information they provide on tariffs, and overall value for money. These are important indicators of consumer satisfaction that Ofgem wishes to track among different segments of non-domestic consumers both now and going forward as RMR measures are fully implemented.

Ofgem was also interested in the extent to which business consumers would recommend their energy supplier to a friend or colleague, and so the established metric of Net Promoter Score (NPS) was used to measure this.

Table 9: Satisfaction with current supplier

Q.51 Thinking about your current supplier, please rate each of the following statements on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied (and 6 is don't know).

Satisfied = 4,5 Neutral = 3, Dissatisfied = 1,2 Don't know = 6 *Mean (excluding don't knows)*		Overall (weighted) (n=1,300)	Predominant energy source (weighted)		Business Size			
			Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
The service provided	Satisfied	79%	81%	75%	79%	81%	84%	84%
	Neutral	12%	10%	16%	12%	14%	12%	10%
	Dissatisfied	6%	7%	4%	6%	4%	3%	5%
	Don't know	3%	2%	5%	3%	1%	1%	1%
	Mean	*3.98*	*3.99*	*3.96*	*3.98*	*4.03*	*4.11*	*4.12*
The degree to which your energy supplier meets your organisation's needs	Satisfied	78%	80%	75%	78%	81%	85%	82%
	Neutral	14%	12%	16%	14%	13%	11%	10%
	Dissatisfied	6%	7%	4%	6%	5%	2%	5%
	Don't know	2%	1%	5%	2%	1%	2%	3%
	Mean	*3.95*	*3.95*	*3.95*	*3.94*	*4.04*	*4.15*	*4.08*
The information provided on available tariffs and options	Satisfied	71%	73%	65%	71%	74%	73%	72%
	Neutral	13%	12%	20%	13%	15%	19%	15%
	Dissatisfied	12%	13%	9%	12%	8%	5%	7%
	Don't know	4%	2%	6%	4%	3%	3%	6%
	Mean	*3.78*	*3.79*	*3.74*	*3.76*	*3.88*	*3.98*	*3.96*
The value for money	Satisfied	60%	61%	55%	58%	70%	68%	75%
	Neutral	21%	20%	25%	22%	17%	21%	13%
	Dissatisfied	15%	16%	14%	16%	12%	8%	8%
	Don't know	4%	3%	6%	4%	1%	3%	4%
	Mean	*3.62*	*3.62*	*3.62*	*3.60*	*3.79*	*3.84*	*3.90*

(Base: All non-domestic consumers)

Nearly four-fifths of customers reported satisfaction with the service provided by the energy supplier (79%), and a small minority (6%) were dissatisfied overall. Satisfaction with service provided is significantly higher among electricity consumers evaluating their electricity supplier (81%) than compared to gas consumers evaluating their gas supplier (75%).

Overall, very similar figures emerged when asked the degree to which the energy supplier met the organisation's needs: nearly four-fifths (78%) reported as satisfied and again just 6% dissatisfied.

There was a slightly lower level of satisfaction reported (71%) regarding the information provided on available tariffs and options, and around one in eight (12%) reported being dissatisfied with this, suggesting there is some scope for suppliers to improve their practices here. Again micro-businesses were more likely to be dissatisfied with information on tariffs and options (12% dissatisfied) than medium and large businesses (5% and 7% dissatisfied).

Value for money achieved the lowest satisfaction score, with less than two-thirds (60%) being satisfied with this. More than one in seven (15%) of customers were dissatisfied with value for money. Micro businesses were twice as likely to report being dissatisfied with value for money (16%) than large businesses (8%).

In comparison to gas consumers, electricity consumers were significantly more polarised in their views across all the aspects of service tested apart from value for money, i.e. both significantly more satisfied and significantly more dissatisfied, whereas gas customers were more neutral. For value for money, electricity customers were significantly more satisfied but not significantly more dissatisfied than gas customers. However, the average value for money satisfaction rating for electricity and gas consumers was the same.

Respondents were asked to rate how likely it would be that they would recommend their current energy provider to a friend or colleague on a scale of 1-10, so that they could be categorised as ‘promoters’ (scores of 9 or 10), ‘neutral’ (scores of 7 or 8) or ‘detractors’ (scores of 1-6) and a Net Promoter Score (NPS) could be calculated (‘promoters’ minus ‘detractors’). NPS can be as low as −100 (where all consumers are detractors) or as high as +100 (where all consumers are promoters). An NPS that is positive (i.e. higher than zero) is considered to be good, and an NPS of +50 to be excellent. Conversely, an NPS that is negative (i.e. lower than zero) is regarded as poor and an indication of low advocacy.

Table 10: Likelihood to recommend energy supplier

Q.53 Please rate on a scale of 0 to 10 how likely is it that you would recommend your current energy provider to a friend/colleague/other, where 0 is not at all likely and 10 is extremely likely.

Promoter = 9,10 Neutral = 7,8 Detractor = 0-6 *Mean*	**Overall (weighted) (n=1,300)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Promoter	11%	10%	16%	11%	12%	12%	15%
Neutral	42%	41%	44%	42%	40%	43%	32%
Detractors	44%	47%	36%	43%	47%	43%	51%
Don’t know	3%	2%	5%	3%	2%	2%	2%
Mean	6.09	6.04	6.21	6.05	6.31	6.50	6.72
Net Promoter Score (= Promoter – Detractor)	**-33%**	**-37%**	**-20%**	**-32%**	**-35%**	**-31%**	**-36%**

(Base: All non-domestic consumers)

Over two-fifths (44%) of all business consumers can be categorised as ‘detractors’ of their energy supplier, and only around one in ten (11%) to be ‘promoters’. A large proportion, around two fifths (42%), can be considered ‘neutral’. As such the Net Promoter Score (NPS)[19] is low for energy suppliers (-33%) with NPS for electricity suppliers significantly lower (-37%) than for gas suppliers (-20%).

The above suggests that while the majority of businesses are broadly satisfied with key aspects of the service provided by their energy supplier, in the main, this does not extend to them being advocates of their energy provider.

[19] The Net Promoter Score, or NPS®, is a widely used metric measuring the loyalty that exists between a supplier and a consumer. It was created by Bain & Company, a management consulting firm. The score is calculated as the difference between the Promoter score (responses 9 or 10) and the Detractor score (responses 0 to 6).

4. Contracts and their renewal

4.1. Overview and key findings

This chapter examines how business consumers engage with their energy contracts, including:

- How the current energy contract was chosen.
- Previous contract history including whether on first or subsequent contract with current supplier and, if the latter, how the contract was renewed.
- Satisfaction with the contract renewal process (amongst those who have renewed).
- Knowledge of when the current contract ends and when renegotiation or termination of contracts can occur (for those consumers on a fixed term contract).

Key findings are as follows:

How the current energy contract was chosen

- In selecting a new contract, switching sites were important particularly in the electricity market and for micro businesses.
- Recommendations from incumbent suppliers were also significant, particularly in the gas market.
- Brokers also played a role, which was more significant for medium and large businesses.

Previous contract history

- Just over one third (36%) were on their first contract with their current supplier, but a larger proportion (54%) had moved onto a subsequent contract.
- Of this latter group, most had negotiated a new contract (42%), whilst only a minority had a contract rolled over (12%), mostly with their knowledge (10%)[20].
- It is also worth noting that one in ten (11%) did not know what kind of contract they were on or what their recent contract history was, which is an indication of a lack of consumer engagement.

Satisfaction with contract renewal process

- More than four in five (83%) reported being satisfied with the contract renewal process compared to less than one in ten (7%) who were dissatisfied with this.

Knowledge of contract end date and renegotiation/termination notice period

- Only a minority claimed to know exactly which month their contract ends (49%) and when their notice period is (48%). Most of the remainder reported knowing these dates ‘approximately’, but more than one in ten (13% for contract end date,

[20] All percentages are proportions of the total base (i.e. all non-domestic consumers), i.e. not proportions of the sub-set who had moved on to a subsequent contract.

17% for notice period) admitted to not knowing this.

- This finding, along with the minority who did not know what kind of contract they had (as reported above), and the large majority who had not looked at their contract in the last year (as reported in Section 3), combine to indicate that there are potential issues in the non-domestic market with engagement with contracts.

4.2. How the current contract was chosen

Ofgem wishes to understand how business consumers choose their energy contracts and tariffs, and how this may vary across different kinds of business, Respondents were therefore asked to recall how they had chosen their current contract/tariff.

Table 11: How current contract was chosen

Q.28 How did you choose your current contract/tariff? (if current contract rolled over, respondents asked to refer to the original contract they set up).

	Overall (weighted) (n=1,300)	Predominant energy source (weighted)		Business Size			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Compared quotes on a switching site (either online or over the phone)	29%	32%	20%	30%	24%	16%	20%
Based on recommendations from current supplier after I approached them	17%	15%	23%	17%	16%	17%	8%
Based on recommendations from current supplier; they approached me	9%	8%	12%	9%	7%	10%	7%
With help from a broker I approached	7%	7%	5%	6%	7%	15%	17%
With help from a broker that approached me	5%	5%	6%	5%	9%	6%	6%
Based on recommendations from other suppliers that I approached	4%	4%	3%	4%	2%	4%	4%
Based on recommendations from other suppliers that approached me	2%	2%	4%	2%	3%	2%	1%
Recommended to me by a colleague\contact\friend	4%	4%	4%	4%	5%	3%	4%
Other	10%	10%	9%	9%	17%	13%	18%
Unsure	14%	13%	14%	14%	10%	14%	15%

(Base: All non-domestic consumers)

Both at an overall level, and for electricity consumers specifically, the main route to choosing the current tariff/contract was by comparing quotes on a switching site (29% overall and 32% for electricity). This is followed by basing the decision on a recommendation from the current supplier where the business approached the supplier (17% overall and 15% for electricity customers).

For gas consumers the picture is somewhat different, with the highest proportion (23%) basing their decision on a recommendation from the current supplier after the business had approached the supplier, while the second highest proportion (20%) compared quotes on a switching site.

Across business size categories, micro businesses are most likely (30%) to choose their tariff by comparing quotes on a switching site, while large (20%) and medium (16%) businesses are least likely to use this route.

Brokers were reported to be involved in the decision by around one in eight respondents (12%).

4.3. Previous contract history

Respondents were asked about the status and history of their contract with their current supplier, and whether they were actively or passively involved in setting the current contract arrangements.

Table 12: Status of contract with current supplier

Q.25 Which of the following statements best describes your current contract arrangements with your ELECTRICITY/GAS supplier?

	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
This is the first contract we've had with our current supplier	36%	38%	29%	36%	34%	34%	26%
We've had one or more contracts with our current supplier, and we negotiated this contract as a new contract with the same supplier	42%	40%	47%	41%	45%	42%	47%
We've had one or more contracts with our current supplier, and our current contract was rolled over to another term with our knowledge	10%	10%	10%	10%	8%	8%	13%
We've had one or more contracts with our current supplier, and our current contract was rolled over to another term without our knowledge	2%	1%	3%	2%	0%	1%	0%
Other	0%	0%	1%	0%	0%	1%	0%
Unsure	11%	11%	10%	10%	11%	13%	14%

(Base: All non-domestic consumers)

Just over half of those surveyed (54%) had moved beyond their first contract with their current supplier. Amongst this group, most had negotiated a new contract, with 42% of all businesses stating that their current contract had been negotiated as a new contract with an existing supplier. Around one in eight (12%) were on a contract that had been rolled over, mostly (10%)

with their knowledge. By comparison, just over one third (36%) were on their first contract with their current supplier.

Gas customers were more likely than electricity customers to have negotiated a new contract with their existing supplier. Large businesses were also more likely than other business sizes to fall into this category. Conversely, electricity customers were more likely to be on their first contract with their current supplier. Micro businesses were also significantly more likely than large businesses to fall into this category.

4.4. Satisfaction with contract renewal

Those who had either negotiated a new contract with an existing supplier or who were on a contract that had rolled over with an existing supplier were asked about their satisfaction with the contract renewal process.

Table 13: Satisfaction with the contract renewal process

Q.26 How satisfied were you with the experience of renewing the contract with your ELECTRICITY/GAS supplier? Please rate on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied.

Satisfied = 4,5 Neutral = 3 Dissatisfied = 1,2 Unsure = 6 *Mean (excluding unsure)*	**Overall (weighted) (n=692)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=459)	Gas (n=233)	Micro (n=204)	Small (n=226)	Medium (n=140)	Large (n=122)
Satisfied	83%	85%	79%	83%	85%	84%	83%
Neutral	9%	7%	14%	9%	9%	6%	11%
Dissatisfied	7%	7%	5%	7%	4%	6%	3%
Unsure	1%	1%	2%	1%	2%	4%	3%
Mean	*4.06*	*4.07*	*4.06*	*4.06*	*4.09*	*4.13*	*4.14*

(Base: non-domestic consumers who have had one or more contracts with their current supplier and either negotiated a new contract with an existing supplier or had the contract rolled over)

When asked about their experience of renewing the contract with their supplier, respondents with experience of this mostly reported that they were satisfied (83%). Only a small proportion reported dissatisfaction (7%).

Additional questions were asked about the reasons behind dissatisfaction. The relatively low level of dissatisfaction means that the sample was small for the additional question on why they were dissatisfied; there were just under 50 (weighted) responses. The most common reason given at an overall level was an increase in prices (with 15 (weighted) respondents stating this). However, extreme caution should be exercised in interpreting this result given the small number of businesses providing responses.

There was no significant difference in the level of satisfaction among those who negotiated a new contract (83%) with an existing supplier and among those who had the contract rolled over (86%). It is not possible to look separately at the level of satisfaction among those respondents who said they were on a contract that had been rolled over by an existing supplier *without their knowledge*, due to the small number who reported this.

4.5. Knowledge of contract end and notice period dates

As business consumers on fixed term contracts approach the end of any existing contract, their choices as to their future supply arrangements[21] can be limited if they do not know their contract is coming to an end or if they are unsure of the window when they can either start renegotiating their contract or give notice of termination to their existing supplier. Therefore Ofgem is interested in the extent of business consumers' awareness and knowledge of end and notice period dates attached to their existing contract. The next two questions explore the extent of knowledge of when the respondents' contract ends, and their knowledge regarding when they can start renegotiating their contract or give notice of termination to their supplier.

Table 14: Knowledge of contract end date

Q.23 Do you know when your contract ends?

	Overall (weighted) (n=1,097)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=749)	Gas (n=348)	Micro (n=321)	Small (n=360)	Medium (n=241)	Large (n=175)
Yes - exactly - I know which month it ends	49%	49%	46%	48%	53%	47%	58%
Yes - I know approximately	38%	39%	37%	39%	32%	36%	29%
No/Unsure	13%	12%	18%	13%	15%	17%	13%

(Base: non-domestic consumers who have a fixed term contract with current supplier)

[21] I.e. whether they explore alternative suppliers, negotiate a new contract with their existing supplier or let a current contract roll over

Table 15: Knowledge of renegotiation period

Q.24 Are you aware of when you can start renegotiating your contract or give notice of termination to your supplier?							
	Overall (weighted) (n=1,097)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=749)	Gas (n=348)	Micro (n=321)	Small (n=360)	Medium (n=241)	Large (n=175)
Yes – exactly (I know which month I can do this)	48%	49%	44%	47%	50%	45%	59%
Yes – I know approximately	36%	35%	37%	36%	33%	36%	27%
No/Unsure	17%	16%	19%	17%	16%	19%	14%

(Base: All non-domestic consumers who have a fixed term contract with current supplier)

Most non-domestic consumers in current fixed term energy contracts stated that they knew exactly or approximately when their energy supply contract ends (87%) and when they can start renegotiating the contract or give notice of termination (84%). Approximately half (49%) of businesses with a fixed term energy contract claimed that they know 'exactly' which month the contract ends and when the renegotiation window occurs (48%). Over a third of those with a fixed term contract stated that they know these dates 'approximately' (38% for contract end date and 36% for renegotiation or notice of termination period).

Nevertheless, a significant minority of businesses with a fixed term contract stated that they do not know the contract end month (13%) and the renegotiation or termination window (17%).

The proportion with exact knowledge of renegotiation/termination windows differs notably between electricity (49%) and gas (44%).

Large businesses (58%) are significantly more likely than micro businesses (48%) to know the contract end date. Similarly, large businesses (59%) are significantly more likely than micro businesses (47%) to know which month they can start to renegotiate the contract or give notice of termination to the supplier.

This suggests that, although large businesses are more likely to be unsure of the duration of their contract compared to micro businesses (as stated in

Table 3: Total term of the current energy supply contracts (where a contract is in place)), they are more likely to know the end date of the contract and the renegotiation window. This could be because large businesses tend to have higher energy expenditure than micro businesses and therefore have a higher incentive to look for the best possible contract. Knowing the end date of the contract and the renegotiation window are necessary for a business to negotiate their future contract, while knowing the total duration of their current contract is potentially less important by comparison.

5. Market engagement and switching

5.1. Overview and key findings

This chapter examines topics related to market engagement and changing energy suppliers (switching) among non-domestic consumers:

- The frequency with which non-domestic consumers review key aspects of their energy supply arrangements with a view to possibly changing them.
- The reported frequency of switching energy supplier during the previous five years.
- The incidence of switching during the previous twelve months (amongst those who had switched suppliers a known number of times in the last five years)
- The number of alternative suppliers last contacted by consumers who had switched suppliers in the last five years, and the number of suppliers providing offers to these consumers.
- Reasons for switching or for not switching.
- Views about their most recent switching experience amongst those who had switched in the past five years.
- Overall satisfaction among non-domestic consumers with aspects of the energy market.

Key findings are as follows:

Frequency of review of key energy supply arrangements

- Most non-domestic consumers claimed to have reviewed key aspects of their energy supply arrangements including the overall service provided by their supplier, the contract and specific contractual elements, and energy costs and consumption (between 73% and 82% across the five aspects measured). However, a minority admitted not to have done so (between 11% and 20%).
- Amongst those who undertook such reviews, the most commonly reported frequency was annually (between 46% and 55% across the five aspects measured); a minority said that they review more often than this (between 11% and 21%) while more than one in ten reported less frequent reviews (between 12% and 16%).[22]
- Annual reviews were more common for energy cost and consumption but less likely for the overall service provided by suppliers or contractual elements.
- There were also some sub-group differences, with micro businesses and electricity customers less likely than other groups to report conducting such reviews.

Reported frequency of switching in last five years, and incidence of switching in the last year

- Overall, 40% reported switching a known number of times in the last five years – just over one in five (22%) had switched once, around one in ten (11%) had switched twice, whilst fewer again (7%) had switched more than twice.

[22] All percentages are proportions of the total base (i.e. all non-domestic consumers), i.e. not proportions of the sub-set who said they undertake such reviews.

- Overall, 14% of non-domestic consumers had switched in the last twelve months. Micro businesses were less likely to have switched over this time period than other business sizes, which potentially indicates lower market engagement amongst micro businesses.

Suppliers who were contacted by switching consumers and who made offers to switching consumers

- One indicator of market competitiveness is the number of offers being considered by those switching. The survey findings here suggest that there were market comparisons taking place, with respondents who had switched reporting on average that they had contacted more than 3 suppliers and also that more than 3 suppliers had provided offers to them.

Reasons for switching and not switching

- Reasons for switching tended to be price-driven rather than relating to dissatisfaction with previous service. In particular, the 'new supplier offering a more suitable tariff' (69%) and switching to 'achieve a reduction in total cost' (62%) were key factors. That said, more than one in five (22%) cited dissatisfaction with the previous supplier as a factor in their switch. In addition, one in seven (14%) reported that billing issues were a reason for their switch.
- The main reasons for not switching were either being satisfied with the incumbent supplier (68%) or not being convinced that there would be sufficient savings (42%); the latter may indicate perceived complexity of the market and difficulty identifying more competitive deals. In addition, one in four (25%) explicitly cited 'complexity' as a reason for not switching – and this was a significantly greater barrier for micro businesses compared to other business sizes.

Satisfaction with the switching process

- Most of those who had switched were satisfied with the aspects of the switching experience measured in the survey (between 76% and 80% across the four aspects measured).
- However, while more than three quarters (77%) said that 'the process of choosing a new supplier was easy', one in seven (15%) disagreed on this point. This may be another indication that for some non-domestic consumers the process would benefit from being more simple and transparent. Micro businesses were most likely of the business sizes to regard the process as being complex.
- In addition, around half agreed that they would have liked to 'provide the previous supplier with less warning' (50%) and to have the 'option of switching more quickly' (47%). This suggests that there is some appetite for streamlining the switching process.

Satisfaction with the energy market

- All non-domestic consumers were asked about their satisfaction with aspects of the energy market overall, regardless of their switching experience. There was majority satisfaction with the 'variety of options available' (58%), 'level of competition' (58%) and 'ease at which offers can be understood' (53%). However, it was not a large majority who were satisfied and there was a significant minority of dissatisfaction in each case (16% for variety, 19% for competition, 24% for ease of understanding). In addition, on two further aspects responses were polarised – 'sales approach taken by suppliers' (40% satisfied, 35% dissatisfied) and 'sales approach taken by brokers' (36% satisfied, 38% dissatisfied). This indicates scope for improvement, particularly with respect to sales activity.

5.2 How often businesses review their current energy supply arrangements

The non-domestic consumers surveyed were asked a series of questions about how often they reviewed the following with a view to possibly changing their energy supply arrangements:

- the overall service provided by their current supplier;
- their contract, and specific aspects of their contract (payment or billing); and
- their energy costs and energy consumption.

These are important indicators of engagement with the energy market that Ofgem wishes to examine alongside supplier switching and contract/tariff renewal behaviours.

The majority of businesses said that they undertook reviews of this kind at least once in the past, with 82% reviewing energy cost and their contract, 80% reviewing their consumption, 77% reviewing their overall service, and 73% saying they reviewed specific aspects of their contract.

However a minority reported they 'never' reviewed these aspects with a view to possibly changing their energy supply arrangements: one in five (20%) said they never review specific aspects of their contract such as payment method or billing period, and more than one in seven (15%) never review the overall service from their supplier. A smaller minority (between 11 and 13 per cent) report never reviewing their contract, energy costs or energy consumption. Micro-businesses were significantly less likely to review these aspects of their energy supply arrangements with a view to possibly changing them. Electricity consumers in general were less likely to review these aspects than gas consumers.

Of those businesses that did review aspects of their energy supply, most reported that they undertook such reviews on an annual basis, with between 46% and 55% of all business consumers saying they did this annually across the five variables. A fifth (21%) reviewed energy cost and energy consumption more often than yearly, whereas only 11% did this for the other aspects tested. Large and medium sized businesses were significantly more likely to undertake monthly reviews of energy cost and energy consumption as compared with small and micro businesses.

The detailed findings from these questions and accompanying analysis are presented in Appendix 2.

5.3 Incidence of switching in last five years

Ofgem needs to understand the level of supplier switching among business customers to help it understand how competition is working within the non-domestic energy market. It also needs to understand whether switching behaviours differ among different parts of the market, e.g. according to size of business.

Respondents were initially asked how frequently, if at all, they had switched supplier in the last five years. Those who said they had switched at least once in the past five years were asked if they had switched in the last 12 months (i.e. approximately covering a 12 month period between June 2012 to August 2013).

Table 16: Reported number of switches during previous five years

Q.36 How many times has your organisation switched ELECTRICITY/GAS supplier in the last five years?							
Number of switches	**Overall (weighted) (n=1,300)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	0 to 9 (n=394)	10 to 49 (n=422)	50 to 249 (n=279)	250+ (n=205)
Never	40%	41%	36%	41%	32%	29%	19%
Unknown	19%	21%	14%	19%	23%	26%	32%
1	22%	20%	29%	23%	22%	17%	21%
2	11%	9%	17%	11%	13%	19%	16%
3	5%	6%	3%	5%	5%	6%	9%
4	1%	1%	0%	1%	2%	1%	0%
More than 4	1%	1%	1%	1%	2%	3%	3%

(Base: All non-domestic consumers)

Two-fifths of business energy consumers (40%) said they had never switched their energy supplier, and nearly a fifth (19%) were not sure how many times, if at all, their business had switched during this period. Larger businesses were more likely to be unsure about previous switching history than smaller businesses[23].

Just over two-fifths of non-domestic electricity consumers (41%) reported that they had <u>not</u> switched electricity supplier in the last five years. This reduces to just over one third (36%) who had not switched gas suppliers, with gas consumers significantly more likely to state they had switched at least once or twice in the last five years than electricity consumers. Micro businesses were significantly more likely to say they had <u>never</u> switched (41%) as compared to large businesses (19%).

Amongst those who had switched a known number of times in the last five years, the most common number of switches was once. Roughly one in five businesses (22%) reported switching once in the last five years, one in ten (11%) had switched twice, one in twenty (5%) switched three times, and very few (2%) had switched more often than this.

5.4 Incidence of switching in last twelve months

Those respondents who recalled switching a known number of times within the last five years, were asked whether they had switched supplier in the last twelve months. Below we present:

- The overall proportion of business consumers reporting that they switched supplier in the last 12 months, looking at the total sample of respondents[24].
- The proportion of those consumers who switched at least once in the last 5 years, who also switched in the last 12 months.

[23] This may be associated with staff in larger businesses not having been in their current role long enough to be able to provide an accurate answer for the previous five year period.
[24] Calculated by rebasing answers to Q37 to the whole sample of non-domestic consumers.

Table 17: Reported incidence of switching in previous twelve months

Q.37 Have you switched ELECTRICITY/GAS supplier in the last twelve months?

	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Yes	14%	14%	15%	14%	18%	19%	19%
No	86%	86%	85%	86%	82%	81%	81%

(Base: All non-domestic consumers)

	Switched at least once in last 5 years (weighted) (n=577)	**Predominant energy source (weighted)**		Micro (n=)	Small (n=)	Medium (n=)	Large (n=)
		Electricity (n=380)	Gas (n=197)	Micro (n=161)	Small (n=189)	Medium (n=126)	Large (n=101)
Yes	35%	38%	29%	34%	40%	42%	38%
No	65%	62%	71%	66%	60%	58%	62%

(Base: Non-domestic consumers who switched a known number of times during previous five years)

Approximately one in seven (14%) of all business consumers reported switching energy supplier in the previous 12 months. Similar levels of switching were reported for electricity (14%) and gas (15%). This suggests that overall supplier switching rates continue to be higher in the non-domestic market than in the domestic market.[25]

Those from micro businesses were less likely to have switched in the last 12 months (with 14% doing so) compared to other business sizes (18% for small and 19% for both medium and large).

Of the businesses that had switched a known number of times in the previous five years, just over one-third (35%) reported switching energy supplier in the previous twelve months. Of these, switching electricity in the last 12 months (38%) was more prevalent than for gas (29%). Among this subset of consumers with switching experience in the last five years, micro

[25] Although not directly comparable, Ofgem's 'Customer engagement with the Energy Market – Tracking Survey 2013' showed that 11% of domestic gas customers reported switching their supplier in 2012 and 12% of electricity customers switched their supplier in 2012. See link: https://www.ofgem.gov.uk/ofgem-publications/74756/customer-engagement-energy-market-tracking-survey-2013.pdf

businesses were less likely to have switched in the last year (34%) compared to other business sizes (40% small, 42% for medium, 38% for large).

5.5 Reasons for switching and not switching

Those businesses reporting experience of switching in the last five years were asked about the reasons behind their most recent decision to switch. This was measured by asking these respondents to rate a number of statements according to their perceived relevance.

Table 18: Reasons for switching rated by non-domestic consumers who switched during previous five years

Q.41 When you last switched, rate each of the following potential reasons for your decision to switch on a scale of 1 to 5 where 1 is not relevant and 5 is very relevant.

Reason for switching **% net relevant = 4 & 5** *(Mean)*	**Overall (weighted) (n=577)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=380)	Gas (n=197)	Micro (n=161)	Small (n=189)	Medium (n=126)	Large (n=101)
The new supplier offered a more suitable tariff for our energy needs	69% *(3.81)*	71% *(3.86)*	64% *(3.72)*	69% *(3.81)*	68% *(3.81)*	70% *(3.90)*	66% *(3.60)*
To achieve a reduction in the total cost, even though my supplier had not recently announced a price rise	62% *(3.61)*	62% *(3.59)*	63% *(3.65)*	62% *(3.61)*	64% *(3.59)*	62% *(3.57)*	61% *(3.55)*
The previous supplier had recently announced a price rise	44% *(2.96)*	42% *(2.94)*	46% *(3.01)*	43% *(2.94)*	52% *(3.14)*	43% *(3.05)*	29% *(2.46)*
The new supplier offered greater assistance on energy reduction initiatives	30% *(2.56)*	28% *(2.52)*	33% *(2.64)*	30% *(2.55)*	34% *(2.62)*	27% *(2.50)*	28% *(2.40)*
We were not satisfied with the service provided by our former supplier	22% *(2.30)*	22% *(2.34)*	22% *(2.24)*	23% *(2.33)*	21% *(2.15)*	20% *(2.10)*	24% *(2.19)*
The new supplier offered a bundle of ELECTRICITY/GAS and other services (such as telecommunications)	18% *(2.00)*	19% *(2.04)*	17% *(1.93)*	18% *(2.02)*	17% *(1.91)*	12% *(1.78)*	16% *(1.83)*
We were approached by a broker who recommended that we switch our supplier	17% *(1.92)*	17% *(1.93)*	17% *(1.90)*	16% *(1.90)*	21% *(2.03)*	24% *(2.20)*	30% *(2.31)*
We experienced problems with the accuracy of bills from the previous supplier	14% *(1.81)*	15% *(1.82)*	12% *(1.79)*	14% *(1.83)*	13% *(1.71)*	12% *(1.59)*	13% *(1.67)*
We had to switch for internal reasons such as moving premises	11% *(1.58)*	12% *(1.63)*	8% *(1.47)*	11% *(1.58)*	12% *(1.59)*	7% *(1.40)*	10% *(1.51)*

(Base: Non-domestic consumers who switched a known number of times during previous five years)

Respondents were shown nine reasons that may have played a role in their decision to switch, three of which were related specifically to **energy prices**. These price-related factors emerged as the most relevant reasons for switching:

- *'The new supplier offered a more suitable tariff for our energy needs'* achieved a net relevant response[26] from almost seven in ten respondents (69%).
- *'To achieve a reduction in the total cost, even though my supplier had not recently announced a price rise'* had a net relevant response from over six in ten (62%).
- The previous supplier had *'recently announcing a price rise'* had a net relevant response from over four in ten (44%).
- Another at least partly price-related factor was the new supplier *'offering greater assistance on energy reduction initiatives'*, – this had a net relevant response from almost one in three (30%).

Issues related to the previous service received were comparatively less common reasons for switching but they did emerge as factors for a minority. For example, *'we were not satisfied with the service provided by our former supplier'* had a net relevant response by just over one in five (22%) non-domestic consumers who switched in the previous five years. *'We experienced problems with the accuracy of bills from the previous supplier'* had a net relevant response from about one in seven (14%) consumers who switched in the previous five years.

Other lower order factors influencing switches included the new *supplier offering a bundle of energy with other services* (18%), being *approached by a broker recommending a switch* (17%) and *needing to switch for internal reasons such as moving premises* (11%),

The top two reasons for switching (being offered a more suitable tariff, to achieve a reduction in energy costs) were common across all sub-groups, including both electricity and gas consumers. However:

- There were significantly more reports of electricity consumers being influenced by new electricity suppliers offering a more suitable tariff (71%), as compared with the figures for gas (64%).
- Large businesses were significantly less likely to be prompted to switch by their previous supplier recently announcing a price rise, as compared with all other business sizes
- Approaches by brokers were a more relevant prompt to switch for large businesses (30%) as compared with other business sizes.

Those respondents who had not switched in the previous twelve months were asked to rate a series of reasons for not switching, on a scale from one to five where one is not at all relevant and five is very relevant.

[26] I.e. 4 or 5, where 5 is 'very relevant'

Table 19: Reasons for not switching in the previous twelve months rated by non-domestic consumers

Q.42 For each of the following reasons, rate why you did not switch during the previous twelve months, on a scale of 1 to 5 where 1 is not at all relevant and 5 is very relevant.

Reason for not switching % net relevant = 4 & 5 *(Mean)*	**Overall (weighted) (n=771)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=511)	Gas (n=260)	Micro (n=266)	Small (n=249)	Medium (n=154)	Large (n=102)
We are satisfied with the service that we receive from our supplier and have no reason to switch	68% *(3.82)*	69% *(3.83)*	67% *(3.81)*	69% *(3.83)*	70% *(3.79)*	64% *(3.75)*	66% *(3.76)*
We did not believe that the level of savings were sufficient to justify switching	42% *(3.00)*	42% *(2.97)*	44% *(3.08)*	43% *(3.00)*	45% *(2.97)*	40% *(3.14)*	46% *(3.08)*
We considered switching but stayed with the existing supplier	39% *(2.65)*	36% *(2.58)*	42% *(2.84)*	38% *(2.64)*	39% *(2.74)*	37% *(2.75)*	33% *(2.59)*
We are not able to switch because of the contract with our current supplier has not expired	30% *(2.41)*	30% *(2.39)*	31% *(2.44)*	31% *(2.41)*	29% *(2.33)*	29% *(2.44)*	33% *(2.60)*
It is too complex and time consuming to find a new tariff or supplier to switch to	25% *(2.19)*	24% *(2.18)*	26% *(2.21)*	26% *(2.21)*	19% *(2.07)*	20% *(2.03)*	9% *(1.63)*
We are not able to switch because we missed the window of time	10% *(1.63)*	11% *(1.70)*	8% *(1.45)*	10% *(1.63)*	9% *(1.57)*	9% *(1.72)*	6% *(1.47)*
We attempted to switch but our supplier stopped us from switching for other reasons	6% *(1.44)*	7% *(1.49)*	5% *(1.30)*	6% *(1.44)*	8% *(1.49)*	4% *(1.39)*	5% *(1.35)*
It is not possible for my organisation to switch due to outstanding arrears on our organisation's account	5% *(1.37)*	5% *(1.39)*	5% *(1.32)*	5% *(1.37)*	4% *(1.34)*	6% *(1.45)*	2% *(1.26)*

(Base: Non-domestic consumers who have not switched in the previous 12 months)

Of those non-domestic consumers who had not switched in the previous twelve months, over two thirds (68%) expressed that being '*satisfied with the service that we receive from our supplier and have no reason to switch'* was a net relevant reason for not switching. On cost issues specifically, approximately two fifths (42%) considered the potential savings to be insufficient to justify switching. Slightly fewer (39%) reported that they had considered switching but stayed with their existing supplier. Taken together these indicate that satisfaction with the current supplier, combined with the perception of insufficient financial imperative, limits switching rates.

Some issues with the switching process were also reported. Three in ten respondents (30%) reported that the current energy contract end date had not expired while one quarter agreed with a statement about the perceived complexity and time investment required to find a new tariff/supplier (25%).

There was little variation across the different business size categories overall. However, *'It is too complex and time consuming to find a new tariff or supplier to switch to'* was reported as net relevant by more than one in four (26%) of those from micro businesses compared to fewer than one in ten (9%) of those from large businesses.

The businesses who stated that they had not switched in the previous five years were significantly more likely than those who had switched in the previous five years (but not in the previous twelve months) to state that they did not believe that the level of savings were sufficient to justify switching (48%) and also were more likely to state that they were satisfied with the service that they receive from their current supplier (71%). Conversely, they were less likely to state that they are not able to switch because of the 'contract with our current supplier has not expired'.

5.6 Number of suppliers contacted and offers considered during most recent switch

Respondents who reported having switched in the last five years were asked to recall the number of alternative suppliers who were contacted when they last switched.

Table 20: Reported number of alternative suppliers contacted by non-domestic consumers when they last switched

Q.38 Thinking about the last time you switched, how many alternative suppliers were contacted (either by you or on your behalf by a broker)?

Number of alternative suppliers contacted	**Overall (weighted) (n=577)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=380)	Gas (n=197)	Micro (n=161)	Small (n=189)	Medium (n=126)	Large (n=101)
0	1%	2%	0%	1%	1%	1%	0%
1	9%	6%	14%	9%	10%	6%	5%
2	8%	8%	8%	8%	6%	9%	1%
3	24%	23%	25%	24%	22%	10%	9%
4	11%	13%	8%	11%	16%	10%	8%
More than 4	12%	10%	9%	10%	14%	27%	35%
Don't recall	38%	38%	36%	38%	34%	38%	43%
Mean number of alternative suppliers contacted	3.46	3.58	3.20	3.32	4.22	5.01	5.31

(Base: Non-domestic consumers who switched a known number of times during previous five years)

Of those non-domestic consumers who had switched in the last five years, the mean number of suppliers contacted was 3.46. On average more electricity suppliers were contacted (3.58) than gas (3.20). Micro businesses tended to contact the least number of suppliers (average of 3.32 suppliers contacted) while large businesses contacted the greatest number (5.31). In line with this:

- Micro and small businesses were almost twice as likely as medium and large businesses to contact just one alternative supplier.
- Medium and large businesses were more than twice as likely as micro and small businesses to have contacted more than 4 alternative suppliers.

Of those non-domestic consumers who had switched in the last five years, nearly two-fifths (38%) could not recall the number of alternative suppliers they contacted.

Respondents with experience of switching in the last 5 years were also asked to recall the number of offers from suppliers that they received when they last switched energy supplier.

Table 21: Reported number of offers from alternative suppliers received

Q.39 Thinking about the last time you switched, how many alternative suppliers made an offer to supply ELECTRICITY/GAS (either to you or via a broker)?							
Number of offers received	**Overall (weighted) (n=577)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=380)	Gas (n=197)	Micro (n=161)	Small (n=189)	Medium (n=126)	Large (n=101)
0	3%	4%	0%	2%	3%	1%	2%
1	8%	7%	10%	8%	8%	6%	3%
2	7%	7%	8%	7%	10%	10%	0%
3	22%	19%	28%	23%	19%	12%	8%
4	10%	11%	8%	9%	13%	10%	11%
More than 4	13%	12%	11%	13%	12%	21%	30%
Don't recall	39%	41%	35%	39%	37%	40%	47%
Average number of alternative suppliers who made an offer	3.58	3.69	3.37	3.50	3.91	4.77	6.13

(Base: Non-domestic consumers who switched a known number of times during previous five years)

The figures are largely consistent with those for ‘numbers of suppliers contacted’. Again a large proportion of consumers (39% overall) could not recall this detail.

Of those non-domestic consumers who had switched in the last five years, an average of 3.50 suppliers made an offer to micro businesses the last time the business switched; this figure was substantively higher for large businesses who received an average of 6.13 offers. On average more offers were received by electricity consumers (3.69) than gas (3.37).

5.7 Evaluation of the switching experience

Businesses with switching experience in the last five years were asked a number of questions related to their evaluation of the switching experience. They were also asked about their interest in options for a more flexible switching process in future.

Table 22: Assessment of switching experience among non-domestic consumers who switched within last five years

Q.49 (1 of 2) Thinking about when you switched ELECTRICITY/GAS supplier, please rate the following on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree.								
Net agree = 5, 4 Neutral = 3 Net disagree = 2, 1 Not applicable = 6 *Mean*		**Overall (weighted) (n=577)**	**Predominant energy source (weighted)**		**Business Size**			
			Electricity (n=380)	Gas (n=197)	Micro (n=161)	Small (n=189)	Medium (n=126)	Large (n=101)
The overall service provided by the new supplier was satisfactory	Net agree	80%	77%	83%	78%	87%	86%	74%
	Neutral	15%	15%	15%	16%	10%	8%	14%
	Net disagree	4%	5%	2%	4%	3%	1%	3%
	Not applicable	2%	3%	0%	2%	1%	5%	10%
	Mean	*4.09*	*4.04*	*4.19*	*4.06*	*4.34*	*4.37*	*4.14*
Having agreed with our new supplier to switch, the process of switching over was easy	Net agree	78%	77%	78%	78%	82%	79%	73%
	Neutral	11%	12%	10%	11%	13%	13%	12%
	Net disagree	9%	9%	8%	10%	4%	4%	4%
	Not applicable	2%	2%	2%	2%	2%	4%	12%
	Mean	*4.04*	*4.01*	*4.09*	*4.01*	*4.22*	*4.20*	*4.17*
The process of choosing a new supplier was easy	Net agree	77%	76%	76%	75%	81%	79%	73%
	Neutral	7%	8%	7%	7%	12%	10%	11%
	Net disagree	15%	15%	15%	16%	7%	8%	7%
	Not applicable	1%	1%	2%	1%	1%	3%	10%
	Mean	*3.89*	*3.86*	*3.97*	*3.86*	*4.14*	*4.17*	*4.15*
Overall satisfied with experience of switching supplier	Net agree	76%	74%	80%	75%	86%	82%	79%
	Neutral	14%	15%	13%	15%	10%	10%	11%
	Net disagree	7%	7%	7%	8%	3%	3%	1%
	Not applicable	2%	3%	1%	2%	2%	6%	10%
	Mean	*4.03*	*4.00*	*4.10*	*3.99*	*4.33*	*4.31*	*4.27*

(Base: Non-domestic consumers who switched a known number of times during previous five years)

More than three quarters of non-domestic consumers who had switched in the previous five years (between 76% and 80%) agreed with all four of the statements provided to them about the switching experience. This suggests the majority of business consumers are broadly satisfied with their previous switching experiences. However, it is worth noting that more than one in seven (15%) businesses disagreed the *process of choosing a new supplier was easy*, and nearly one in ten (9%) disagreed that the *process of switching was easy once they had chosen a supplier*.

Across all four questions, micro businesses were most likely to disagree with the positive statements. For example, when asked to rate the statement *the process of choosing a new supplier was easy*, one in seven micro businesses (16%) disagreed, which is significantly greater than the figures (7%-8%) for the other size categories.

Table 23: Interest in additional flexibility around switching

Q.49 (2 of 2) Thinking about when you switched supplier, please rate the following on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree.

Net agree = 5, 4 Neutral = 3 Net disagree = 2, 1 *Not applicable = 6*		**Overall (weighted) (n=577)**	**Predominant energy source (weighted)**		**Business Size**			
			Electricity (n=380)	Gas (n=197)	Micro (n=161)	Small (n=189)	Medium (n=126)	Large (n=101)
We would have liked the option of giving less warning to a new supplier about our intention to switch to them when our contract ended	Net agree	50%	49%	51%	49%	49%	49%	49%
	Neutral	24%	25%	22%	25%	18%	18%	16%
	Net disagree	16%	17%	14%	14%	27%	23%	22%
	Not applicable	11%	10%	13%	11%	6%	9%	14%
	Mean	*3.53*	*3.5*	*3.60*	*3.56*	*3.31*	*3.35*	*3.39*
When we have not been in a fixed term contract, we would have liked the option of switching to another supplier more quickly	Net agree	47%	49%	44%	48%	44%	43%	45%
	Neutral	27%	25%	30%	27%	26%	25%	21%
	Net disagree	16%	17%	15%	15%	23%	19%	20%
	Not applicable	10%	10%	11%	11%	7%	13%	15%
	Mean	*3.45*	*3.46*	*3.43*	*3.48*	*3.23*	*3.29*	*3.31*

(Base: Non-domestic consumers who switched a known number of times during previous five years)

Of the two statements tested, around half (50% and 47%) of respondents agreed that they would like to see additional flexibility. Just over one in six respondents (16%) disagreed with these statements.

5.8 Satisfaction with the energy market

Ofgem is interested in overall perceptions of the non-domestic energy market among business consumers. Respondents were given five statements regarding the energy market, and were asked to respond on a scale from one to five where one is very dissatisfied and five is very satisfied. These statements covered a range of issues including the choice of options available to business consumers, the ease with which offers available can be understood, and the level of competition in the market. Views on the sales approaches used by suppliers and energy brokers were also gauged.

Because respondents were invited to consider the non-domestic energy market in general, responses have not been separated according to gas and electricity respondents below. However, a version of this table is appended (Appendix 3: Satisfaction with aspects of the energy market by predominant fuel) which separates the views of business consumers according to whether their predominant fuel is gas or electricity.

Table 24: Satisfaction with aspects of the energy market

Q.52 Thinking about the energy market in general, please rate each of the following statements on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

Satisfied = 4,5 Neutral = 3 Dissatisfied = 1,2 Don't know = 6 *Mean*		**Overall (weighted) (n=1,300)**	**Business Size**			
			Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
The variety of options available from different suppliers	Satisfied	58%	58%	60%	56%	60%
	Neutral	21%	21%	19%	21%	19%
	Dissatisfied	16%	16%	15%	15%	17%
	Don’t know	5%	5%	6%	8%	4%
	Mean	*3.54*	*3.53*	*3.64*	*3.60*	*3.57*
The level of competition in the market	Satisfied	58%	57%	62%	56%	60%
	Neutral	18%	19%	17%	18%	17%
	Dissatisfied	19%	19%	16%	18%	19%
	Don’t know	5%	5%	5%	8%	4%
	Mean	*3.52*	*3.51*	*3.62*	*3.58*	*3.55*
The ease with which offers available can be understood	Satisfied	53%	53%	51%	53%	56%
	Neutral	18%	18%	20%	24%	18%
	Dissatisfied	24%	24%	23%	17%	21%
	Don’t know	5%	5%	6%	6%	5%
	Mean	*3.36*	*3.35*	*3.40*	*3.50*	*3.47*
The sales approach taken by energy suppliers	Satisfied	40%	40%	41%	41%	38%
	Neutral	21%	20%	27%	23%	31%
	Dissatisfied	35%	36%	26%	24%	23%
	Don’t know	4%	4%	6%	12%	8%
	Mean	*3.01*	*3.00*	*3.14*	*3.22*	*3.19*
The sales approach taken by energy brokers	Satisfied	36%	36%	37%	41%	35%
	Neutral	19%	18%	24%	19%	25%
	Dissatisfied	38%	40%	30%	27%	33%
	Don’t know	7%	6%	9%	13%	7%
	Mean	*2.87*	*2.85*	*3.02*	*3.18*	*3.02*

(Base: All non-domestic consumers)

A majority of non-domestic consumers (58%) provided a net satisfied response to *the variety of options available from different suppliers.* However, nearly one in six (16%) disagreed. The same proportion (58%) stated that they were net satisfied with *the level of competition in the market,* However again a sizeable minority of nearly a fifth (19%) disagreed that the level of competition is satisfactory. An even greater proportion – nearly a quarter (24%) disagreed that *the ease with which offers available can be understood* is satisfactory, although overall over half (53%) consider this to be satisfactory.

The two most polarising statements related to *the sales approach taken by energy suppliers* (40% net satisfied, 35% net dissatisfied), and *the sales approach taken by brokers* (36% net satisfied, 38% net dissatisfied). Business consumers were least satisfied with these sales-related aspects of the non-domestic energy market. This may be because these aspects have the most potential to disrupt business consumers in their day-to-day work, however further research would be required to confirm this. The role of energy brokers specifically is further explored in more detail in the next chapter.

The reported level of satisfaction among non-domestic consumers on each of these aspects is similar across the different business size categories.

6 Role of energy brokers

6.1 Overview and key findings

This chapter includes analysis of the following issues related to non-domestic consumers' perceptions and experiences of energy brokers (otherwise known as third party intermediaries or TPIs):

- The overall view of energy brokers among all non-domestic consumers.
- The number of approaches made to non-domestic consumers by brokers during the previous twelve months.
- Satisfaction with the approaches from brokers.
- Broker services used by non-domestic consumers.
- Satisfaction with aspects of the service provided by the broker, among those who used brokers to choose their current contract/tariff.

Key findings are as follows:

Overall view of energy brokers among all non-domestic consumers

- There was a polarised view about brokers amongst non-domestic consumers overall (34% positive, 31% negative). Micro businesses and gas customers tended to be less positive.
- As micro businesses were least likely to use brokers (as shown in Section 4.2), their perceptions appear not to be based on experience of using brokers. Instead, as indicated below, it may be that sales approaches from brokers are driving some non-domestic consumers' perceptions of brokers.

Number of broker approaches and satisfaction with approaches

- Almost two thirds (64%) reported having been approached by brokers over the last twelve months. Four in ten (41%) said they were contacted more than 5 times and the average number of contacts was more than 12.
- Medium and large businesses received a greater than average number of broker approaches, and the frequency of broker contact was also higher for gas than for electricity customers.
- There was majority satisfaction with two of the four aspects of broker sales activity measured in this survey – 59% agreed that the broker had 'correctly identified themselves' and 57% that they had a 'professional tone'. However, there was a significant minority who disagreed on each of these points (26% on identification and 18% on tone).
- In addition, less than half agreed that 'accurate information had been provided' by the broker (49% agreed, 21% disagreed) and responses were particularly polarised on

whether the broker had been 'upfront about the cost of the service' (38% agreed, 31% disagreed).

- These responses indicate that broker sales activity is an area for improvement.

Use of, and satisfaction with, broker services

- As reported in Section 4.2, only a relatively small proportion overall (12%) reported using a broker to help them choose their current contract/tariff. As expected, medium and particularly large businesses were more likely to report broker use.
- Procurement of energy contracts was the predominant service received by those using brokers (77%), but a minority were also using for energy management (13%) and accounting (9%).
- Those using brokers' services were highly satisfied with the six aspects of broker service measured in this survey (between 80% and 85% across the aspects measured). This indicates that the issues with brokers are not related to services provided to their own customers, but with their sales activity.

6.2 Overall view of energy brokers

Energy brokers play a unique role in the non-domestic energy market and, as such, Ofgem is interested in business consumers' experiences of using brokers and how they are viewed. In this survey, all respondents, whether they had experience of brokers or not, were asked whether they had a broadly positive or negative view of energy brokers.

Table 25: Views of energy brokers among non-domestic consumers

Q.40 Would you say you have a broadly positive or negative view of energy brokers? *Please rate on a scale from 1 to 5 where 1 is very negative, and 5 is very positive*							
Positive = 4,5 Neutral = 3 Negative = 1,2 Don't know = 6 *Mean (excluding don't knows)*	**Overall (weighted) (n=1,300)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Positive	34%	36%	27%	32%	43%	53%	55%
Neutral	21%	20%	26%	22%	22%	20%	21%
Negative	31%	31%	30%	32%	24%	18%	13%
Don't Know	14%	13%	17%	14%	11%	9%	11%
Mean	*2.96*	*2.99*	*2.89*	*2.92*	*3.22*	*3.52*	*3.55*

(Base: All non-domestic consumers)

Businesses' views on energy brokers are almost evenly split between positive (34%) and negative (31%). Gas consumers are significantly less likely to hold positive views of brokers

(27%) than electricity consumers (36%) and more likely to be neutral (26% gas compared to 20% electricity).

Positive perceptions of brokers are correlated with business size, with larger businesses being comparatively more satisfied than smaller business. This may reflect different levels of experiences with brokers, as micro businesses reported having the least experience of using brokers and large businesses the most (see Table 11 in Section 4.2 for more detail). Overall, micro businesses were least likely to be positive (32%), followed by small businesses (43%), whilst medium (53%) and large (55%) businesses were significantly more likely to hold broadly positive views on brokers.

6.3 Frequency of approaches by brokers

Respondents were asked how many times they had been approached by brokers in the last twelve months.

Table 26: Number of approaches by brokers during previous twelve months

Q.47 How many times have you been approached by a broker in the last twelve months, roughly?

	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
None	22%	23%	18%	22%	19%	16%	22%
One to five	23%	22%	25%	22%	29%	25%	15%
More than five	41%	39%	45%	41%	38%	39%	41%
Don't recall	15%	16%	12%	15%	14%	20%	22%
Mean number of approaches[27]	*12.21*	*11.67*	*13.62*	*12.36*	*9.86*	*15.22*	*15.33*

(Base: All non-domestic consumers)

Nearly two thirds of businesses (64%) recall being approached by a broker at least once in the previous twelve months.

The gas market shows more broker activity than the electricity market – seven in ten (70%) were approached by a broker in the last year for gas; this compares to around one in six (61%) for electricity. The higher level of broker activity in the gas market as compared with electricity, is also reflected in the average number of approaches (for those who have been approached at least once in the last 12 months), which was 11.67 times on average for electricity and 13.62 times for gas.

[27] *including those who recalled zero approaches, but excluding those who could not recall whether they had been approached*

Larger businesses are generally subject to more approaches from brokers than smaller businesses, with medium and large businesses which have experienced broker approaches recalling around 15 approaches in the last year on average, with equivalent small and micro businesses recalling this happening between 9-12 times on average.

6.4 Satisfaction with broker approaches

Non-domestic consumers who had been approached by a broker in the last twelve months were asked to respond to statements describing four aspects of the service from brokers, including how clearly they identified themselves as a broker, how accurate the information on their services was, how upfront they were on cost, and how professional their tone was overall.

Table 27: Rating of different aspects during last approach by broker

Q.48 Thinking about your last approach by a broker, please rate the following on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree.

Net agree = 4,5 Neutral = 3 Net disagree = 1,2 Don't know = 6 *Mean*		Overall (n=821)	Predominant energy source (weighted)		Business Size			
			Electricity (n=536)	Gas (n=285)	Micro (n=248)	Small (n=282)	Medium (n=177)	Large (n=114)
Identified themselves clearly as an energy broker	Net agree	59%	58%	60%	58%	64%	72%	62%
	Neutral	8%	7%	12%	8%	9%	8%	10%
	Net disagree	26%	26%	25%	27%	20%	14%	21%
	Don't know	7%	9%	3%	7%	7%	6%	7%
	Mean	*3.50*	*3.51*	*3.48*	*3.47*	*3.74*	*3.93*	*3.65*
Tone was professional	Net agree	57%	56%	63%	57%	61%	68%	58%
	Neutral	16%	14%	15%	14%	19%	16%	22%
	Net disagree	18%	19%	17%	20%	11%	7%	11%
	Don't know	9%	11%	5%	9%	9%	9%	9%
	Mean	*3.57*	*3.57*	*3.56*	*3.54*	*3.75*	*3.95*	*3.68*
Provided accurate information about services offered	Net agree	49%	48%	50%	48%	52%	64%	48%
	Neutral	20%	22%	16%	21%	17%	13%	22%
	Net disagree	21%	19%	26%	21%	15%	13%	17%
	Don't know	10%	11%	8%	10%	16%	10%	13%
	Mean	*3.41*	*3.46*	*3.28*	*3.37*	*3.68*	*3.79*	*3.50*
Upfront about whether there was a cost for their services	Net agree	38%	35%	45%	37%	43%	50%	41%
	Neutral	13%	16%	10%	14%	14%	17%	20%
	Net disagree	31%	29%	35%	31%	30%	23%	25%
	Don't know	18%	20%	10%	18%	13%	10%	14%
	Mean	*3.04*	*3.03*	*3.06*	*3.02*	*3.15*	*3.38*	*3.19*

(Base: All non-domestic consumers approached by a broker in the last twelve months)

Nearly three in five of these respondents agreed that the broker *clearly identified themselves* (59%), and that their *tone was professional* (57%). However, broker conduct around accuracy of information and transparency around cost is viewed much less positively:

- Less than half (49%) agreed that the broker *provided accurate information about the service offered*; and
- Less than two in five (38%) were *upfront about the cost of their service*.

By looking across the indicators it can also be seen that a sizeable minority express concern about the conduct of the broker who last approached them. For example:

- Nearly a third (31%) disagreed that the broker was *upfront about whether there was a cost to their organisation for their services;*
- Over a quarter (26%) disagreed that they *identified themselves clearly as an energy broker; and*
- Around a fifth (21%) disagreed that the broker *provided accurate information about services offered*.

Those in micro business category were more likely than other business sizes to *disagree* that the broker had a professional tone, clearly identified themselves and provided accurate information about the services offered.

6.5 Use of broker services

Respondents who stated they had chosen their current contract/tariff with the help of a broker accounted for around one in eight businesses, i.e. 12% of the total sample (see Table 11 in Section 4.2 of this report). These respondents were asked to identify which of a list of potential services from a broker they had used.

Table 28: Services provided by brokers

Q.45 What services do you receive from your broker? (multiple answers possible)	
	Overall (weighted) (n=154)
Procure our energy/arrange our energy contract	77%
Energy management (i.e. reviews consumption, suggests energy efficiency measures, offers carbon reduction advice)	13%
Accounting (i.e. receives invoices, validates invoices, resolves errors)	9%
Other services	0%

(Base: All non-domestic consumers who chose current contract/tariff with help from a broker)

Among non-domestic consumers who chose their current contract with help from a broker, over three-quarters (77%) used the broker to procure/arrange energy contracts. Much smaller proportions used brokers for other services including energy management (13%) and accounting (9%).

The small sample size of responses means that a breakdown of these responses by energy type and business size categories is not statistically robust.

6.6 Satisfaction with broker services

Those who used broker services were also asked about their level of satisfaction with the service provided.

Table 29: Satisfaction with broker used during switching process

Q.44 Thinking about your organisation's experience with that broker, how satisfied were you with the overall service provided in the area of switching supplier?	
Satisfied = 4,5 *Neutral = 3* *Dissatisfied = 1,2* *Don't know = 6*	**Overall (weighted) (n=154)**
Satisfied	80%
Neutral	8%
Dissatisfied	11%
Don't know	0%
Mean	4.14

(Base: All non-domestic consumers who chose current contract/tariff with help from a broker)

Among the group of non-domestic consumers that had used a broker to choose their current contract/tariff, eight out of ten (80%) were satisfied with the overall service provided in the area of switching supplier. Although it should be noted this satisfaction was not unanimous, with around one in ten (11%) being dissatisfied. Nonetheless, in general these findings indicate that although some businesses expressed concern about broker conduct upon being approached (see 6.8 above), the majority of businesses who had used broker services were satisfied with the service provided.

The small sample size of responses means that a breakdown of these responses by energy type and business size categories is not statistically robust.

Table 30: Satisfaction with aspects of the service provided by broker

Q.46 Please rate each of the following aspects of the service provided by the broker in a scale from 1 to 5 where 1 is very dissatisfied and 5 is very satisfied.		
Satisfied = 4 & 5 *Neutral = 3* *Dissatisfied = 1,2* *Don't know = 6* *(Mean)*		**Overall (weighted) (n=154)**
The overall service provided by the broker	Satisfied	82%
	Neutral	12%
	Dissatisfied	7%
	Don't know	0%
	Mean	*(4.29)*
The transparency around the process followed by the broker to select the potential suppliers	Satisfied	85%
	Neutral	6%
	Dissatisfied	5%
	Don't know	3%
	Mean	*(4.27)*
The overall service provided by the broker during the supplier selection process	Satisfied	85%
	Neutral	9%
	Dissatisfied	6%
	Don't know	0%
	Mean	*(4.26)*
The overall service provided by the broker during the switching process after the new supplier had been selected	Satisfied	85%
	Neutral	9%
	Dissatisfied	6%
	Don't know	0%
	Mean	*(4.21)*
The communication from the broker before the engagement started around the process, potential costs and likely outcome from your business	Satisfied	81%
	Neutral	10%
	Dissatisfied	9%
	Don't know	0%
	Mean	*(4.11)*
The charge to my organisation for the broker's service	Satisfied	80%
	Neutral	6%
	Dissatisfied	5%
	Don't know	8%
	Mean	*(4.29)*

(Base: All non-domestic consumers who chose current contract/tariff with help from a broker)

Among non-domestic consumers that had used a broker to choose their current contract/tariff, approximately eight out of ten were satisfied with all aspects of broker service measured in the survey. Respondents were most likely to be satisfied with the *overall service provided by the broker* and the transparency of the *process used by the broker to select potential suppliers* (with 85% satisfied for both).

Respondents were least likely to say they were satisfied with aspects of the brokers' service relating to cost and upfront communication of process, costs and outcomes, i.e.:

- *the charge to my organisation for the broker's service,* where 80% were satisfied and 5% dissatisfied; and
- *the communication from the broker before the engagement started around the process, potential costs and likely outcome from your business,* where 81% were satisfied and 9% dissatisfied*.*

The small sample size of responses means that a breakdown of these responses by energy type and business size categories is not statistically robust.

Appendix 1: Business profile and energy use details

Overview

This appendix includes analysis of the following questions related to business profile and energy usage details of the non-domestic consumers surveyed:

- Filtering questions to ensure the respondent is the energy decision-maker for the business.
- Business profile questions, including the region and sector it operates in, the age of the business and its turnover.
- Energy expenditure (as a percentage of total business costs) and whether the business uses mains gas and the reported annual spend on gas.

Note that the objective of this section of the questionnaire was to ensure that the survey was representative of the market.

A1.1 Respondent profile

Respondents were asked a number of screening questions to ensure that the interview was carried out with the most appropriate individual within the business. To be eligible for participation in the research, the respondents were required to be responsible for paying energy bills (Table 31), and recommending or deciding upon the energy supplier (Table 32).

Table 31: Respondent's responsibility for paying energy bill

Q.1 Are you the person within your company who is solely or jointly responsible for paying the energy bills?

	Overall (weighted) (n=1,300)	Predominant energy source (weighted)		Business Size			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Yes, I'm solely responsible for paying the energy bill	63%	64%	60%	63%	57%	55%	53%
Yes, I am jointly responsible for paying the energy bill	35%	34%	38%	35%	40%	41%	40%
No, but established to be indirectly responsible	2%	2%	2%	2%	3%	5%	7%

(Base: All non-domestic consumers)

Almost all (98%) respondents stated that they were solely or jointly responsible for paying the energy bill. Approximately two thirds (63%) of respondents stated that they were solely responsible. Approximately two thirds of respondents (63%) from micro businesses were solely responsible for paying the energy bill. This is significantly higher than for any other business size category.

The 2% of respondents included in the sample who stated that they were not responsible for paying the bill were however confirmed to be indirectly responsible for the bill through another function (e.g. accounts department) and included in the research on that basis.

Table 32: Respondent's responsibility for recommending or deciding on energy supplier

Q.2 Do you also recommend or decide which supplier to use for the company's gas or electricity?

	Overall (weighted) (n=1,300)	Predominant energy source (weighted)		Business Size			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Yes, I recommend energy supplier	61%	61%	59%	60%	68%	67%	67%
Yes, I decide the energy supplier	36%	36%	36%	37%	28%	25%	25%
No – but established to provide options	4%	3%	4%	4%	4%	8%	8%

(Base: All non-domestic consumers)

Over three-fifths (61%) said they recommend the energy supplier for the business and over a third (36%) stated that they decide on the energy supplier. The picture was consistent across electricity and gas.

The proportion who decide, (rather than recommend), which energy supplier is used is highest among micro-businesses (37%). Amongst the other business sizes there are no significant differences.

Respondents who stated that they did not recommend or decide on the energy supplier were nevertheless confirmed to be the individuals responsible for the evaluation of supplier options that were suitable for the business (to be decided in association with other functions) and were therefore included in the research on that basis.

To understand the scope of the respondents' responsibility, they were asked whether their business was independent or part of a larger business, and if part of a larger business whether they were responsible for the energy arrangements for the whole business or just part of it.

Table 33: Whether business is independent or part of a larger business

Q.5 Is this an independent business or is it part of a larger business?							
	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Independent	90%	90%	89%	91%	88%	72%	47%
Part of a larger business	10%	10%	11%	9%	12%	28%	51%
Unsure	0%	0%	0%	0%	0%	0%	2%

(Base: All non-domestic consumers)

Nine in ten (90%) reported that they worked for independent businesses. Micro businesses were most likely to report being independent (91%). Businesses with the largest number of employees were most likely to report being part of a larger business (51%)

Table 34: Scope of responsibility for paying energy bill and/or recommending/deciding on energy supplier, among respondents working for part of a larger business

Q.6 Are you responsible for paying the energy bill and recommending or deciding energy supplier for the entire business, or your part of the business?			
	Overall (weighted) (n=262)	**Predominant energy source (weighted)**	
		Electricity (n=162)	Gas (n=100)
For the entire business	25%	35%	4%
For my part of the business	75%	65%	96%

(Base: All respondents working for part of a larger business)

Among those businesses which are part of a larger organisation, one quarter (25%) stated that they held the energy decision-making responsibilities for the entire business. However, there is a marked difference between non-domestic gas consumers and non-domestic electricity consumers. Very few (4%) of non-domestic gas consumers said they held these responsibilities for the entire business. Over one third (35%) of non-domestic electricity consumers said they held these responsibilities for the entire business.

Table 35: Analysis of scope of responsibility of respondent with regard to bill payment and selection of energy suppliers (combining Table 31 and Table 32)

Q. 1 & 2 Do you recommend or decide which supplier to use for the company's gas or electricity?			
Role in paying energy bills (n=1,300)	**Make decision**	**Recommend**	**No**
Solely responsible	19%	37%	3%
Jointly responsible	9%	27%	3%
Not responsible	1%	3%	0%

(Base: All non-domestic consumers)

From the summary of the responses in Table 31 and Table 32, approximately one fifth (19%) of respondents were solely responsible for paying energy bills and make the decision about which supplier to use.

A1.2 Business profile

Respondents were asked about the sector their business is in, and the location of the business.

Table 36: Sectoral breakdown of respondents (note that 1300 is the total sample size)

***Q.10 What is the main activity of the organisation?*[28]**		
	Overall (n=1,300) (all who use mains electricity)	**All who use mains gas (n=691)**
Wholesale and Retail Trade	23%	18%
Community, Social and Personal Service Activities	13%	15%
Construction	12%	11%
Real Estate, Renting and Business Activities	10%	11%
Manufacturing	9%	10%
Hotels and Restaurants	5%	8%
Financial Intermediation and Insurance	5%	4%
Transport, Storage and Communication	4%	5%
Health and Social Work	4%	5%
Charity	4%	5%
Agriculture, Hunting and Forestry; Fishing	3%	1%
Education	2%	2%
IT	2%	2%
Marketing, Advertising, PR and Design, Print	2%	1%
Other	1%	1%

(Base: All non-domestic consumers)

At a business sector level, there is no substantial difference between the number of businesses in each sector using gas and those using electricity.

[28] Open ended responses were captured during the fieldwork and coded during analysis

Respondents were asked to provide an indication of the annual turnover of their business.

Table 37: Annual turnover of respondents' business

Q.11 What is the yearly financial turnover of the organisation, roughly?							
	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
£0-£200,000	13%	13%	11%	14%	3%	1%	0%
£200,001-£1,000,000	10%	10%	9%	11%	6%	2%	0%
More than £1,000,000	6%	5%	7%	5%	15%	25%	23%
Don't know/Refused	71%	71%	72%	71%	75%	72%	75%

(Base: All non-domestic consumers)

Just under three quarters of respondents (71%) did not provide an estimate in response to this question. In some cases, this may reflect a reluctance to communicate potentially confidential information during a telephone survey. In other cases, the person responding to the survey may not have access to this information.

Respondents were asked to identify how long their organisations had been in existence.

Table 38: Age of respondents' business

Q.9 How long has the organisation been in existence?							
Years	**Overall (weighted) (n=1,300)**	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Up to 5 years	23%	24%	20%	25%	8%	6%	5%
6-10	17%	16%	20%	18%	15%	9%	8%
11-15	10%	12%	8%	10%	14%	10%	6%
16-20	13%	12%	15%	13%	15%	15%	11%
21-40	20%	21%	17%	20%	25%	24%	27%
Over 40 years	10%	9%	14%	9%	19%	27%	33%
Don't know	6%	6%	7%	6%	5%	10%	10%
Mean	*22.65*	*21.87*	*24.73*	*21.07*	*33.29*	*40.33*	*46.29*

(Base: All non-domestic consumers)

Slightly less than two thirds of businesses (63%) were established in the last 20 years, and nearly a quarter (23%) of all businesses have been in existence less than five years. The age of the business is significantly correlated with the size of the business, with micro businesses significantly more likely to be recently established than small; small significantly more likely to be recently established than medium, and medium significantly more likely to be recently established than large.

A1.3 Current non-domestic energy suppliers

All respondents (n=1,300) were asked which company currently supplies the electricity used by their business. All respondents in businesses that used mains gas (n=691) were asked which company currently supplies the gas used by their business. The purpose was to check that the sample was broadly reflective of known non-domestic market share information. Summary findings are as follows:

- Over three quarters (79%) of all businesses reported being customers of the six largest electricity suppliers, and nearly half (49%) are customers of British Gas and E.ON Energy. Large businesses were significantly less likely to be with British Gas and Scottish Power as compared with smaller businesses, and significantly more likely to be with EDF Energy.

- Nearly three fifths (59%) of all businesses that consume mains gas were customers of two gas suppliers: British Gas and E.ON. As with electricity, large businesses which consume gas were significantly less likely to be with British Gas as compared with other business sizes. Medium and large businesses used a greater diversity of non-domestic gas suppliers as compared with smaller businesses.

Table 39: Non-domestic electricity suppliers

Q.12 What company currently supplies the electricity used by your organisation?

	Overall (weighted) (n=1,300)	**Business Size**			
		Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
British Gas	25%	25%	26%	20%	16%
E.ON	24%	24%	23%	23%	21%
RWE npower	10%	9%	11%	11%	11%
ScottishPower	8%	8%	8%	7%	4%
SSE	7%	6%	8%	9%	10%
EDF Energy	6%	6%	5%	8%	14%
Opus Energy	5%	6%	3%	2%	3%
Haven Power	3%	3%	2%	4%	2%
Dual Energy	1%	1%	1%	0%	0%
BES Commercial	1%	1%	1%	0%	0%
Others[29]	7%	6%	8%	14%	11%
Unsure	5%	5%	4%	2%	7%

[29] 'Others' category included: Ecotricity, Total Gas and Power, Good Energy, Gazprom, GDF Suez, EndCo, Utilita, Hudson Energy, Axis, MA Energy, IPM Energy and SmartestEnergy. Although Cherwell Energy, First Utility and Statkraft were included as coding options they were not identified as suppliers by any respondent in this survey.

(Base: all non-domestic consumers)

Table 40: Non-domestic gas suppliers

Q.16 What company currently supplies the mains gas used by your organisation?

	Overall (weighted) (n=691)	**Business Size**			
		Micro (n=159)	Small (n=204)	Medium (n=183)	Large (n=145)
British Gas	40%	41%	40%	32%	19%
E.ON	18%	19%	17%	13%	15%
ScottishPower	5%	6%	4%	2%	2%
Opus Energy	5%	6%	2%	2%	0%
RWE npower	4%	4%	7%	4%	3%
SSE	4%	4%	3%	6%	3%
Total Gas and Power	3%	3%	6%	10%	8%
Contract Natural Gas	2%	2%	2%	1%	0%
EDF Energy	2%	3%	0%	2%	1%
Gazprom	2%	1%	2%	7%	12%
Others[30]	6%	5%	8%	16%	24%
unsure	8%	7%	9%	6%	12%

(Base: Non-domestic consumers consuming mains gas)

[30] 'Others' category included: BES Commercial, Corona Energy, GDF Suez, Shell Gas, Crown Energy, Countrywide, Regent Gas, Eni UK, SmartestEnergy and Statoil UK. Although Economy Gas, First Utility, Good Energy, Utilita and Wingas UK were included as coding options these were not identified as suppliers by any respondent

A1.4 Business energy costs and share of energy in total costs

Respondents were asked about their annual expenditure on energy, and then asked to estimate what percentage of their total business costs was spent on energy (examining gas and electricity separately).

Table 41: Reported annual electricity spend

Q.13 To the best of your knowledge, how much have you spent (including VAT) on electricity for the organisation in the past year, roughly?

	Overall (weighted) (n=1,300)	Business Size			
		Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Less than £500	6%	7%	1%	0%	0%
£500 - £1000	16%	17%	3%	0%	1%
£1,001 - £2,500	19%	20%	12%	3%	1%
£2,501 - £5,000	13%	13%	15%	3%	3%
£5,001 - £10,000	9%	9%	14%	9%	2%
£10,001 - £15,000	4%	3%	9%	9%	3%
£15,001 - £25,000	2%	1%	5%	10%	3%
£25,001 - £50,000	1%	1%	5%	12%	4%
£50,001 - £100,000	1%	1%	4%	9%	10%
More than £100,000	2%	1%	5%	14%	49%
Unsure	27%	27%	28%	31%	22%

(Base: All non-domestic consumers)

When non-domestic consumers were asked to estimate how much they spent on electricity in the past year (including VAT), over one quarter (27%) reported they were unsure how much they had spent on electricity. Under one fifth (19%) reported spending between £1,001 and £2,500 over the past year. The most frequently reported range of annual electricity expenditure varies by company size:

- for Micro this was £1,001-£2,500;
- for Small it was £2,501-£5,000; and
- for Medium and Large it was more than £100,000.

Table 42: Annual electricity spend as a percentage of total expenditure

Q.14 To the best of your knowledge, what percentage of your total business costs is spent on electricity, approximately?

	Overall (weighted) (n=1,300)	Business Size			
		Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Less than 5%	43%	43%	43%	42%	44%
5% to 10%	12%	13%	9%	9%	13%
More than 10%	2%	2%	3%	1%	1%
Unsure	42%	41%	45%	46%	41%

(Base: All non-domestic consumers)

Over two fifths (42%) of respondents were not able to provide an estimate of the annual expenditure on electricity as a percentage of all business costs. For over two fifths (43%) of businesses, the cost of electricity represented less than 5% of total business costs. There are no significant differences in the responses by size of business.

Table 43: Reported annual gas spend

Q.17 How much have you spent (including VAT) on gas for the organisation in the past year, roughly?

	All gas (weighted) (n=691)	Business Size			
		Micro (n=159)	Small (n=204)	Medium (n=183)	Large (n=145)
Less than £500	7%	8%	2%	1%	0%
£500 - £1,000	17%	19%	9%	1%	0%
£1,001 - £2,500	17%	18%	12%	3%	3%
£2,501 - £5,000	13%	14%	12%	7%	1%
£5,001 - £10,000	6%	5%	15%	11%	6%
£10,001 - £15,000	5%	4%	6%	7%	3%
£15,001 - £25,000	1%	1%	4%	10%	6%
£25,001 - £50,000	1%	1%	3%	14%	8%
£50,001 - £100,000	1%	1%	2%	7%	10%
More than £100,000	1%	1%	2%	7%	41%
Unsure	29%	29%	31%	31%	22%

(Base: All non-domestic consumers using mains gas)

When non-domestic consumers were asked to estimate how much they spent on gas in the past year (including VAT), nearly half (47%) reported spending between £500- £5,000. However well over one quarter (29%) reported that they were unsure how much they had spent.

The most frequently reported range of annual gas expenditure differs considerably by company size:

- for Micro this was £500 – £1,000;
- for Small it was £5,001 - £10,000;
- for Medium it was £25,001 - £50,000; and
- for Large it was more than £100,000.

Table 44: Annual gas spend as a percentage of total business costs

Q.18 To the best of your knowledge, what percentage of your total business costs is spent on gas, approximately?

	All gas (weighted) (n=691)	**Business Size**			
		Micro (n=159)	Small (n=204)	Medium (n=183)	Large (n=145)
Less than 5%	46%	46%	46%	50%	52%
5% to 10%	9%	9%	7%	5%	10%
More than 10%%	2%	3%	1%	1%	1%
Unsure	42%	42%	46%	44%	37%

(Base: All non-domestic consumers consuming mains gas)

As was the case with electricity, over two fifths (42%) of businesses consuming mains gas were not able to provide an estimate of the annual expenditure as a percentage of all business costs.

For almost half (46%) of non-domestic consumers who have mains gas, the cost of gas was reported as representing a less than 5% of total business costs.

There are no significant differences in the responses by size of business, except for large businesses, which are significantly less likely to be unsure (37%, as compared with 42-46% for other sizes of business).

Appendix 2: How frequently businesses review their energy supply arrangements: detailed findings

As identified in section 5.2, a series of questions about how frequently businesses reviewed different aspects of their energy arrangements with a view to possibly changing these arrangements showed similar patterns across the different aspects tested. Most businesses undertook annual reviews, but some undertook more regular reviews (especially for energy costs and consumption). Large businesses were generally more likely than other business sizes to be reviewing their energy supply arrangements on a monthly basis. The overall results were summarised in that section of the report. The individual responses are included here.

Table 45 below shows how often respondents review the '*overall service from their supplier'.*

Table 45: Frequency of review of the overall service from energy supplier

Q.31.4 Roughly how often, if at all, does your organisation review the following with a view to possibly changing your ELECTRICITY/GAS supply arrangements?

The overall service from your supplier

	Overall (weighted) (n=1,300)	Predominant energy source (weighted)		Business Size			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Every month	6%	7%	5%	6%	5%	7%	16%
Every quarter	3%	3%	5%	3%	3%	4%	9%
Every 6 months	2%	2%	3%	2%	3%	2%	2%
Every year	53%	51%	56%	52%	60%	54%	51%
Every 2 years	10%	10%	9%	10%	8%	11%	6%
Every 3 years	3%	3%	3%	3%	3%	4%	2%
Less often	1%	1%	0%	1%	0%	0%	2%
Never	15%	17%	9%	15%	11%	6%	2%
Reviewed by broker /consultant	2%	1%	3%	2%	3%	5%	3%
Don't know/Not involved	6%	4%	8%	6%	5%	7%	7%

(Base: All non-domestic consumers)

Just over half (53%) of businesses reported that they reviewed the *'the overall service from their supplier' 'every year'* with a view to possibly changing their supply arrangements. The next most common reviewing frequency amongst those who undertook such reviews was '*every two years'*, reported by one in ten (10%). However, around one in seven (15%) of those surveyed had never undertaken these reviews.

Respondents from large businesses were the most likely group to *review the overall service* more regularly. Monthly reviews were reported by significantly more large businesses than other size categories, with approximately one in six (16%) reporting this.

Respondents were also asked how often they reviewed their *'contract with their energy supplier'* and their responses to this are shown in Table 46 below.

Table 46: Frequency of review of their contract

Q.31.3 Roughly how often, if at all, does your organisation review the following with a view to possibly changing your ELECTRICITY/GAS supply arrangements? ***Contract with your energy supplier***							
	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Every month	6%	6%	6%	6%	4%	5%	12%
Every quarter	3%	3%	3%	3%	2%	3%	6%
Every 6 months	2%	2%	3%	2%	3%	2%	2%
Every year	55%	56%	54%	55%	63%	56%	55%
Every 2 years	12%	13%	11%	12%	9%	13%	9%
Every 3 years	3%	3%	3%	3%	4%	4%	3%
Less often	1%	1%	1%	1%	0%	1%	1%
Never	11%	12%	8%	11%	6%	4%	2%
Reviewed by broker /consultant	2%	1%	3%	2%	3%	5%	3%
Don't know/Not involved	5%	4%	8%	5%	4%	7%	6%

(Base: All non-domestic consumers)

Over half (55%) of respondents said they review the contract with the energy supplier annually with a view to possibly changing their supply arrangements. The next most common interval reported was every two years (12%). Just over one in nine (11%) said they never reviewed the contract with their supplier. For a very small minority of non-domestic consumers (2% overall), a broker or consultant conducts the review of *'contract with your energy supplier'.*

Large businesses are more likely than micro businesses to conduct more frequent reviews of the contract: around one in eight (12%) report monthly reviews, whereas this drops to half that level (6%) for micro.

Micro businesses are significantly more likely to have never reviewed the contract (11%) than the other categories of business.

Table 47: Frequency of review of specific aspects of their contract

Q.31.5 Roughly how often, if at all, does your organisation review the following with a view to possibly changing your ELECTRICITY/GAS supply arrangements?

Specific aspects of your contract, such as payment methods or billing period

	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Every month	5%	6%	5%	5%	4%	6%	14%
Every quarter	4%	4%	5%	4%	3%	4%	8%
Every 6 months	2%	1%	3%	2%	3%	4%	2%
Every year	49%	49%	49%	48%	54%	51%	46%
Every 2 years	9%	9%	9%	9%	7%	10%	7%
Every 3 years	3%	3%	3%	3%	3%	3%	2%
Less often	1%	1%	0%	1%	0%	0%	1%
Never	20%	22%	16%	21%	18%	13%	10%
Reviewed by broker /consultant	2%	1%	3%	2%	3%	4%	3%
Don’t know/Not involved	5%	5%	8%	5%	5%	5%	7%

(Base: All non-domestic consumers)

When asked about frequency of reviewing ‘*specific aspects of your contract, such as payment methods or billing period’*, the pattern in the responses was very similar to that noted previously for ‘*overall service from their supplier*’. For example, approximately half of non-domestic consumers (49%) reported that they review specific aspects annually. Monthly reviews of ‘*specific aspects of the contract’* are more likely to be reported by large businesses (14%) compared to micro businesses (5%). Respondents from micro businesses are twice as likely to have never reviewed these aspects of their contract (21%) compared to large businesses (10%).

Table 48: Frequency of review of energy cost

Q.31.2 Roughly how often, if at all, does your organisation review the following with a view to possibly changing your ELECTRICITY/GAS supply arrangements? Energy cost							
	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Every month	12%	12%	10%	12%	10%	20%	32%
Every quarter	6%	5%	8%	6%	6%	6%	8%
Every 6 months	3%	2%	4%	4%	3%	2%	2%
Every year	48%	48%	48%	45%	55%	48%	40%
Every 2 years	10%	10%	9%	9%	6%	8%	4%
Every 3 years	3%	3%	2%	2%	2%	2%	2%
Less often	1%	1%	2%	1%	0%	0%	0%
Never	11%	12%	7%	14%	10%	3%	3%
Reviewed by broker /consultant	2%	1%	3%	2%	3%	4%	2%
Don't know/Not involved	5%	4%	8%	5%	4%	5%	5%

(Base: All non-domestic consumers)

The most common response was that consumers review *'energy cost'* with a view to possibly changing their supply arrangements on an annual basis (48%). This predominance of annual reviews was consistently observed across business size categories.

The next most common interval reported for reviewing energy cost was every month (12%). This is significantly correlated with business size. Nearly one third (32%) of large businesses reported reviewing their energy cost on a monthly basis; this figure drops to approximately one in eight (12%) for the micro businesses. Micro (14%) and small (10%) businesses are significantly more likely to have never reviewed energy cost than medium (3%) and large (3%) businesses.

Table 49: Frequency of review of energy consumption

Q.31.1 Roughly how often, if at all, does your organisation review the following with a view to possibly changing your ELECTRICITY/GAS supply arrangements?

Energy Consumption

	Overall (weighted) (n=1,300)	**Predominant energy source (weighted)**		**Business Size**			
		Electricity (n=888)	Gas (n=412)	Micro (n=394)	Small (n=422)	Medium (n=279)	Large (n=205)
Every month	12%	13%	12%	12%	11%	20%	28%
Every quarter	6%	6%	8%	6%	6%	5%	11%
Every 6 months	3%	3%	4%	3%	3%	2%	3%
Every year	46%	45%	48%	47%	57%	48%	41%
Every 2 years	9%	9%	9%	10%	6%	9%	4%
Every 3 years	2%	2%	2%	3%	2%	3%	2%
Less often	1%	1%	1%	1%	0%	0%	0%
Never	13%	16%	7%	11%	8%	4%	2%
Reviewed by broker /consultant	2%	2%	3%	2%	3%	4%	2%
Don't know/Not involved	5%	4%	7%	5%	4%	5%	7%

(Base: All non-domestic consumers)

As was the case with energy cost, almost half of consumers (46%) reported an annual review of energy consumption. This predominance of annual reviews was consistently observed across consumer size bands. Large businesses were significantly more likely to review energy consumption on a monthly basis as compared with micro and small businesses.

The next most frequent interval reported for energy consumption was never (13%). Electricity consumers were significantly more likely (16%) to never review consumption compared to gas consumers (7%).

Micro (11%) and small (8%) businesses are significantly more likely to have never reviewed energy consumption than medium (4%) and large (2%) businesses.

Appendix 3: Satisfaction with aspects of the energy market by predominant fuel

Table 50: Satisfaction with aspects of the energy market by predominant energy source

Q.52 Thinking about the energy market in general, please rate each of the following statements on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied.

Satisfied = 4,5 Neutral = 3 Dissatisfied = 1,2 Don't know = 6 *Mean*		**Overall (weighted) (n=1,300)**	**Predominant energy source (weighted)**	
			Electricity (n=380)	Gas (n=197)
The variety of options available from different suppliers	Satisfied	58%	58%	57%
	Neutral	21%	22%	20%
	Dissatisfied	16%	16%	16%
	Don't know	5%	4%	7%
	Mean	*3.54*	3.55	3.49
The level of competition in the market	Satisfied	58%	59%	55%
	Neutral	18%	18%	17%
	Dissatisfied	19%	18%	21%
	Don't know	5%	5%	7%
	Mean	*3.52*	3.57	3.41
The ease with which offers available can be understood	Satisfied	53%	53%	52%
	Neutral	18%	20%	15%
	Dissatisfied	24%	23%	25%
	Don't know	5%	4%	8%
	Mean	*3.36*	3.36	3.35
The sales approach taken by energy suppliers	Satisfied	40%	41%	39%
	Neutral	21%	20%	21%
	Dissatisfied	35%	35%	35%
	Don't know	4%	4%	5%
	Mean	*3.01*	3.02	2.99
The sales approach taken by energy brokers	Satisfied	36%	37%	33%
	Neutral	19%	18%	21%
	Dissatisfied	38%	39%	38%
	Don't know	7%	6%	8%
	Mean	*2.87*	2.87	2.86

(Base: All non-domestic consumers)

Appendix 4: Sampling and weighting approach

A4.1 Sampling Framework

The following approach was taken to ensure the results from the research were statistically robust and representative of the entire population of non-domestic business consumers across both electricity and gas markets.

Quotas were set by business size - Micro (0 to 9 employees), Small (10 to 49 employees), Medium (50 to 249 employees), and Large (250 or more employees) - and by region. The quotas for the larger organisations were set much higher than the actual proportions within the national population to ensure that there were sufficient responess from each category to provide robust results. The number of responses achieved within each business size is shown in Table 51, and by region within Great Britain in Table 52.

Table 51: Number of responses for each business size

Business size	Micro	Small	Medium	Large
Number of respondents	394	422	279	205

Table 52: Number of responses by region

Region	Northern England	Midlands & East	London SE England	SW England Wales Scotland
Number of respondents	304	317	415	264

The businesses contacted for interview were selected at random from validated lists of businesses and public sector organisations which included details such as employment band size and industrial sector. The representiveness at a sector level was reviewed during and after the fieldwork to ensure the set of responses was similar to the national profile of the sectors.

A4.2 Weighting Approach

To calculate nationally representative results for the electricity market, the responses were reweighted to reflect the proportions of businesses in each category within Great Britain using the breakdown of VAT and/or PAYE [31] registered enterprises in Great Britain from 'UK Business: Activity, Size and Location, 2012' published by The Office for National Statistics[32].

[31] The research required the business to be based in a premise outside of the home. Therefore, the use of VAT registration (required in most cases when the business' turnover is greater than £79,000) and/or PAYE registration was used as an approximation for this criteria when calculating weights.

[32] Available for download from http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-254601

In the case of the gas market, no breakdown by business size is available. This meant that the only available information on the proportion of businesses within each size category that used gas was from the survey itself. Therefore, the weights used to calculate the nationally representative results for the gas market were calculated from the proportions used for the electricity market adjusted to reflect the proportion of respondents within each category stating that they used gas.

The weights used for both the electricity and gas markets are shown below:

Table 52: Weighting for electricity and gas markets by business size

Weights by predominant energy source	Micro	Small	Medium	Large
Electricity	88.6%	9.3%	1.6%	0.4%
Gas	85.8%	10.8%	2.6%	0.7%

Appendix 5: Questionnaire

1 Introduction

Good morning/afternoon. I'm _______ from Millward Brown, an independent research company. We're conducting a survey on behalf of Ofgem, the gas and electricity industry regulator, about your business' experience of energy suppliers in general and issues such as billing and switching in particular.

Everything you say to me will be treated in strict confidence; information will be aggregated and will be used for statistical purposes only.

2 Profile

2.1 Initial Screening

Note: we do not record the company name as this data will not be actionable. We are assuming that we do not undertake follow-up calls with the company.

1. Are you the person within your company who is solely or jointly responsible for paying the energy bills?
   1) Yes, I'm solely responsible for paying the energy bill
   2) Yes, I am jointly responsible for paying the energy bill
   3) No
   4) other, please specify ___________________

2. **ASK IF Q1<3 (person responsible for paying energy bill) ELSE GO TO Q3.** Do you also recommend or decide which supplier to use for the company's gas or electricity?
   1) Yes, I recommend energy supplier
   2) Yes, I decide energy supplier
   3) No
   4) other, please specify ___________________

3. **ASK IF Q1 > 2 OR Q2 = 3 (NOT THE PERSON TO TALK TO) ELSE GO TO Q4.** Could you give me details of the person in the company who is solely or jointly responsible for paying the energy bill and recommends, or decides which supplier to use?
   1) No — THANK AND CLOSE
   2) Yes
      i. Name
      ii. Job title
      iii. Telephone number

   INTERVIEWER PLEASE CONTINUE THE INTERVIEW WITH THE PERSON WHO IS RESPONSIBLE FOR, OR RECOMMENDS, OR TAKES THE DECISION ON WHICH SUPPLIER TO USE FOR THE GAS OR ELECTRICITY

4. Does this business operate at the owner's home or another residential address?
   1) Yes — THANK AND CLOSE
   2) No — GO TO Q5
   3) Not stated — THANK AND CLOSE

5. Is this an independent business or is it part of a larger business?
   1) Independent
   2) Part of a larger business
   3) Unsure

6. **ASK IF Q5 = 2 (BILL INCLUDES OTHER LOCATIONS) ELSE GO TO Q7.** Are you responsible for paying the energy bill **ADD IF Q2 < 3** and recommending or deciding energy supplier for the entire business, or your part of the business?
    1) For the entire business
    2) For my part of the business
    3) Other, please specify ________________________

7. How many people work in this business? **ADD IF Q5 = 2 (PART OF A LARGER BUSINESS)** Please include those who work where you are speaking from now and those who work in the entire business that you are a part of. **READ OUT** (People who work for the company must only include those working on a permanent basis. This can include part time individuals as long as they're employed on a permanent basis – remember 2 part timers equals 1 full time employee.)
    1) WRITE DOWN RESPONSE ________________

8. **ASK IF Q6 = 2 (responsible for paying/deciding for part of the larger business) ELSE GO TO Q9** You mentioned a moment ago that you were responsible for paying the energy bill **ADD IF Q2 < 3** and recommending or deciding energy supplier for only your part of the business. How many people work across the sites and premises over which you have this responsibility?
    1) WRITE DOWN RESPONSE ________________

2.2 Organisational profile

Thank you, you are in scope for this research. The questionnaire will take about 15 minutes. You do not have to answer questions you do not wish to and you can terminate the interview at any point.

9. How long has the organisation been in existence?
    1) WRITE DOWN NUMBER (YEARS) _____________
    2) Unsure

10. What is the main activity of the organisation(**DO NOT READ OUT)**
    1) Agriculture, Hunting and Forestry; Fishing
    2) Mining and Quarrying
    3) Manufacturing
    4) Construction
    5) Wholesale and Retail Trade; Repairs
    6) Hotels and Restaurants
    7) Transport, Storage and Communication
    8) Financial Intermediation and Insurance
    9) Real Estate, Renting and Business Activities
    10) Education
    11) Health and Social Work
    12) Other Community, Social and Personal Service Activities
    13) Public administration and Defence
    14) Other PLEASE SPECIFY _____________________

11. What is the yearly financial turnover of the organisation, roughly? Please be reminded that this information will be treated confidentially and is just for classification purposes.
    1) PLEASE ENTER THE AMOUNT HERE £___________________
    2) Unsure

2.3 Energy usage profile

12. What company currently supplies the electricity used by your organisation? (**DO NOT READ OUT)**

1) Atlantic Electric & Gas (code as SSE)
2) Axis
3) BES Commercial
4) British Gas (code as British Gas)
5) Cherwell Energy
6) Dual Energy
7) E.ON Energy (code as E.ON)
8) Ecotricity
9) EDF Energy (code as EDF Energy)
10) EndCo
11) First Utility
12) Gazprom
13) GDF Suez
14) Good Energy
15) Haven Power
16) Hudson Energy
17) IPM Energy
18) MA Energy
19) Norweb (code as E.ON)
20) npower (code as RWE npower)
21) Nwy Prydain (code as British Gas)
22) Opus Energy
23) RWE npower (code as RWE npower)
24) SSE
25) Scottish and Southern (code as SSE)
26) Scottish Gas (code as British Gas)
27) Scottish Hydro Electric (code as SSE)
28) ScottishPower (code as ScottishPower)
29) ScottishPower Manweb (code as ScottishPower)
30) SEEBOARD Energy (code as EDF Energy)
31) SmartestEnergy
32) Southern Electric (code as SSE)
33) Statkraft
34) SWEB Energy (code as EDF Energy)
35) SWALEC (code as SSE)
36) Total Gas and Power
37) Utilita
38) Other **please specify** ___________________
39) Unsure

13. To the best of your knowledge, how much have you spent (including VAT) on electricity for the organisation in the past year, roughly? **PROMPT IF NECESSARY**

Please specify amount if possible £/year _________________

1) <£500
2) £500 - £1000
3) £1,001 - £2,500
4) £2,501 - £5,000
5) £5,001 - £10,000
6) £10,001 - £15,000
7) £15,001 - £25,000
8) £25,001 - £50,000
9) £50,001 - £100,000
10) >£100,000
11) Unsure

14. To the best of your knowledge, what percentage of your total business costs is spent on electricity, approximately?

1) Less than 5%
2) 5% to 10%
3) 11% to 15%
4) 16% to 20%
5) 21% to 25%
6) 26% to 30%
7) 31% to 35%
8) 36% to 40%
9) 41% to 45%
10) 46% to 50%
11) 51% or more
12) Unsure

15. Does your organisation use mains gas?
    1) Yes
    2) No
    3) Unsure

16. **ASK IF Q15 = 1 (USE MAINS GAS) ELSE GO TO Q19.** What company currently supplies the gas used by your business? (**DO NOT READ OUT)**
    1) Atlantic Electric & Gas (code as SSE)
    2) BES Commercial
    3) British Gas (code as British Gas)
    4) Contract Natural Gas
    5) Corona Energy
    6) Countrywide
    7) Crown Energy
    8) E.ON Energy (code as E.ON)
    9) EDF Energy (code as EDF Energy)
    10) Eni UK
    11) Economy Gas
    12) First Utility
    13) Gazprom
    14) GDF Suez
    15) Good Energy
    16) Norweb (code as E.ON)
    17) npower (code as RWE npower)
    18) Nwy Pridain (code as British Gas)
    19) Opus Energy
    20) RWE npower (code as RWE npower)
    21) Regent Gas
    22) SSE (code as SSE)
    23) Scottish and Southern (code as SSE)
    24) Scottish Gas (code as British Gas)
    25) Scottish Hydro Electric (code as SSE)
    26) ScottishPower (code as ScottishPower)
    27) ScottishPower Manweb (code as ScottishPower)
    28) SEEBOARD Energy (code as EDF Energy)
    29) Shell Gas
    30) SmartestEnergy
    31) Southern Electric (code as SSE)
    32) Statoil UK
    33) SWEB Energy (code as EDF Energy)
    34) SWALEC (code as SSE)
    35) Total Gas and Power
    36) Utilita
    37) Wingas UK
    38) Other **please specify** __________________
    39) unsure

17. **ASK IF Q15 = 1 (USE MAINS GAS) ELSE GO TO Q19.** How much have you spent (including VAT) on gas for the organisation in the past year, roughly? **PROMPT IF NECESSARY**

    Please specify amount if possible £/year ________________

    1) <£500
    2) £500 - £1000
    3) £1,001 - £2,500
    4) £2,501 - £5,000
    5) £5,001 - £10,000
    6) £10,001 - £15,000
    7) £15,001 - £25,000
    8) £25,001 - £50,000
    9) £50,001 - £100,000
    10) >£100,000
    11) Unsure

18. **ASK IF Q15 = 1 (USE MAINS GAS) ELSE GO TO Q19.** To the best of your knowledge, what percentage of your total business costs is spent on gas, approximately?
    1) Less than 5%
    2) 5% to 10%
    3) 11% to 15%
    4) 16% to 20%
    5) 21% to 25%
    6) 26% to 30%
    7) 31% to 35%
    8) 36% to 40%
    9) 41% to 45%
    10) 46% to 50%
    11) 51% or more
    12) Unsure

19. Thank you. Based on your previous responses, the remainder of the questions will be about your **ADD IF Q14>Q18 (MAIN FUEL IDENTIFIED IS ELECTRICITY)** electricity supply **ELSE (MAIN FUEL IDENTIFIED IS NOT ELECTRICITY)** gas supply

2.4 Current contract/tariff

(Make these sections specific to the main fuel identified above)

20. How does your firm pay for ELECTRICITY/GAS?
    1) Direct debit
    2) Standing order
    3) Pay only on receipt of bill with cash/check/credit card/BACS
    4) Prepayment meter
    5) Unsure
    6) Other, please specify ________________________
21. Do you have a fixed term contract for your ELECTRICITY/GAS supply? By that I mean, a contract that is for a set period of time and defines when you can change to another supplier **(DO NOT READ OUT)**
    1) Yes, fixed term contract
    2) No fixed term contract
    3) Unsure

22. **ASK IF Q21 = 1 (FIXED TERM CONTRACT) ELSE GO TO Q25.** What is the total term of your contract? By that I mean the length of your contract in total (from beginning to end), not the time remaining.
    1) Less than 1 year
    2) 1 year
    3) 2 years
    4) 3 years
    5) 4 years
    6) 5 or more years
    7) Unsure

23. **ASK IF Q21 = 1 (FIXED TERM CONTRACT) ELSE GO TO Q25.** Do you know when your contract ends?
    1) Yes – exactly (I know which month it ends)
    2) Yes – know approximately
    3) No/Unsure

24. **ASK IF Q21 = 1 (FIXED TERM CONTRACT) ELSE GO TO Q25.** Are you aware of when you can start renegotiating your contract or give notice of termination to your supplier?
    1) Yes – exactly (I know which month I can do this)
    2) Yes – know approximately
    3) No/Unsure

25. Which of the following statements best describes your current contract arrangements with your ELECTRICITY/GAS supplier? **READ OUT**
    1) This is the first contract we've had with our current supplier
    2) We've had one or more contracts with our current supplier, and we negotiated this contract as a new contract with the same supplier
    3) We've had one or more contracts with our current supplier, and our current contract was rolled over to another term with our knowledge
    4) We've had one or more contracts with our current supplier, and our current contract was rolled over to another term without our knowledge
    5) unsure
    6) other **please specify** ______________________

26. **ASK IF Q25= 2 OR 3 OR 4 (CONTRACT RENEWED OR ROLLED OVER) ELSE GO TO Q28** How satisfied were you with the experience of renewing the contract with your ELECTRICITY/GAS supplier? Please rate on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied

27. **ASK IF Q25<3(DISSATISFIED) ELSE GO TO Q28.** Why were you not satisfied? **DO NOT READ OUT (multiple answers possible)**
    1) Our existing supplier renewed the contract without the organisation's knowledge
    2) There was an increase in prices
    3) The supplier's credit terms, or terms of payment are not reasonable (i.e. requiring direct debit or very fast payment or credit guarantees)
    4) Contract document was too long
    5) Contract document difficult to understand (i.e. technical language or unclear writing)
    6) The actual process of renewing the contract was too much hassle
    7) Correspondence received about the renewal was difficult to understand
    8) Notice period for renewal was too long
    9) Time given to renew the contract was too short (i.e. renewal window)
    10) Other **please specify**___________________________________
    11) Unsure

28. How did you choose your current contract/tariff? **ADD IF Q25=3 OR 4(ROLLED OVER)** (Please refer to the original contract you set up) **READ OUT OPTIONS (multiple answers possible)**
    1) With help from a broker I approached
    2) With help from a broker that approached me
    3) Based on recommendations from current supplier after I approached them
    4) Based on recommendations from current supplier; they approached me
    5) Based on recommendations from other suppliers that I approached
    6) Based on recommendations from other suppliers that approached me
    7) Compared quotes on a switching site (either online or over the phone)
    8) Recommended to me by a colleague/contact/friend
    9) Other **please specify**______________________________
    10) Unsure

29. Have you read your contract document in the last twelve months? (by which I mean you've at least glanced through it)
    1) Yes
    2) No
    3) Other **please specify** __________________

30. **IF Q29 = 1(I've read my contract document) ELSE GO TO Q31.** Thinking about your current contract, please rate the following on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied
    1) Length of the contract document
    2) Clarity and usefulness of information
    3) Transparency of costs and charges
    4) Language and terminology used
    5) Clarity of the duration of the contract
    6) Clarity of the renewal terms and dates

3 Energy Supplier

(Make these sections specific to the main fuel identified above)

3.1 Contract/billing experience

31. Roughly how often, if at all, does your organisation review the following with a view to possibly changing your ELECTRICITY/GAS supply arrangements: **(READ OUT OPTIONS)**:
    i. Every month
    ii. Every quarter
    iii. Every 6 months
    iv. Every year
    v. Every 2 years
    vi. Every 3 years
    vii. Less often than every 3 years
    viii. Never
    ix. Never – reviewed by a broker or consultant
    x. Don't know / I am not involved
    1) Energy consumption
    2) Energy cost
    3) The contract with your energy supplier
    4) The overall service from your supplier
    5) Specific aspects of your contract, such as payment methods or billing period

32. **ASK IF Q31.x = <6 (REVIEW MY ENERGY USAGE) ELSE GO TO Q33.** Thinking now about your energy bill, please rate the following on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied
    1) Clarity of how the bill is calculated
    2) Clarity and usefulness of information in the bills/statements
    3) Language and terminology used in the bill
    4) Accuracy of the bill

33. Have you contacted your ELECTRICITY/GAS supplier with a query or complaint in the past two years? By complaint, I mean that you wanted to express dissatisfaction over a particular part of their service or product, and by query I mean contact for any other reason.
    1) Yes - within last year
    2) Yes - within last 2 years (but not within last year)
    3) No
    4) Unknown

34. **ASK IF Q33 = 1(CONTACTED SUPPLIER LAST YEAR) ELSE GO TO Q36.** Thinking about the last time you contacted your supplier, what was the main reason for contacting them? **DO NOT READ OUT**
    1) query regarding billing process
    2) query regarding my bill (e.g. accuracy or amount)
    3) query regarding my current contract/tariff
    4) query regarding information on changing supplier
    5) query regarding something else PLEASE SPECIFY _______________
    6) complaint regarding billing process
    7) complaint regarding my bill (e.g. accuracy or amount)
    8) complaint regarding my current contract/tariff
    9) complaint regarding information on changing supplier
    10) complaint regarding something else PLEASE SPECIFY _______________
    11) yes, other PLEASE SPECIFY_________________________
    12) unsure

35. **ASK IF Q33 = 1(CONTACTED SUPPLIER LAST YEAR) ELSE GO TO Q36.** Still thinking about the last time you contacted your supplier; please rate each of the following statements on a scale of 1 to 5 where 1 is very dissatisfied and 5 is very satisfied. If a statement is not applicable to your experience, please say so **(code as 6)**.
    1) The time they took to respond to your **ADD IF Q34<6 (**query**), ADD IF Q34= >5 &<11 (**complaint**) ADD IF Q34= 11 (**issue**)**
    2) The solution they offered
    3) Their follow up service/communication

4 Switching experience

(Make these sections specific to the main fuel identified above)

36. How many times has your organisation switched ELECTRICITY/GAS supplier in the last 5 years?
    1) Never
    2) Once
    3) Twice
    4) Three times
    5) Four times
    6) More than four
    7) Unknown

37. **ASK IF Q36>1&<7(SWITCHED) ELSE GO TO Q40.** Have you switched ELECTRICITY/GAS supplier in the last twelve months?
    1) Yes
    2) No

38. **ASK IF Q36>1&<7(SWITCHED) ELSE GO TO Q40.** Thinking about the last time you switched, how many alternative suppliers were contacted (either by you or on your behalf by a broker)?
    1) Please specify________
    2) Unable to say

39. **ASK IF Q36>1&<7(SWITCHED) ELSE GO TO Q40.** Thinking about the last time you switched, how many alternative suppliers made an offer to supply ELECTRICITY/GAS (either to you or via a broker)?
    1) Please specify________
    2) Unable to say

40. Would you say you have a broadly positive or negative view of energy brokers? Please rate on a scale from 1 to 5 where 1 is very negative, and 5 is very positive; (allow a 'don't know/no view' option = 6)

41. **ASK IF Q36>1 &<7 (SWITCHED) ELSE GO TO Q42.** When you last switched, rate each of the following potential reasons for your decision to switch on a scale of 1 to 5 where 1 is not relevant and 5 is very relevant.
    1) The previous supplier had recently announced a price rise
    2) To achieve a reduction in the total cost of ELECTRICITY/GAS, even though my supplier had not recently announced a price rise
    3) The new supplier offered a more suitable tariff for our energy needs
    4) We were not satisfied with the service provided by our former supplier
    5) The new supplier offered greater assistance on energy reduction initiatives
    6) The new supplier offered a bundle of ELECTRICITY/GAS and other services (such as telecommunications)
    7) We had to switch for internal reasons such as moving premises
    8) We experienced problems with the accuracy of bills from the previous supplier
    9) We were approached by a broker who recommended that we switch our supplier

    ADD IF Q15=1 (ORGANISATION USES MAINS GAS)

    10) We were offered greater savings if we used the same supplier for both gas and electricity

42. **ASK IF Q37=2 (HAVEN'T SWITCHED IN LAST 12 MONTHS) OR Q36=1 (NEVER SWITCHED) ELSE GO TO Q43.** For each of the following reasons, rate why you did not switch during the previous 12 months, on a scale of 1 to 5 where 1 is not at all relevant and 5 is very relevant**.** ***[Consider asking for level of relevance, rather than specifying number, respondent may get confused]***

1) We considered switching but stayed with the existing supplier
2) We are satisfied with the service that we receive from our current supplier and have no reason to switch
3) We did not believe that the level of savings were sufficient to justify switching
4) We are not able to switch because of the contract with our current supplier has not expired
5) We are not able to switch because we missed the window of time when we could cancel the contract and switch
6) It is too complex and time consuming to find a new tariff or supplier to switch to
7) It was not possible for us to switch due to outstanding arrears on our ELECTRICITY/GAS account
8) We attempted to switch but our supplier stopped us from switching for other reasons.

ADD IF Q42.8 = 5

Please specify ____________________

ASK IF Q28<3 (BROKER)

9) We were not happy with the broker recommendation and decided not to switch

43. **ASK IF Q42.5=5(MISSED WINDOW TO SWITCH).** Thinking about how you missed the window of time when your organisation could terminate the contract and switch, why did this happen? (**DO NOT READ OUT**)
    1) **We did not receive a renewal notification from the supplier**
    2) **We received a renewal notification, but the switching dates were not clear**
    3) **We received a renewal notification, but the switching procedure was not clear**
    4) **We wanted our contract to be rolled over**
    5) **Understood the deadline and process, but other things took priority**
    6) **Didn't know we had to revise and renegotiate our energy contract at any point before the contract ended**
    7) **Other, please specify ________________________**

44. **ASK IF Q28<3(BROKER) ELSE GO TO Q47.** You commented earlier that your organisation used the services of a broker. Thinking about your organisation's experience with that broker, how satisfied were you with the overall service provided in the area of switching supplier
    1) very dissatisfied
    2) quite dissatisfied
    3) Neither satisfied /nor dissatisfied
    4) quite satisfied
    5) very satisfied

45. **ASK IF Q28<3(BROKER) ELSE GO TO Q47.** What services do you receive from your broker?**(Multiple answers possible)**
    1) They just procure our energy/arrange our energy contract.
        i. Yes
        ii. No
    2) Energy management(i.e. reviews consumption, suggests energy efficiency measures, offers carbon reduction advice)
        i. Yes
        ii. No
    3) Accounting(i.e. receives invoices, validates invoices, resolves errors)
        i. Yes
        ii. No
    4) Other services
        i. Yes, please specify________________
        ii. No

46. **ASK IF Q28<3(broker) ELSE GO TO Q47.** Please rate each of the following aspects of the service provided by the broker in a scale from 1 to 5 where 1 is very dissatisfied and 5 is very satisfied

1) The overall service provided by the broker
2) The charge to our organisation for the broker's service
3) The transparency around the process followed by the broker to select potential suppliers
4) The communication from the broker before the engagement started around the process, potential costs and likely outcome from your business
5) The overall service provided by the broker during the supplier selection process
6) The overall service provided by the broker during the switching process after the new supplier had been selected

47. How many times have you been approached by a broker in the last 12 months, roughly? **ADD IFQ28<3 (BROKER), (**in addition to the broker you are currenly working with**)DO NOT READ OUT**
    1) We haven't been approached by a broker
    2) Other, **please specify** ___________________________

48. **ASK IF Q47 = 2**. **ELSE GO TO Q49.** Thinking about your last approach by a broker, please rate the following on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree
    1) They identified themselves clearly as an energy broker
    2) They provided accurate information about the services they offer
    3) Their tone was professional
    4) They were upfront about whether there was a cost to our organisation for their services

49. **ASK IF Q36>1 &<7 (EXPERIENCE OF SWITCHING) ELSE GO TO Q51.** Thinking about when you switched ELECTRICITY/GAS supplier, please rate the following on a scale of 1 to 5 where 1 is strongly disagree and 5 is strongly agree. If a question is not applicable to your experience, please say so (**CODE = 6**).
    [Consider asking for level of relevance, rather than specifying number, respondent may get confused]
    1. The process of choosing a new supplier was easy
    2. Having agreed with our new supplier to switch, the process of switching over was easy
    3. We would have liked the option of giving less warning to a new supplier about our intention to switch to them when our contract ended
    4. When we have not been in a fixed term contract, we would have liked the option of switching to another supplier more quickly
    5. The overall service provided by the new supplier was satisfactory
    6. Overall, we are satisfied with our experience of switching ELECTRICITY/GAS supplier

50. **ASK IF Q49.6=<3(dissatisfied with switching experience) ELSE GO TO Q51.** Why were you not satisfied with switching ELECTRICITY/GAS supplier? **(DO NOT READ OUT)**
    a. The switching process was too much of a hassle
    b. The switching process took too long
    c. The time period from choosing our new supplier to actually switching was too long
    d. Service provided by our new provider was not satisfactory
    e. The expected reduction in energy bills did not occur
    f. Other, please specify _________________________

5 Non-domestic consumer's experience of the market and their supplier

51. Thinking about your current supplier, please rate each of the following statements on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied
    1) The value for money
    2) The service provided
    3) The information provided on available tariffs and options
    4) The degree to which your energy supplier meets your organisation's needs
        i. *very dissatisfied*
        ii. *quite dissatisfied*
        iii. *Neither satisfied /nor dissatisfied*
        iv. *quite satisfied*
        v. *very satisfied*

52. Thinking about the energy market in general, please rate each of the following statements on a scale of 1 to 5, where 1 is very dissatisfied and 5 is very satisfied
    1) The level of competition in the market
    2) The variety of options available from different suppliers
    3) The ease with which offers available can be understood
    4) The sales approach taken by energy suppliers
    5) The sales approach taken by energy brokers
        i. *very dissatisfied*
        ii. *quite dissatisfied*
        iii. *Neither satisfied /nor dissatisfied*
        iv. *quite satisfied*
        v. *very satisfied*

53. And finally, please rate on a scale of 0 to 10 how likely is it that you would recommend your current energy provider to a friend/colleague/other, where 0 is not at all likely and 10 is extremely likely