

# HOUSEHOLD CONSUMER PERCEPTIONS OF THE ENERGY MARKET

Prepared by Quadrangle for Citizens Advice and Ofgem

Research conducted in Q1'22 – March 2022

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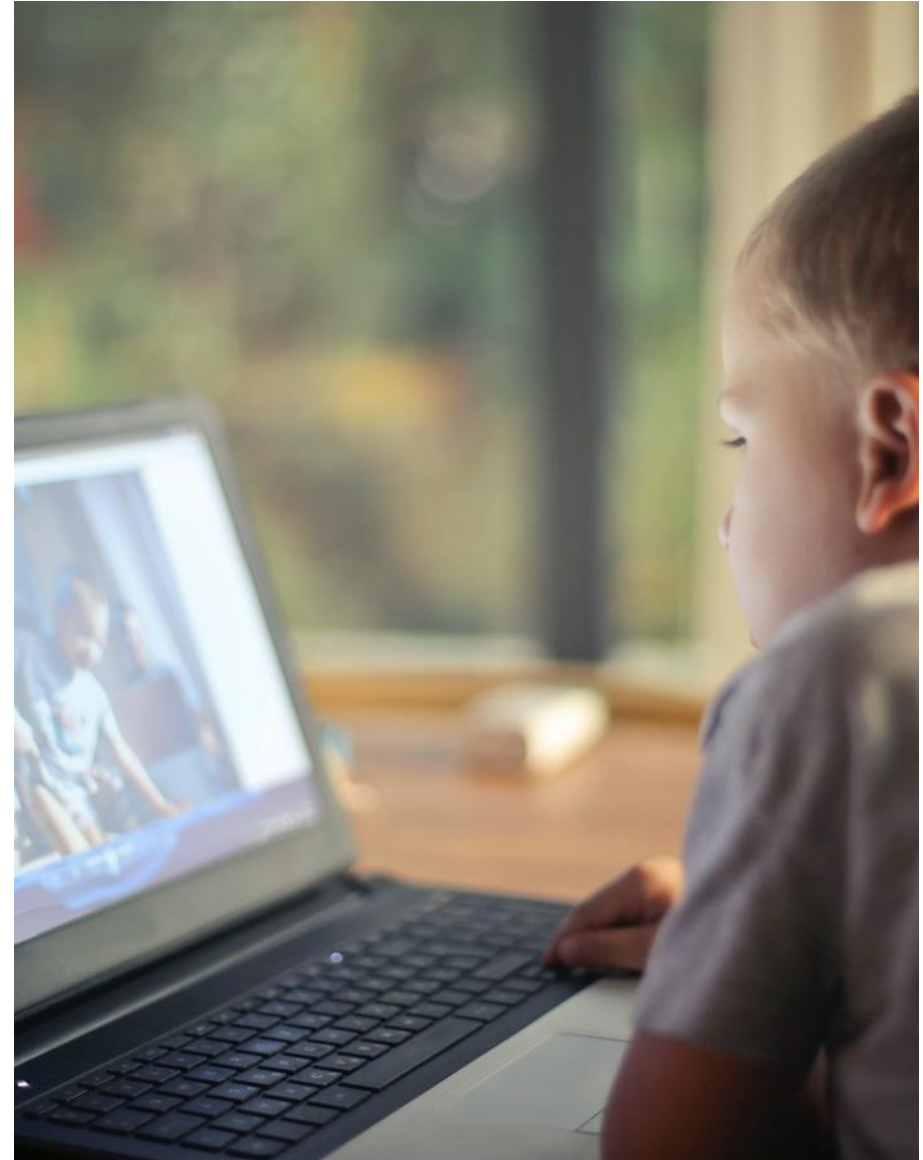
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- **Objectives** - The purpose of the research is to measure how well gas and electricity suppliers deliver to customer service principles set out by Ofgem, as well as providing measurement of topical energy issues and an understanding of consumer experiences when dealing with suppliers or energy matters. Ofgem and Citizens Advice have been jointly funding this research since 2018.
- **Methodology** – Data for the current quarter (Q1'22) was collected between 4<sup>th</sup> – 20<sup>th</sup> March 2022, using a mixed-method approach. The majority of the interviews were conducted using Computer-Assisted Web-Interviewing (3,045 interviews). Consumers who are digitally-excluded were interviewed using Computer-Assisted Telephone Interviewing (152 interviews).
- **Quotas and weighting** - The survey follows the same approach as previous quarters and uses quotas to achieve a sample representative of the GB bill-payer population (other than gender). Data is also weighted to the known profile of the GB population.



### Overall satisfaction overview

Although consumers remain mostly **satisfied** with their energy suppliers (66%), this has declined since last quarter (-4%).

Consumers are also more likely to be **dissatisfied** with their supplier (12%, +2% vs Q4'21).

It is important to consider this in the context of the global gas crisis. Factors relating to the global gas crisis are likely to be sitting behind the decline in overall satisfaction, given the widespread impacts on energy affordability, supplier failure and market engagement.

### Customer service performance

Consumers' experiences across most of their interactions with suppliers have remained consistent with Q4'21:

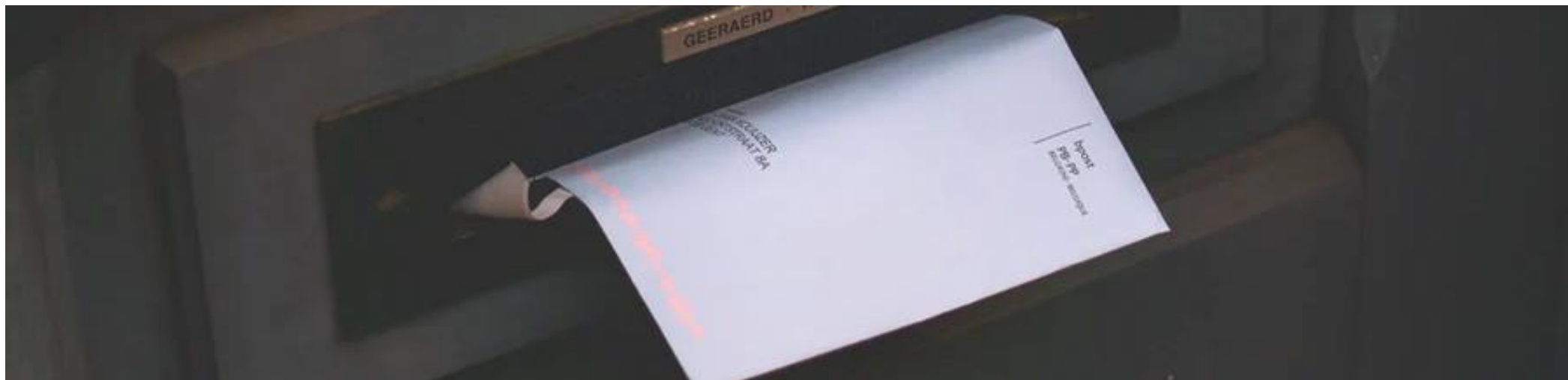
- **Customer service:** most consumers are satisfied with their supplier's customer service (66%), which is similar to Q4'21 (68%).
- **Contact ease:** a similar proportion of consumers have tried to contact their suppliers this quarter (31%) compared to Q4'21 (29%), and a similar proportion have found this difficult (25%, vs 23% in Q4'21).
- **Billing:** 70% of consumers are satisfied with the ease of understanding bills this quarter, which is similar to Q4'21 (72%). Meanwhile satisfaction with billing accuracy has declined (68%, -3% vs Q4'21). Consumers of failed energy suppliers are more likely to be dissatisfied with billing accuracy (18% are dissatisfied).
- **Complaints handling:** perceptions are comparatively stable this quarter, with 52% of consumers dissatisfied with complaint handling. This is no worse than last quarter (50%).
- **Switching:** consumer perceptions of switching have declined significantly since Q4'21 (71% are satisfied, -8% vs Q4'21). Verbatim comments suggest that some switchers experienced difficulty contacting the supplier, long switch times, and difficulty comparing suppliers.

### Affordability and debt support

- 51% of consumers are concerned about struggling to pay energy bills, a significant increase since last quarter (+9% vs Q4'21).
- The proportion of **credit meter** consumers falling behind on their bills has also increased this quarter (13%, +4% vs Q4'21). Similar to Q4'21, 30% of **prepayment** consumers reported they ran out of credit at least once in the past three months (vs 31% in Q4'21).
- Additionally, fewer credit meter and prepayment consumers have been in contact with their supplier for support this quarter (43% and 30% respectively). The supplier reached out first to only 12% of credit meter consumers.
- Of those who have received support with paying for energy, 56% of credit meter consumers and 52% of prepayment consumers were satisfied with the support provided by their supplier.

### Supplier of Last Resort and Special Administration process

- Compared to Q4'21, a similar proportion of consumers have experienced either the Supplier of Last Resort (SoLR) or Special Administration (SA) process in the past 12 months (22%). A third of which have since switched away from their Supplier of Last Resort (34%).
- Consumer perceptions of the SoLR process are mostly positive or neutral, which is similar to last quarter (57% are satisfied, vs 58% in Q4'21). However, a large proportion are dissatisfied (23%, vs 20% Q4'21).





## RESEARCH OVERVIEW

The survey focuses on measuring how well suppliers deliver to customer service principles set out by Ofgem, as well as providing measurement of topical energy issues and an understanding of consumer experiences when dealing with suppliers or energy matters.

### Background to the survey

- Ofgem and Citizens Advice have been jointly funding a tracking survey of approximately 3,200 GB domestic energy consumers to measure the quality of service delivered by domestic energy suppliers since 2018.
- The survey has been running approximately once per quarter to monitor changes over time. This report focuses on the fourteenth wave of the research (Q1'22, March 2022).
- In mid-2021 there was a change of provider conducting the research on behalf of Ofgem and Citizens Advice (Quadrangle). There has consequently been a review of the questions set in the survey – some key questions have been maintained, and these results are therefore comparable to previous waves of the survey. However, some questions have been added or amended (the results from these questions will not be comparable to previous waves of the research).



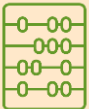


### • Research objectives

Key research objectives are to:

- Measure satisfaction with the dimensions of customer service at GB level
- Determine which areas of customer service are stronger / weaker
- Monitor changes to the quality of service provided over time
- Understand how satisfaction and experiences of energy vary across different consumer groups (eg how they pay for energy and demography)
- Measure consumer attitudes towards topical issues, such as affordability concerns and experiences of the SoLR process





	Main survey	Digitally excluded respondents
	Data was collected using a mixed-method approach. The majority of the interviews were conducted using Computer-Assisted Web-Interviewing (CAWI).	Consumers who are digitally-excluded were interviewed using Computer-Assisted Telephone Interviewing (CATI).
	Consistently with previous waves of the research, respondents were sourced from the Savanta online panel.	Respondents were sourced from a database of GB consumers.
	3,045 responses were collected.	152 interviews were achieved.
	10 <sup>th</sup> March 2022 – 20 <sup>th</sup> March 2022	4 <sup>th</sup> March – 17 <sup>th</sup> March 2022
	<p>Respondents were included in the survey if they met the following criteria:</p> <ul style="list-style-type: none"> <li>• Know the energy type they have in their home</li> <li>• Are responsible for their household’s energy bills or for choosing their energy supplier</li> <li>• Pay their energy bills directly to their supplier</li> <li>• Specified their age, gender, region, and socio-economic grade (for quotas and weighting purposes)</li> <li>• Know who their energy supplier is</li> </ul>	<p>In addition to the screening criteria in the main survey, these respondents also either:</p> <ul style="list-style-type: none"> <li>• Do not have internet access at either home, work, or another location</li> <li>• Are not confident using the internet</li> <li>• Have <i>only</i> used the internet in the past 6 months for email, general browsing, accessing news/sports websites, or accessing social media – rather than using the internet for more complex tasks such as online banking</li> </ul>

## FIELDWORK DATES

The fieldwork timings for each of the quarters of the research are shown in the table below.

	<b>Q4'18 (W1)</b>	<b>Q1'19 (W2)</b>	<b>Q2'19 (W3)</b>	<b>Q3'19 (W4)</b>	<b>Q4'19 (W5)</b>	<b>Q1'20 (W6)</b>	<b>Q2'20 (W7)</b>
Main survey	24 <sup>th</sup> Oct – 11 <sup>th</sup> Nov 2018	29 <sup>th</sup> Jan – 6 <sup>th</sup> Feb 2019	26 <sup>th</sup> Mar – 15 <sup>th</sup> Apr 2019	3 <sup>rd</sup> – 17 <sup>th</sup> Jul 2019	1 <sup>st</sup> – 23 <sup>rd</sup> Oct 2019	6 <sup>th</sup> – 22 <sup>nd</sup> Jan 2020	1 <sup>st</sup> – 17 <sup>th</sup> Apr 2020
Digitally excluded respondents	24 <sup>th</sup> Oct – 13 <sup>th</sup> Nov 2018	31 <sup>st</sup> Jan – 17 <sup>th</sup> Feb 2019	1 <sup>st</sup> – 16 <sup>th</sup> Apr 2019	1 <sup>st</sup> – 23 <sup>rd</sup> Jul 2019	3 <sup>rd</sup> – 17 <sup>th</sup> Oct 2019	9 <sup>th</sup> – 24 <sup>th</sup> Jan 2020	1 <sup>st</sup> – 24 <sup>th</sup> Apr 2020

	<b>Q3'20 (W8)</b>	<b>Q4'20 (W9)</b>	<b>Q1'21 (W10)</b>	<b>Q2'21 (W11)</b>	<b>Q3'21* (W12)</b>	<b>Q4'21** (W13)</b>	<b>Q1'22 (W14)</b>
Main survey	21 <sup>st</sup> Aug – 16 <sup>th</sup> Sep 2020	20 <sup>th</sup> Nov – 15 <sup>th</sup> Dec 2020	5 <sup>th</sup> – 20 <sup>th</sup> Feb 2021	5 <sup>th</sup> – 20 <sup>th</sup> May 2021	1 <sup>st</sup> – 18 <sup>th</sup> Oct 2021	18 <sup>th</sup> Jan – 26 <sup>th</sup> Jan 2022	10 <sup>th</sup> Mar – 20 <sup>th</sup> Mar 2022
Digitally excluded respondents	24 <sup>th</sup> Aug – 28 <sup>th</sup> Sep 2020	24 <sup>th</sup> Nov – 14 <sup>th</sup> Dec 2020	n/a	n/a	24 <sup>th</sup> Sep – 4 <sup>th</sup> Oct 2021	10 <sup>th</sup> Jan – 21 <sup>st</sup> Jan 2022	4 <sup>th</sup> Mar – 17 <sup>th</sup> Mar 2022

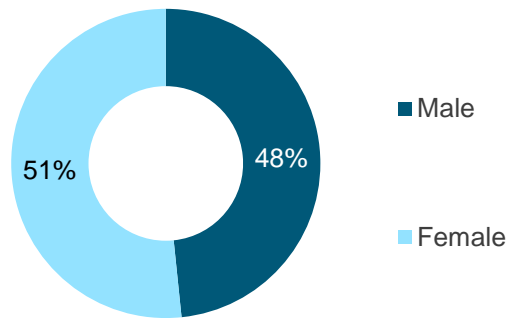
\*Q3'21 fieldwork was delayed in order to allow time for survey changes to better capture consumer experiences of the SoLR process

\*\*Q4'21 fieldwork was delayed in order to avoid the Christmas period, which can sometimes create strange results (positivity bias)

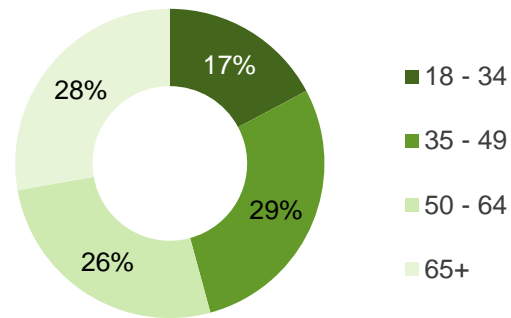
# QUOTAS AND WEIGHTING

The survey follows the same approach as previous waves and uses quotas to achieve a sample representative of the GB bill-payer population (other than gender). Quotas are set on gender, age, socio-economic group (SEG) and region. Data is weighted to the known profile of the GB population. Quotas were based on census Household Reference Person (HRP) as a proxy for bill-payer.

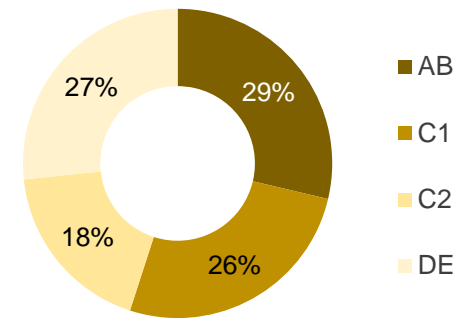
## Gender



## Age



## Socio-economic group (SEG)



## Region



Weighted data shown

Base sizes: Q1'22=3197.

Q8. Please indicate your gender. Q7. Which of the following age groups are you in? Q9. How would you describe the occupation of the main income earner in your household? Q13. Please can you tell us which region you live in?



# OVERALL SATISFACTION OVERVIEW

Consumers' overall satisfaction with their suppliers has declined significantly this quarter, with dissatisfaction showing a corresponding increase. This is not surprising in the context of the gas crisis and rising energy prices – consumers have greater affordability concerns and are looking for more from their suppliers.

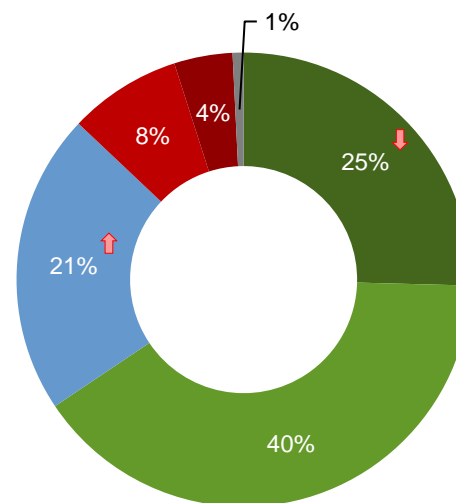
## Consistently with last quarter, consumers significantly more likely to be satisfied are: Overall satisfaction – Q1'22

- Older consumers (aged 65+) (71%)
- Digitally excluded consumers (78%) – due to having lower levels of neutrality, as 10% remain dissatisfied
- Consumers who have a smart meter (68%)
- Consumers paying via direct debit (67%)

## Those significantly more likely to be dissatisfied are:

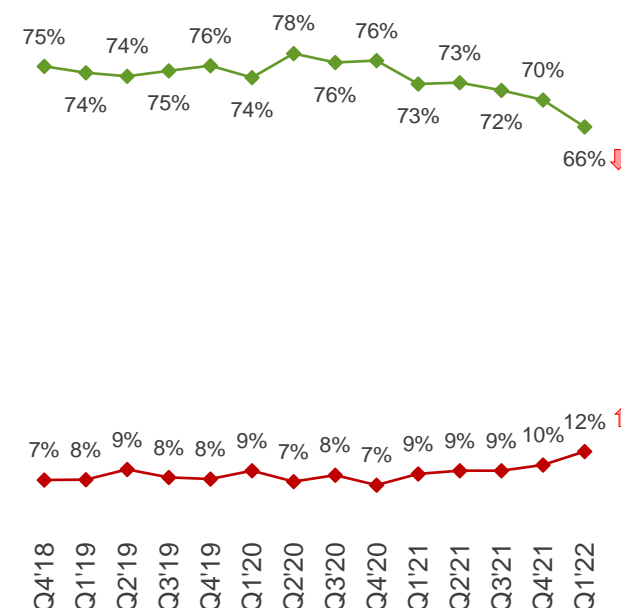
- Consumers who have attempted to switch but weren't able to (31%)
- Consumers who have been through the SoLR process (20%)
- Consumers on variable tariffs (14%)
- Consumers with a long-term illness, physical or mental health problem or disability (15%)
- Consumers receiving state benefits (14%)

In the previous wave, the latter two groups have been similarly satisfied as consumers who either do not have a disability or illness\*, or consumers who are not receiving financial benefits or credit. Customer service issues, in addition to affordability concerns, are driving increased levels of overall dissatisfaction among these two consumer groups.



- Very satisfied
- Satisfied
- Neither satisfied nor dissatisfied
- Dissatisfied
- Very dissatisfied
- Unsure

## Overall satisfaction – over time



- Net: Satisfied (4-5)
- Net: Dissatisfied (1-2)

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence, wave-on-wave

Base sizes: Q4'18=3274, Q1'19=3175, Q2'19=3208, Q3'19=3185, Q4'19=3185, Q1'20=3202, Q2'20=3027, Q3'20=3180, Q4'20=3180, Q1'21=3165, Q2'21=3172, Q3'21=3167, Q4'21=3143, Q1'22=3,197

Q21. Overall, how satisfied or dissatisfied are you with your supplier as your supplier of <FUEL TYPE>?



# CUSTOMER SERVICE SATISFACTION

Two-thirds (66%) of consumers are satisfied with the customer service from their suppliers – this is similar to Q4'21, but lower than the previous couple of years.

## Those significantly more likely to be satisfied are:

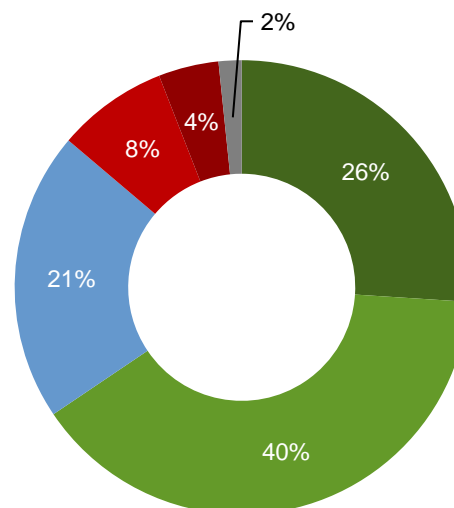
- Older consumers (aged 65+) (71%)
- Smart meter consumers (67%)
- Consumers paying via direct debit (67%)
- Consumers that are digitally excluded (76%) – this continues to be because they are less likely to feel neutral

Consumers continue to report that **difficulties contacting their supplier** is the most common reason that they are dissatisfied (42%), plus **long resolution times** (30%), and a perception that the **supplier is not listening** (30%). **Not receiving consistent information** also remains a key factor (29%).

## Those significantly more likely to be dissatisfied are:

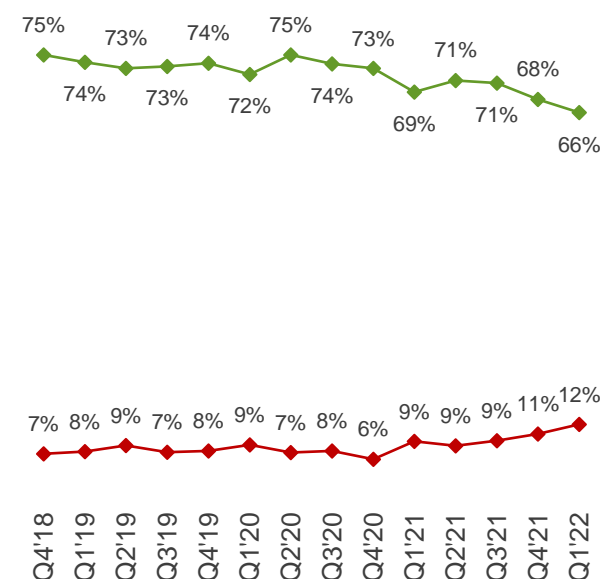
- Consumers who tried to switch but were not able to (32%)
- Consumers who have been through the SoLR process (19%, note: those who have since switched remain more likely to be satisfied)
- Consumers on variable tariffs (15%)
- Consumers with a long-term illness, physical or mental health problem or disability (15%)
- Consumers receiving financial benefits / credit (15%)

## Customer service satisfaction – Q1'22



- Very satisfied
- Satisfied
- Neither satisfied nor dissatisfied
- Dissatisfied
- Very dissatisfied
- Unsure / prefer not to answer

## Customer service satisfaction – over time



- Net: Satisfied (4-5)
- Net: Dissatisfied (1-2)

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave

Base sizes: Q4'18=3274, Q1'19=3175, Q2'19=3208, Q3'19=3185, Q4'19=3185, Q1'20=3202, Q2'20=3027, Q3'20=3180, Q4'20=3180, Q1'21=3165, Q2'21=3172, Q3'21=3167, Q4'21=3143, Q1'22=3,197 Q23. And overall, how dissatisfied or satisfied are you with the customer service you have received from your supplier?

# CONTACT EASE/DIFFICULTY

Nearly a third of consumers surveyed got in contact with their suppliers in the previous three months. Of those who contacted their supplier, one in four of these found it difficult to do so. As with Q4'21, consumers are contacting suppliers about more complex queries than previously.

## 31% of consumers contacted their supplier in the last 3 months (vs 29% in Q4'21)

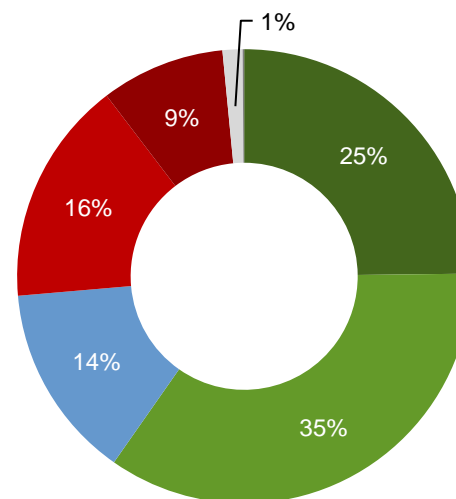
25% of consumers found it difficult to contact their supplier the last time they contacted or tried to contact their supplier. This is similar to last quarter, but is greater than in Q1'21 (17%).

Consumers are also continuing to contact their suppliers about more complex issues – most commonly SoLR (24%) and billing (21%) (in previous waves, the most common contact topic has been to give a meter reading).

Those who were **significantly more likely to find contacting their supplier difficult**, and who may therefore need more support, are:

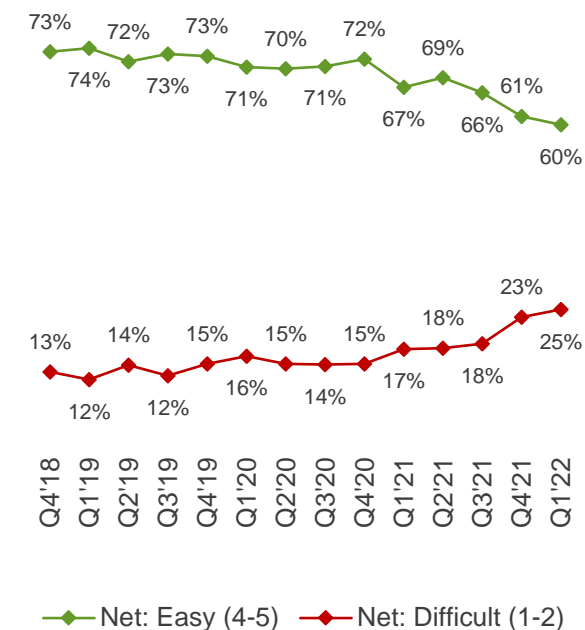
- Consumers who tried to switch but were not able to (42%)
- SoLR customers who remain with their Ofgem-appointed supplier (35%)
- Consumers with a long-term illness, physical or mental health problem or disability (28%)
- Consumers on a variable rate tariff (28%)

Contact ease – Q1'22



- Very easy
- Fairly easy
- Neither easy nor difficult
- Fairly difficult
- Very difficult
- Unsure
- Prefer not to answer

Contact ease – over time



Base sizes: Q4'18=2700, Q1'19=2602, Q2'19=2611, Q3'19=2578, Q4'19=2532, Q1'20=2601, Q2'20=2463, Q3'20=2499, Q4'20=2491, Q1'21=2569, Q2'21=2611, Q3'21=2431, Q4'21=2489, Q1'22=2517  
 Q45. Thinking about the last time you tried to contact your supplier how easy or difficult did you find it to contact them?

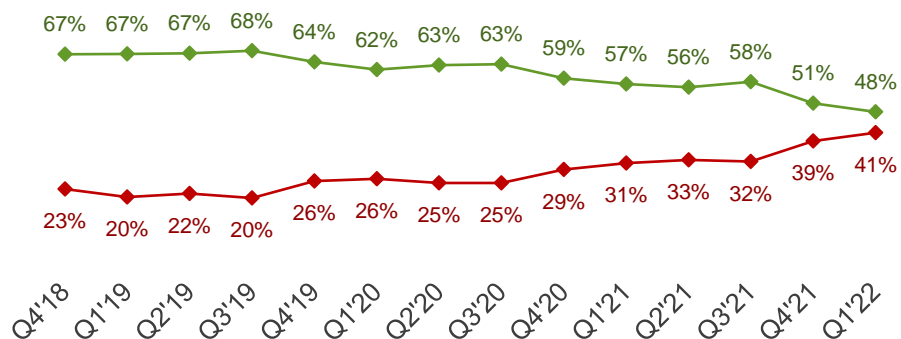
Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave



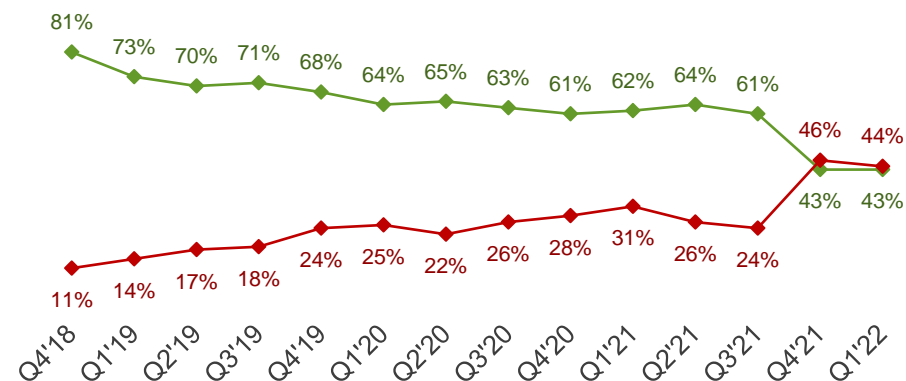
# CONTACT EASE/DIFFICULTY – BY CHANNEL

Consumers report that live chat and phone remain the more difficult channels to use, with both channels experiencing a decline over the past couple of years. By contrast, email and app channels remain relatively better performing.

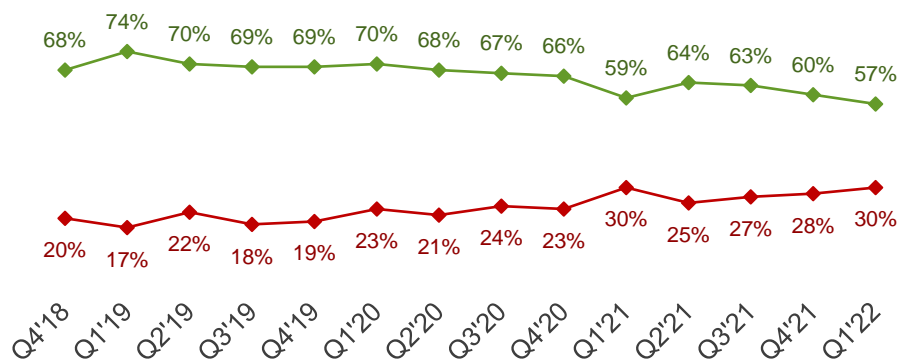
## Contact ease – contacted via phone (55%)



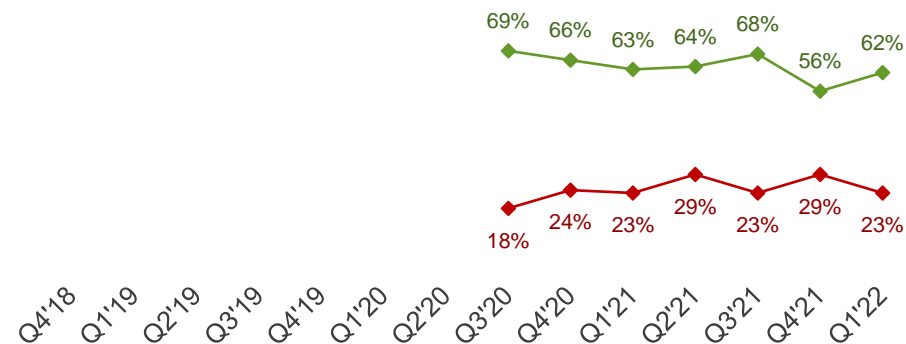
## Contact ease – contacted via live chat (15%)



## Contact ease – contacted via email (20%)



## Contact ease – contacted via app (14%)



◆ Net: Easy (4-5)      ◆ Net: Difficult (1-2)

Neither easy nor difficult not shown. Consumers could select multiple contact channels

Base sizes: Q1'22, contacted by phone (647), contacted by email (234), contacted by live chat (181), contacted by app (162)  
 Q45. Thinking about the last time you tried to contact your supplier how easy or difficult did you find it to contact them?  
 Q48. How did you make contact with / try to make contact with your supplier on that last occasion?

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave

# BILLING SATISFACTION

Overall, most consumers are satisfied with billing, though strength of satisfaction has declined (fewer consumers this wave are 'very satisfied'). Net satisfaction with billing accuracy has declined again this quarter, while net satisfaction with ease of understanding bills is similar to Q4'21.

70% of consumers are satisfied with the ease of understanding their bills, while 68% are satisfied with billing accuracy in Q1'22.

Those significantly more likely to be satisfied are (% ease of understanding, % accuracy):

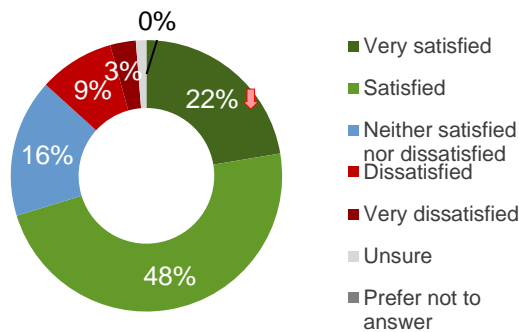
- Consumers on fixed tariffs (75%, 73%)
- Those aged 65+ years (73%, 75%)
- Paying by direct debit (71%, 69%)

Dissatisfaction with ease of understanding and bill accuracy have both risen since the same time last year (Q1'21). Verbatim comments suggest many consumers find bills too complex for them to understand.

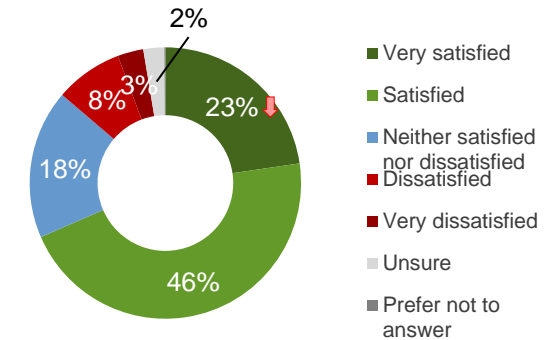
Those significantly more likely to be dissatisfied are (% ease of understanding, % accuracy):

- Consumers who have been through a SoLR (23%, 10%)
- Consumers who have attempted to switch but have not been able to (22%, 26%)
- Women (14%, 13%)

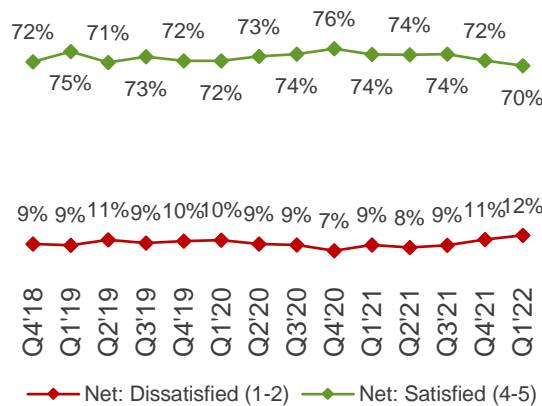
Ease of understanding the bill Q1'22



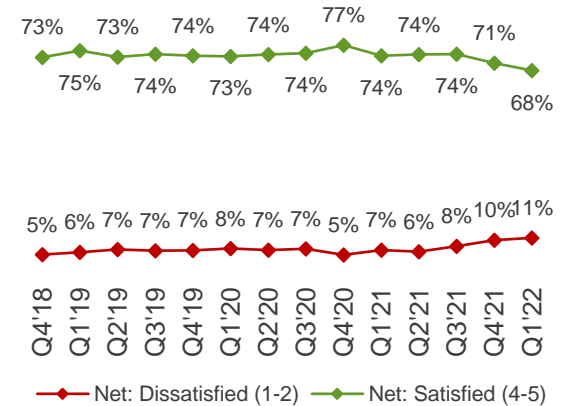
The accuracy of the bill Q1'22



Over time



Over time



*"They are not easy to understand and I'm dreading the next bill."*  
Female consumer

*"Its so technical, that I cannot understand any part of my bill"*  
A consumer who attempted to switch energy supplier

Base sizes: Q4'18=2637, Q1'19=2622, Q2'19=2589, Q3'19=2602, Q4'19=2649, Q1'20=645, Q2'20=513, Q3'20=2622, Q4'20=2648, Q1'21=2689, Q2'21=2592, Q3'21=2635, Q4'21=2652, Q1'22=2769.

Q37\_1. Please can you tell me how dissatisfied or satisfied you are with the following aspects of your supplier's bills? - Ease of understanding the bill.  
Q37\_2. Please can you tell me how dissatisfied or satisfied you are with the following aspects of your supplier's bills? - The accuracy of your bill.

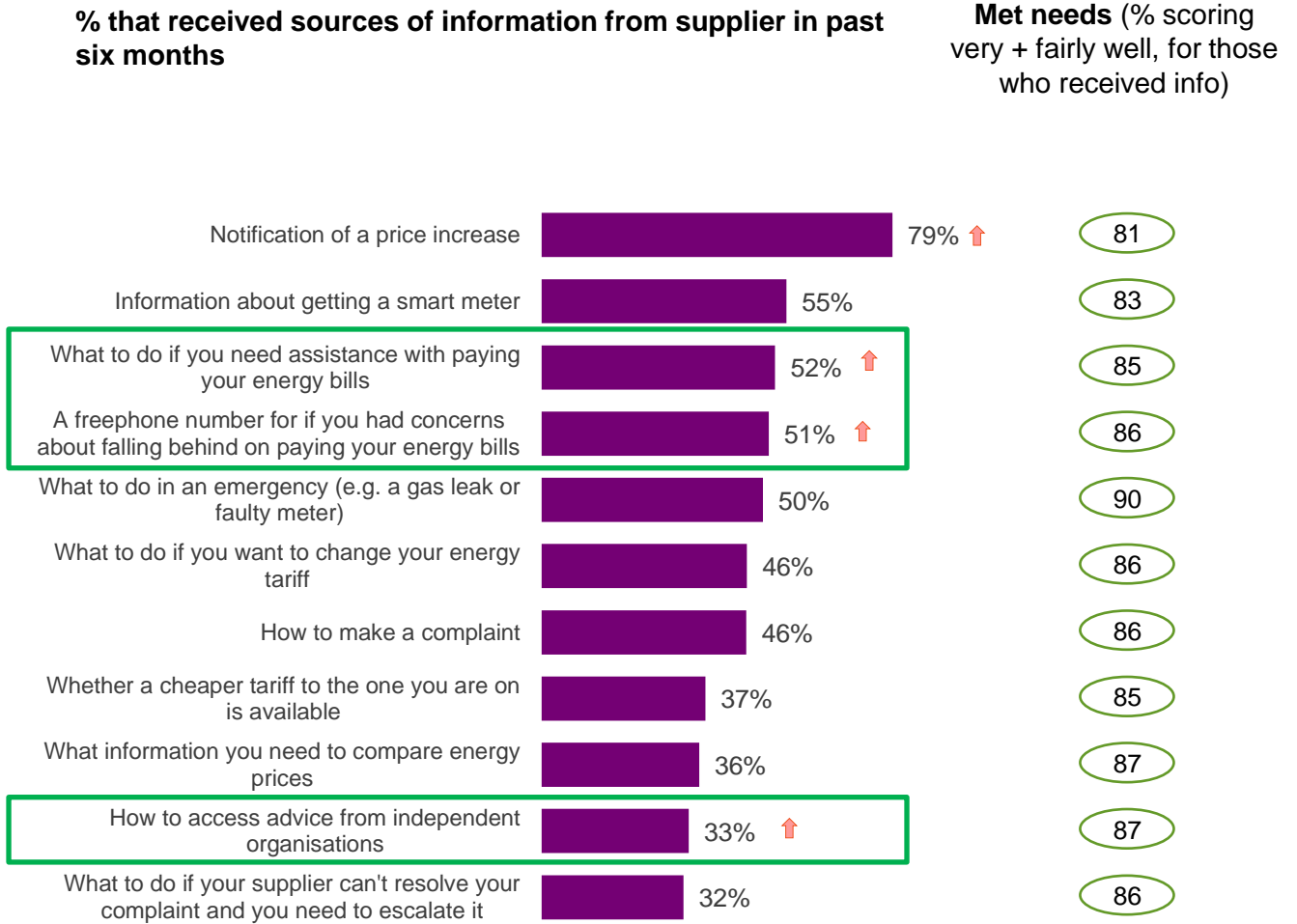
Indicates a significant  
↑ Increase / Decrease ↓  
At 95% confidence wave-on-wave

# INFORMATION PROVIDED BY SUPPLIER

Recall of information about support from suppliers has increased this quarter.

More consumers reported receiving information about support from their suppliers recently – including guidance on assistance available for paying bills (53%, 46%), a freephone advice number (51%, 47%), and how to access independent advice (33%, 30%).

However, consumers who are **digitally excluded** are significantly less likely to recall receiving information from their suppliers on how to access independent advice (26%).



Base sizes: Q4'21= from 1317 to 3197, Q1'22= from 1682 to 3197 . \*How well the information received met the consumer's needs (5pt scale – Top two boxes shown)  
 Q42. Do you recall if your supplier has given you information about any of the following in the last six months?  
 Q43. How well did the information you received from the following meet your needs?

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave

# COMPLAINTS SATISFACTION

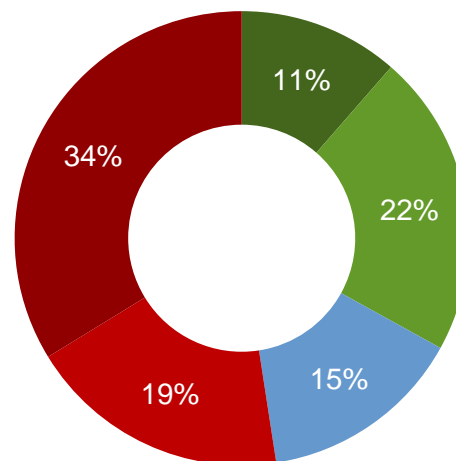
The complaints landscape is similar to last quarter – around a tenth of consumers made a complaint, and half of these were dissatisfied with the way their complaint was handled.

## 8% made a complaint in the past 3 months (vs 9% in Q4'21).

52% of people making a complaint were dissatisfied with the overall handling of their complaint (vs 50% in Q4'21).

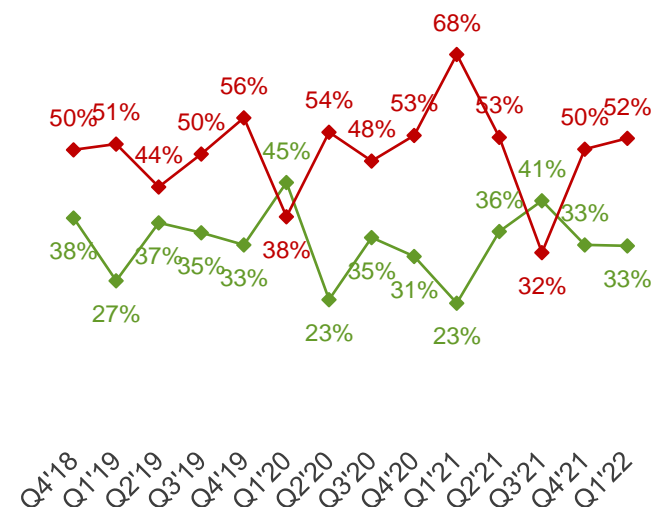
Of those who made a complaint, 56% were dissatisfied with the time it took to deal with the complaint, which is not a statistically significant difference from Q4'21 (63%).

## Overall complaint handling satisfaction – Q1'22



- Very satisfied
- Satisfied
- Neither satisfied nor dissatisfied
- Dissatisfied
- Very dissatisfied

## Overall complaint handling satisfaction – over time



- ◆ Net: Satisfied (4-5)
- ◆ Net: Dissatisfied (1-2)

Base sizes: Consumers whose last contact with their supplier was to make a complaint Q4'18=89, Q1'19=110, Q2'19=118, Q3'19=101, Q4'19=112, Q1'20=33, Q2'20=97, Q3'20=107, Q4'20=104, Q1'21=121, Q2'21=132, Q3'21=148, Q4'21=96, Q1'22=96  
 Q52\_3. Please can you tell me how satisfied or dissatisfied you are with the following aspects of your complaint: The overall handling of the complaint

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave

# SWITCHING SATISFACTION

Most consumers continue to feel positive about the switching process (71% are satisfied), but this has declined since Q4'21 (79%).

## 13% switched their supplier in the past 12 months (vs 15% in Q4'21)

Consumers are typically switching for similar reasons as in Q4'21 – to get a better tariff (35%) and/or to get a fixed term deal (30%).

However, satisfaction with the switching process overall has declined since last quarter. Comments from some consumers suggest that this is due to the process taking a long time and suppliers being difficult to contact.

*“It was a long experience”*

*“Could not get through on the telephone.”*

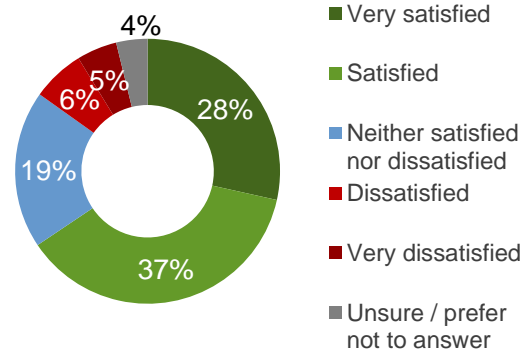
*“It was hard to do and I was on call for hours.”*

*“It was such a pain. Way too many different people to talk to.”*

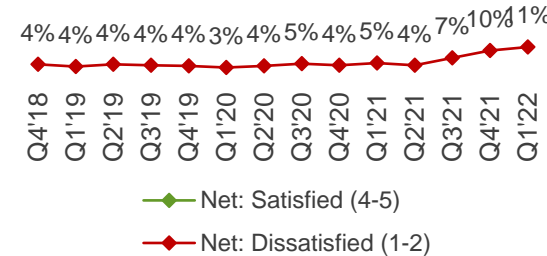
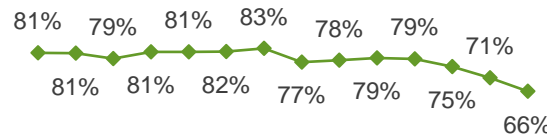
Consumers **significantly less likely to be satisfied** are:

- Consumers who pay via standard credit (55%)
- Consumers with a long-term illness, physical or mental health problem or disability (65%)
- Consumers on a variable rate tariff (59%)
- Consumers who have been through the SoLR or SA processes and since switched (59% and 57% respectively)

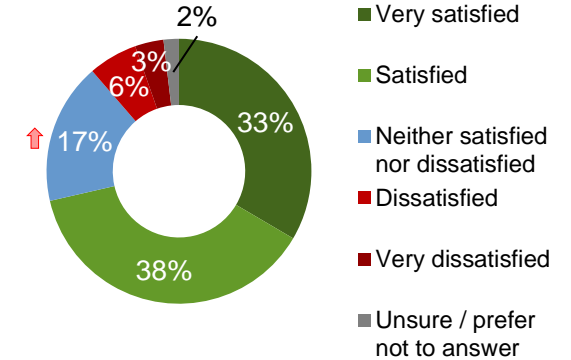
## Ease of comparing suppliers + prices – Q1'22



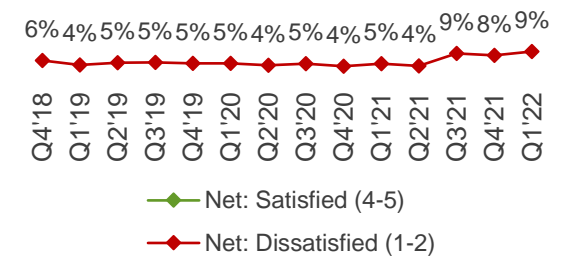
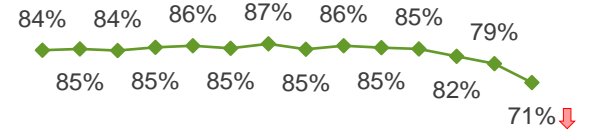
### Over time



## The switching process overall – Q1'22



### Over time



Base sizes: Ease of comparing Q4'18=1694, Q1'19=1627, Q2'19=1640, Q3'19=1638, Q4'19=1798, Q1'20=1768, Q2'20=1624, Q3'20=1400, Q4'20=1421, Q1'21=1373, Q2'21=1330, Q3'21=605, Q4'21=463, Q1'22=406 / Switching process overall Q4'18=1715, Q1'19=1646, Q2'19=1673, Q3'19=1663, Q4'19=1827, Q1'20=1792, Q2'20=1642, Q3'20=1428, Q4'20=1454, Q1'21=1400, Q2'21=1349, Q3'21=607, Q4'21=463, Q1'22=414 Q60\_SUM. Using a scale of 1 to 5 please can you tell me how dissatisfied or satisfied you were with the following aspects of your switch to another supplier?

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave



# AFFORDABILITY CONCERNS

Around half of consumers now have concerns about being able to afford energy at home – this has continued to increase across the past three quarters.

This quarter, half of consumers are concerned that they are going to **struggle to pay their energy bills** (51%, +9% vs Q4'21). This is a further increase from last quarter – representing the third consecutive quarter where affordability concerns have increased significantly. Moreover, more than half have thought about the impact of their financial circumstances on their energy use (54%, +11% vs Q4'21).

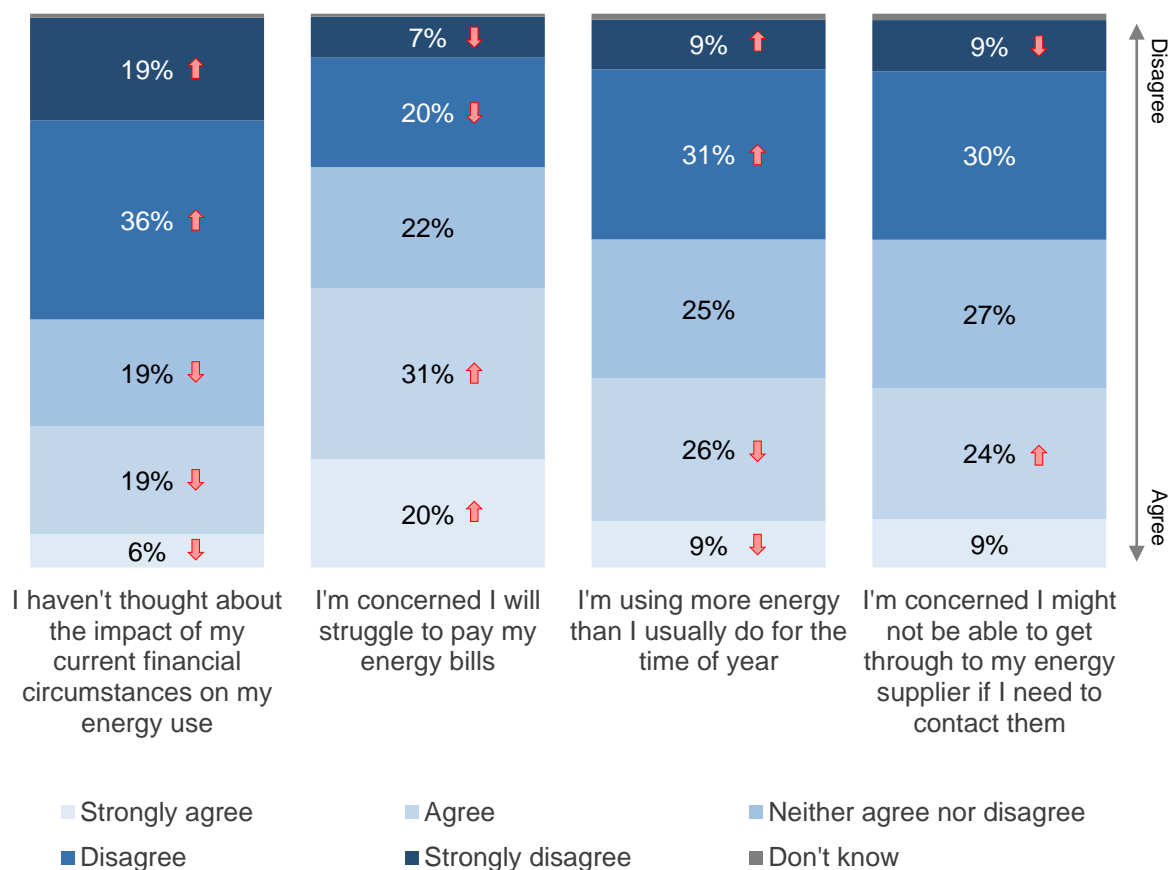
**Those significantly more likely to be concerned about struggling to pay their energy bills are:**

- Consumers receiving state benefits (65%)
- Prepayment consumers (63%)
- Women (62%)
- Consumers aged under 65 (59%)
- Consumers with a long-term illness, physical or mental health problem or disability (57%)
- Consumers with lower household incomes (£25K and under) (55%)

These groups are consistent with previous waves – illustrating that they continue to need more support than others.

Notably there is also an increase in the proportion of consumers concerned they might not be able to get through to their supplier if they need to (33%, +4% vs Q4'21).

## Consumers' perceptions of the impact of their current situation on energy use – Q1'22



Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave

# FALLING INTO DEBT – CREDIT METER CONSUMERS

More credit meter consumers report they have fallen into debt this quarter – the rising costs of energy are contributing strongly to this (though consumer comments suggest that in some cases this is because direct debits are insufficient to cover usage, rather than affordability per se).

**13% have fallen behind on an energy bill in the past three months (vs 9% in Q4'21)**

**Those significantly more likely to have fallen behind on their energy bills, and therefore who need more support, are:**

- Younger consumers (aged under 50) (21%)
- Women (16%)
- Consumers receiving state benefits (18%)

*Wasn't paying after supplier went bust so was in arrears until my account transfer was completed*

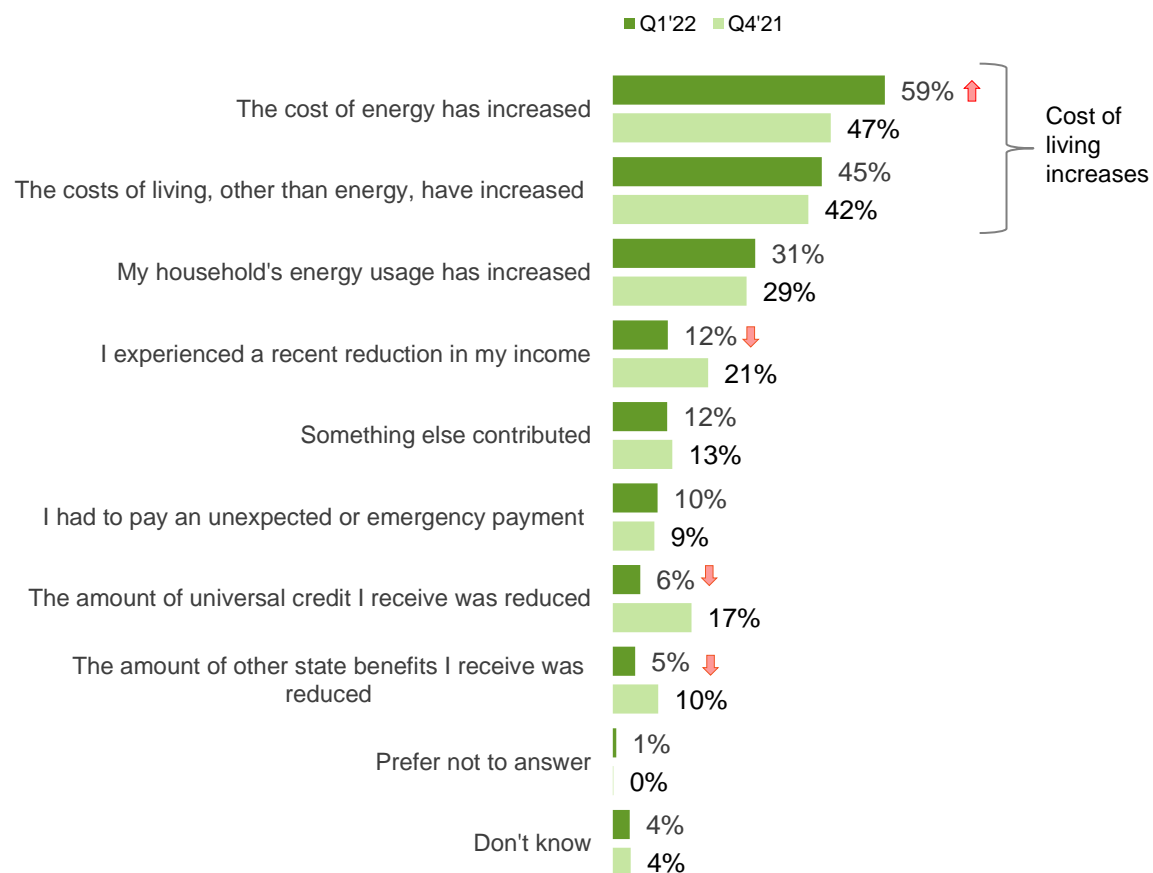
*Monthly payment doesn't cover usage*

*Waiting for credit from old supplier*

*We pay a fixed amount and during this time of the year we are always in arrears*

*The direct debit went from £80 per month to £140*

## Contributing factors to falling behind – Q1'22



Base sizes: Direct Debit and standard credit consumers=2372 / Direct Debit and standard credit consumers=335  
 Q63AB. Thinking about the past 3 months, has your household fallen behind on an energy bill so that you owed money to your energy supplier?  
 Q63A4. What factors, if any, do you think contributed to you falling behind on your energy bills?

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave



# GETTING SUPPORT – CREDIT METER CONSUMERS

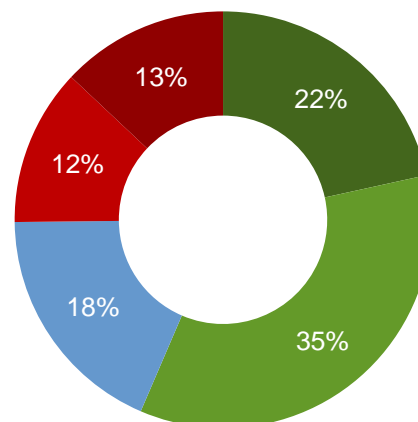
Over two-fifths of credit meter consumers who have run into debt have contacted their supplier for support – fewer than in Q4'21. Just over half of credit meter consumers that have been in contact for help were satisfied with the support they received, but more credit meter consumers are dissatisfied compared to Q4'21.

## 43% of credit meter consumers who have fallen behind on their bills have been in contact with their energy supplier for help (vs 54% in Q4'21)

31% of credit meter consumers who have fallen behind on their bills reached out to their supplier first for help (-13% vs Q4'21). Conversely, the proportion of credit meter consumers who have fallen behind on their bills who were contacted by their supplier first is stable at 12% (vs 10% in Q4'21).

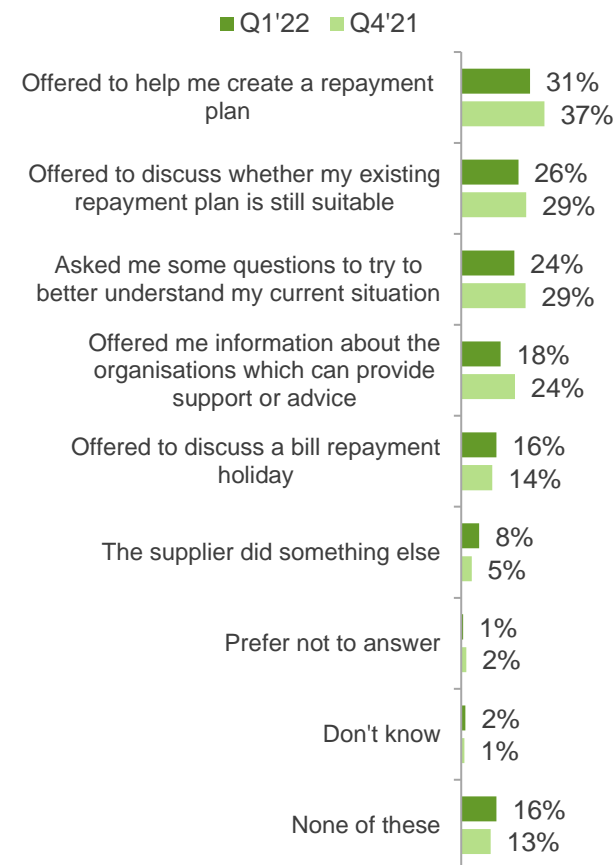
Just over half of credit meter consumers that have been in contact for help are satisfied with the support they received (56%, vs. 58% Q4'21). However, a quarter (25%) are dissatisfied with the support they received (+4% vs Q4'21).

## Satisfaction with debt management support – Q1'22



- Very satisfied
- Satisfied
- Neither satisfied nor dissatisfied
- Dissatisfied
- Very dissatisfied
- Unsure

## Options the supplier offered to discuss – Q1'22 and Q4'21



Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave

Base sizes: Direct debit and pay on receipt of bill customers who have fallen behind=354 / those who have sought help=152  
 Q63AC1. Overall, how satisfied or dissatisfied are you with the support you have received from your supplier about paying your bills?  
 Q63AC3. Please could you say whether your supplier proactively offered to support you in any of the following ways?

# RUNNING OUT OF CREDIT – PREPAYMENT CONSUMERS

A similar proportion of PPM consumers have run out of credit compared to Q4'21. Costs other than energy are the top reason given to explain why those who were disconnected ran out of credit.

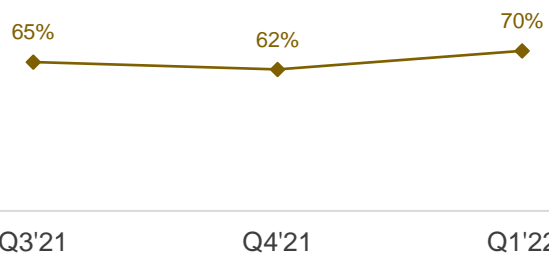
## 30% have run out of credit on their PPM in the past three months (vs 31% in Q4'21)

Similarly to last quarter, just under a third of consumers who pay for their energy using a prepayment meter have run out of credit. A total of 6% of prepayment meter consumers have run out of credit on their prepayment meter for 3 hours or more (-4% vs Q4'21).

It is possible that many of the remaining 24% who ran out for less than three hours may have forgotten to top up.

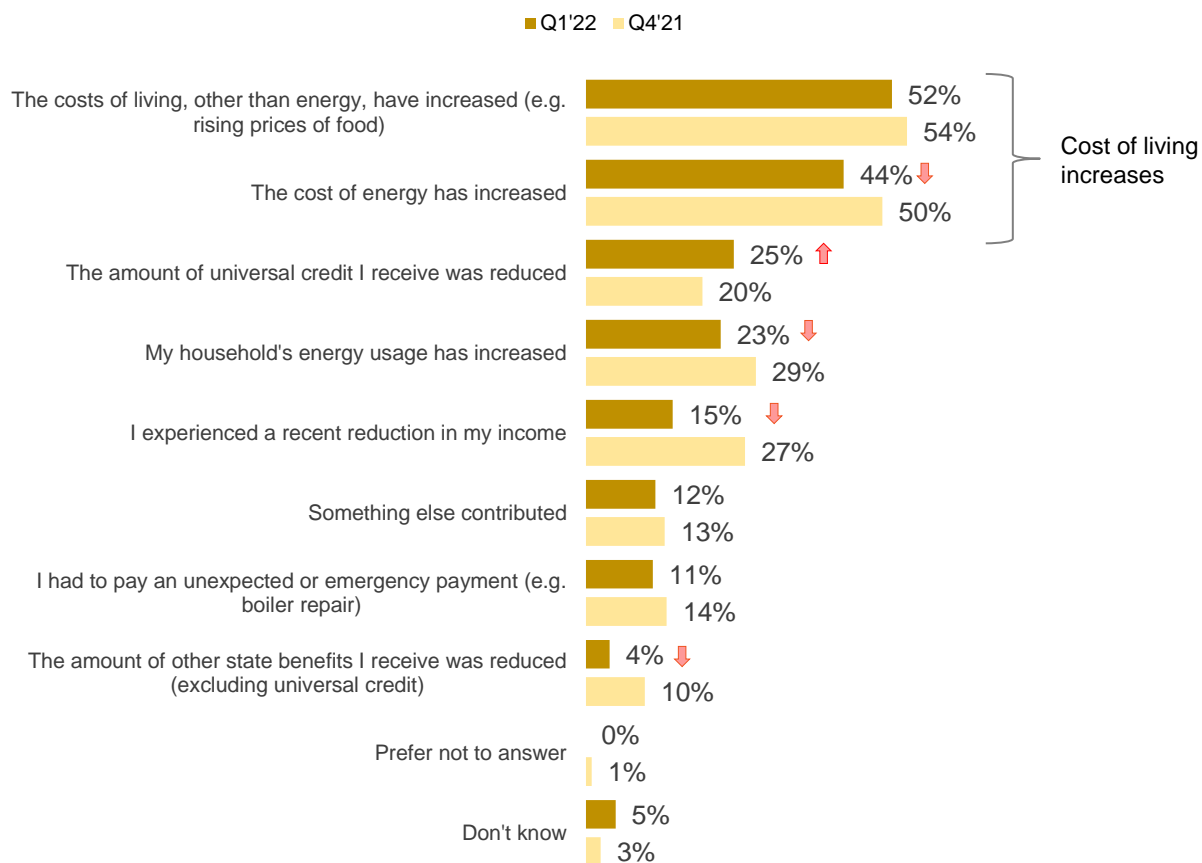
## % of PPM consumers who have run out of credit for 3 hours or less

Base: PPM customers who have run out of credit



◆ PPM consumers who ran out of credit for 3 hours or less

## Contributing factors to running out of credit – Q1'22



Base sizes: Prepayment meter customers=345 / Prepayment customers that have run out of credit =109 / PPM consumers who ran out of credit for 3+ hours=20\*\*  
 Q63A2. You mentioned that your household has fallen behind on an energy bill in the past 3 months. Is this the first time this has ever happened?  
 Q63A4. What factors, if any, do you think contributed to you being disconnected from your energy supply?

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave

# GETTING SUPPORT – PREPAYMENT CONSUMERS

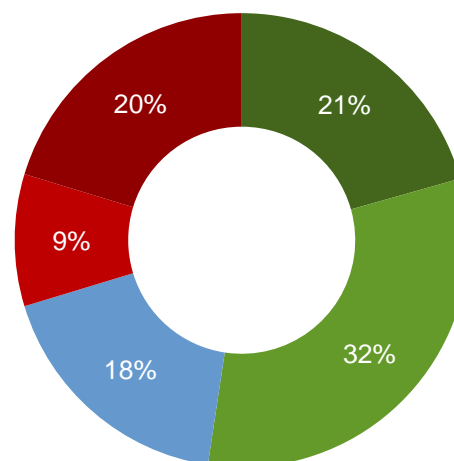
Satisfaction with support offered to prepayment consumers remains low (52% were satisfied in Q1'22).

**30% of those who have run out of credit on their PPM have been in contact with their energy supplier for help (vs 37% in Q4'21)**

For those who have been in contact with their supplier for help – only half were satisfied (52%, vs 55% in Q4'21). This is similar to last quarter, but remains low compared to Q3'21 (68%).

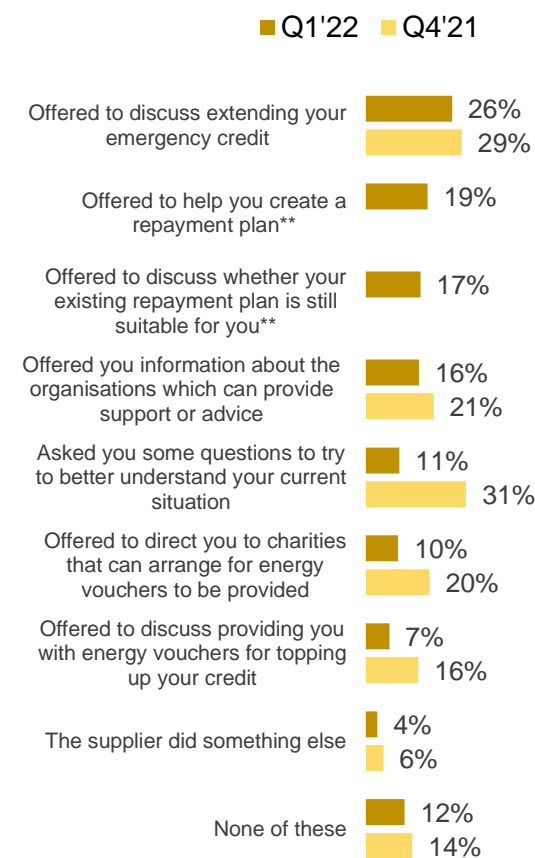
There were no significant differences in terms of the support options offered by suppliers. However, 1 in 10 consumers continue to not be offered a support option – increasing the support options offered and engaging with third parties could help to boost satisfaction levels.

## Satisfaction with debt management support – Q1'22\*



- Very satisfied
- Satisfied
- Neither satisfied nor dissatisfied
- Dissatisfied
- Very dissatisfied

## Options the supplier offered to discuss – Q1'22\*



\*\*new statement for Q1'22

Base sizes: Prepayment meter customers that have sought support=33\*. Base sizes between 30 and 49 are flagged with an asterisk. Q63AC1. Overall, how satisfied or dissatisfied are you with the support you have received from your supplier about paying your bills? Q63AC3. Please could you say whether your supplier proactively offered to support you in any of the following ways?

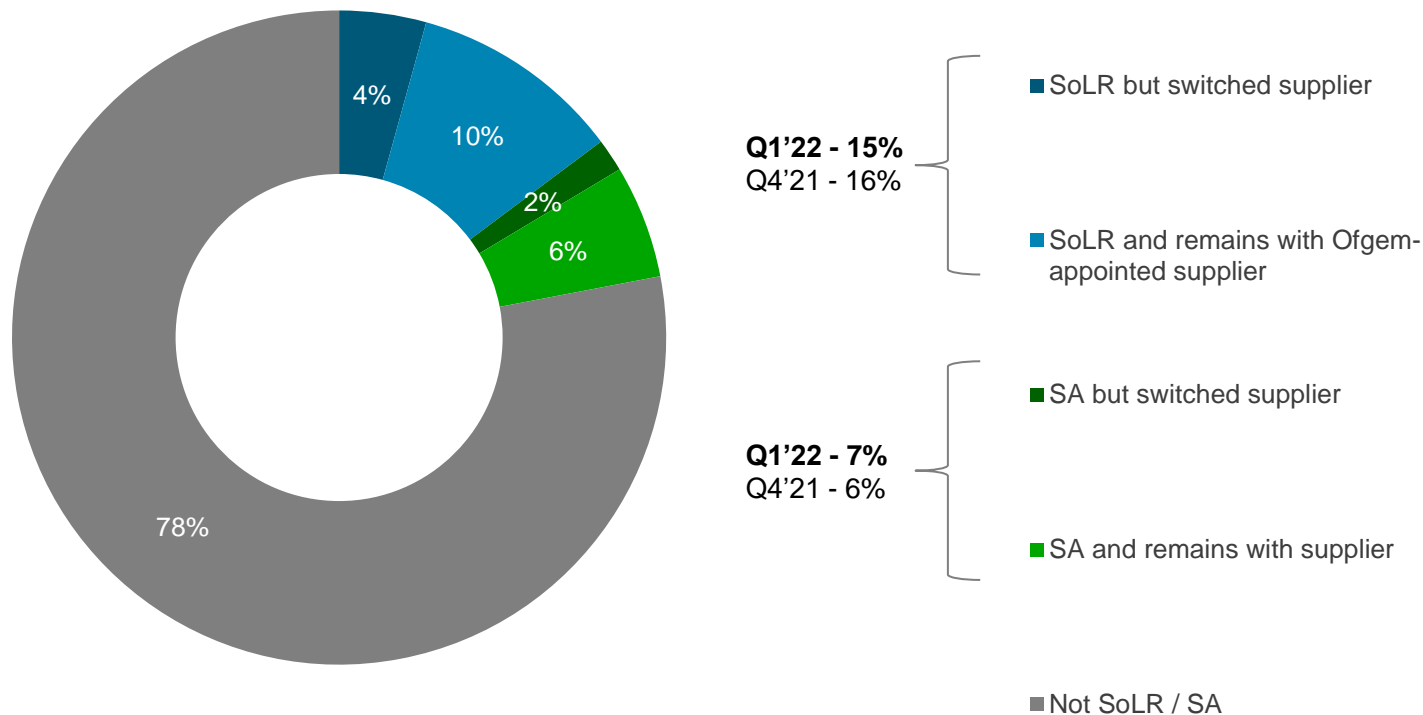
Indicates a significant  
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 At 95% confidence wave-on-wave



# SUPPLIER OF LAST RESORT PROCESS - PROFILING

Consistently with last quarter, around a fifth of consumers have experienced either the SoLR or Special Administration process (22%, -1% vs Q4'21).

## Consumer SoLR status distribution



Base sizes: Q1'22=3197.  
Q16SOLR. You mentioned that your electricity supplier went out of business in the past 12 months. Please could you say which supplier this was?

\*Suppliers with less than 1% of responses not shown.

Indicates a significant  
↑ Increase / ↓ Decrease  
 At 95% confidence wave-on-wave

# SATISFACTION WITH TRANSFER TO NEW SUPPLIER

Consumer perceptions of the SoLR process are similar to last wave: 57% are satisfied with the process, but a fifth (23%) remain dissatisfied.

**15%** have been a consumer of an energy supplier that has gone out of business (excluding Special Administration) in the past 12 months (vs 16% in Q4'21)

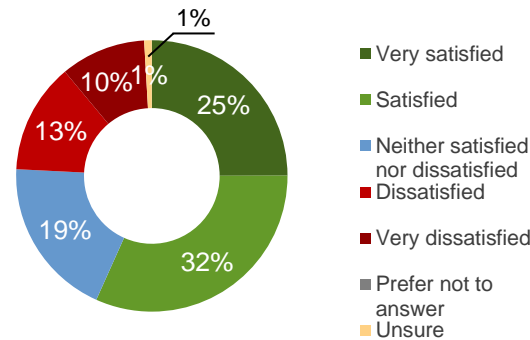
Positively, **most consumers continue to feel positively** about the transfer process (57% are satisfied) - a stable trend over the past three quarters (58% in Q4'21). This is not surprising as there have only been two supplier failures since the previous wave.

Similar to Q4'21, 23% are dissatisfied with the transfer to a new supplier (20% in Q4'21). These consumer groups are **significantly more likely to be dissatisfied** with the transfer:

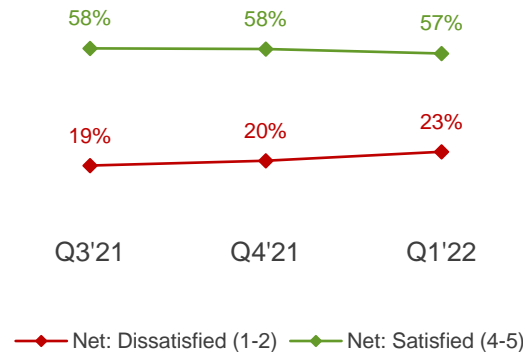
- Consumers with a long-term illness, physical or mental health problem or disability
- SoLR consumers that have since switched (29%)

A similar proportion of consumers who have experienced supplier failure feel the customer service is better at their new supplier (19%) as those who feel the customer service is worse at their new supplier (23%). A large minority feel it is about the same (44%).

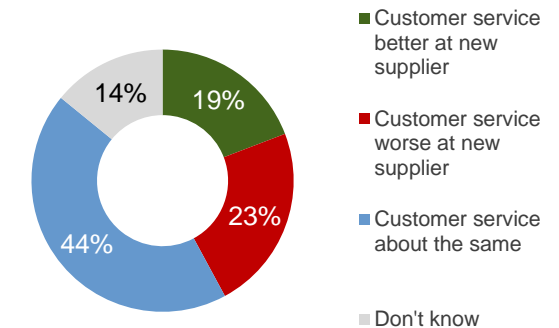
Satisfaction with transfer to new supplier Q1'22



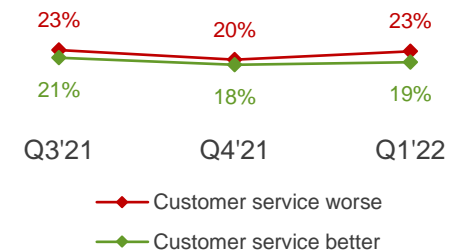
Over time



Customer service perceptions Q1'22



Over time



Base sizes: Satisfaction Q4'21=496, Q1'22=459 / Customer service Q4'21=510, Q1'22=463  
 S10Q2. Overall, how satisfied or dissatisfied were you with the process of being transferred to your new supplier?  
 S10Q3. And was the customer service at the new supplier better, worse, or about the same as the customer service at your previous supplier?

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave

# SUPPLIER OF LAST RESORT PROCESS – SUBSEQUENT SWITCHING

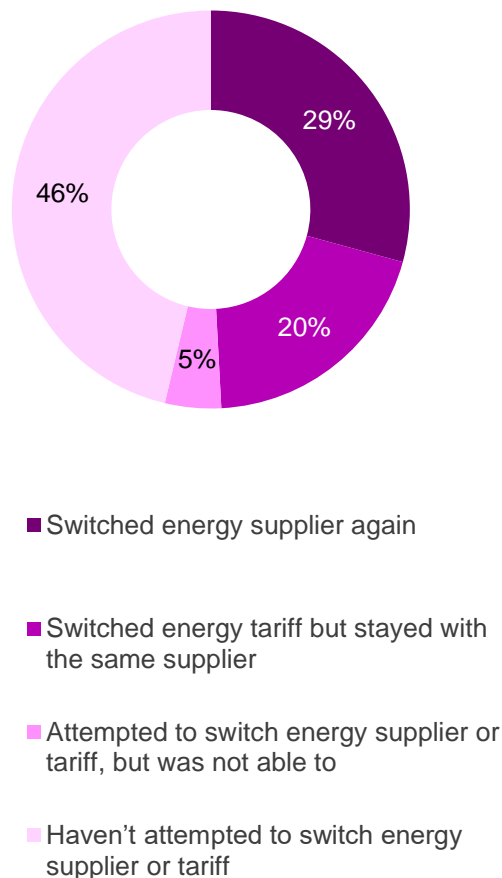
A third of consumers who experienced the SoLR process have since switched, similarly to Q4'21. This quarter, SoLR customers switched for reasons similar to the total market (i.e. those who have switched but not also been through SoLR) – to get a better tariff or a fixed price deal.

**34% of SoLR consumers either switched supplier or attempted to switch supplier in the past 12 months (vs 38% in Q4'21).**

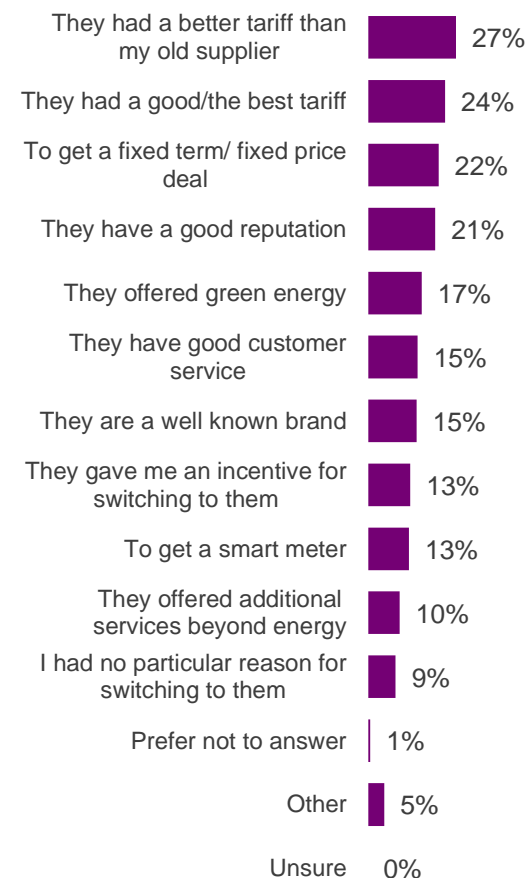
SoLR consumers that **switched** (29%) are more likely to be:

- Younger consumers (40% aged under 50, this increases further if aged under 35 – 46%)
- Paying via prepayment (47%)
- Smart meter owners (32%)

Switching status of SoLR consumers



Reason for switching



Base sizes: SoLR consumers=472, SoLR consumers who switched=137  
 Q5563 In the past 12 months, have you either switched your energy supplier, or switched your energy tariff but stayed with the same supplier?  
 Q60A. Once you had made the decision to switch to another energy supplier, what were the main reasons you chose the company you went with?

Indicates a significant  
 ↑ Increase / Decrease ↓  
 At 95% confidence wave-on-wave





- Most consumers are generally **satisfied** with their energy supplier but this has declined since last quarter. This change against the previous wave is not mirrored by similar declines in satisfaction with the core aspects of **customer service** this quarter – satisfaction with **customer service** remains broadly consistent with last quarter, while most remain satisfied with the ease of understanding their **bills**, and **complaints** are level with last quarter. One reason for the decline in overall satisfaction could be related to recent price increases.
- There have been small increases in the proportion of consumers who are dissatisfied with the accuracy of their **bills**, and a continued decline in contact ease with live chat and phone. There is also a decline in satisfaction with the switching process amongst those who had **switched** recently.
- The main changes this quarter relate to **affordability concerns**. Half of consumers now report concern about struggling to pay their energy bills, and it is clear that their financial circumstances are having an impact on that. While more consumers say they recall receiving information about support available, this may not be reaching some digitally excluded consumers. Of those who have received debt support from their supplier, approximately half are satisfied with the support provided.
- Perceptions of the SoLR and SA processes are largely stable, which is consistent with the fact there have not been many supplier failures since the last quarter.

There are a number of things that suppliers / independent bodies could be doing to improve things for consumers:

- **Contact and complaints** – suppliers must make it easy for consumers to contact them, and act promptly to resolve issues such as long waiting times. As the worst-performing channels, live chat and phone could also be the priorities for any improvements. [Ofgem's Market Compliance Reviews](#) will assess suppliers' policies, governance and processes to ensure they are providing good customer service for consumers.
- **Billing** – billing accuracy is a source of dissatisfaction for some consumers, especially among those who have experienced supplier failure. Suppliers should make sure that the information they provide to all consumers about bills and payments is timely, accurate and not misleading.
- **Switching:** consumer satisfaction with the switching process has declined. While some aspects of the switching process are not entirely within suppliers' control, suppliers should be reminded that their processes must comply with Ofgem's switching rules to ensure consumers are treated fairly.
- **Debt and support information** – suppliers should be proactively contacting consumers who have fallen behind and those who are at risk of falling behind, to offer them support. It is important to ensure that digitally excluded consumers have access to support that is suitable for their needs. [Ofgem's Market Compliance Reviews](#) will assess suppliers' approaches to ensure they provide support where required.

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## GLOSSARY OF TERMS

Throughout this report, some abbreviations or reductions of words and phrases have been used for conciseness. Please find their full definitions below.

### Abbreviations and meanings

- **SoLR** – Ofgem’s Supplier of Last Resort process
- **SA** – The Special Administration process
- **PPM** – prepayment meter

### Reductions of words and phrases

- **Consumers with a disability or illness\*** – refers to any long-term illness, physical or mental health problem or disability which limits consumers’ daily activities or the work that consumers can do. This includes problems due to old age.