Consumer First Panel 2017

Understanding information needs

ofgem REVEALING REALITY

Contents

1. Executive Summary

INTRODUCTION

This report outlines the findings from discussions with consumers during Wave 1 of Ofgem's 2017/18 Consumer First Panel – the latest iteration of a long-standing consumer research programme which ensures the consumer voice is clearly heard as part of the regulator's ongoing policy-making processes.

The focus of this wave was on the needs of consumers in relation to information and communications from suppliers – both in order to deal with their immediate energy needs, and also to make optimal decisions about which suppliers to use / switch to. This will inform Ofgem's review of rules relating to supplier-customer communications, to help ensure that suppliers are delivering good consumer outcomes by focusing on the information that consumers need to easily understand and manage their consumption and costs[1]. This information may also help interested suppliers to better understand and address consumer information needs, though it should not substitute suppliers directly engaging with their own customers to understand and address their specific information needs.

A series of deliberative workshops were held with a total of 75 consumers in summer 2017, spanning four locations across Great Britain. This qualitative approach was similar to previous years of the Consumer First Panel but also included a series of 'introductory videos' Panellists completed to gauge current attitudes to the energy market and billing before the workshop.

Ofgem's consumer segmentation[2] was used to ensure the Panel contained a representative mix of attitudes to buying and using energy, while also containing a robust mix in terms of gender, ethnicity, age and existing energy supplier.

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[1] Ofgem open letter: Reforming our rules related to domestic supplier-customer communications,https://www.ofgem.gov.uk/publications-and-updates/open-letter-reforming-our-rules-related-domestic-supplier-customer-communications

[2] See Segmentation on page 17, Consumer Engagement in the Energy Market 2017, https://www.ofgem.gov.uk/system/files/docs/2017/09/consumer_engagement_survey_2017_report.pdf

SHIFTING EXPECTATIONS

I want to pick up which pieces of information I receive. Like a DIY bill.

The research revealed the different ways consumers were accessing and reading their energy billing information, with some no longer relying on their physical bill – in particular those who are digitally active and increasingly accustomed to personalisation and the ability to choose which information they view.

- ➔ Consumers discussed 'information overload', and with digital media transforming their lives, attention spans and engagement levels can be limited. The result is increased space for flexibility in both the type of information that is shared, and the style of its presentation.
- ➔ Few, if any, Panellists had very strict expectations for what information *should* be included in their bills – their perceptions often rooted in examples from other sectors where organisations share different types and volumes of information.

INERTIA & FOCUS ON COST

It's all a bit foreign to me, I just pay my bill

The research uncovered a passive approach to engaging with communications from energy suppliers.

- ➔ A small group of Panellists never opened their energy bill – in particular those paying bills by direct debit to spread the cost over the year, and those who had opted for digital billing.
- ➔ For those who did regularly open their bills, most recognised that they never engaged with any information beyond the cost – they usually skimmed through for the key information, often related to money or changes in expected charges.

PERCEIVED DIFFICULTY

I don't understand their jargon. Are suppliers making it confusing on purpose?

Based on their experiences of engaging with their supplier, be it reading their bills or speaking to them over the phone, a significant group of Panellists expected communication with their supplier to be challenging and difficult.

- ➔ For these consumers, the overall impression was that understanding the information and getting to clear answers would take significant effort on their part.
- ➔ This was echoed in the widely-held perception that suppliers were trying to 'hide' useful information and generally *make* it difficult for consumers to locate it.

UNDERSTANDING OF USAGE LEVELS

Most Panellists expressed a need to better understand their energy usage levels in order to find solutions to reduce the cost of their bills.

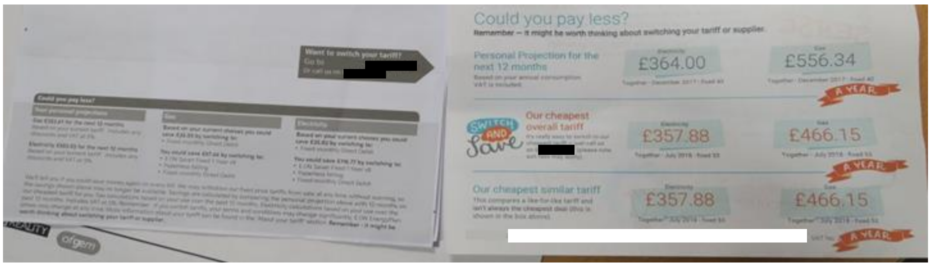
- ➔ By gaining this knowledge, they feel they would be able to incorporate basic money-saving tips in their daily energy usage.
- ➔ They would also be able to plan their budget in the long-term by anticipating moments of the year when their bill would increase.

USEFULNESS OF INFORMATION (ONCE ENGAGED)

When asked to study their bill in more detail, almost everyone found some additional information that they felt would be useful in their ongoing account management.

However, not all this information was deemed necessary at the same frequency as they receive their bill.

➔ While some consumers recognised the benefits of trying to keep information in one place, the overarching impression of current bills was that they have an overwhelming volume of information. The length, coupled with an often disengaging presentation (including a proliferation of text), meant most Panellists failed to realise the information even existed. There was also a widely-held belief that suppliers would be reluctant (or unable) to make information easier to read.



➔ However, once they discovered the different types of information contained on the bill, almost all had only positive responses to its value. When asked to identify extraneous information that could be removed, they often struggled – recognising they had things to learn from all of it.

THE OPPORTUNITY

The opportunity lies in finding ways to present useful information in an engaging, empowering & timely manner, using alternative communication channels to bills

The opportunity that emerged from the research lies in *how* and *when* to present key information to consumers in order to encourage engagement – as opposed to fundamental changes in what information is made available. In other words, making sure consumers have the right information at the right time, and in the right format, to make effective decisions.

By taking a more flexible approach to addressing specific customer needs, there is an opportunity for suppliers to increase consumer engagement with key information. To be effective, this needs to take account of consumers' priorities, and how they vary at different points in and between their contracts. Related to this, the research indicated the potential benefits of enabling suppliers to take different approaches to their customer communications – moving away from the current requirement to present all the information, in a universally fixed format, as part of regular bills.

Overarching all of these potential communications, a number of criteria emerged as being of particular importance to Panellists – with all communications needing to be:

- ✓ **Relevant –** prioritising information that's important to them at specific moments
- ✓ **Attention-grabbing –** drawing the eye and making consumers *want* to engage
- ✓ **Simple –** jargon-free and clear so people feel confident they can understand quickly
- ✓ **Uncluttered –** clear layouts that support navigation and use of key data
- ✓ **Easy-to-access –** channels / formats that are meaningful to users and encourage 'opening'

STARTING POINTS FOR DELIVERING BETTER CONSUMER OUTCOMES

In analysing customers' current experiences against underlying needs, the research revealed a number of starting points to make information more accessible and usable. These include in order of questions asked:

CONSUMER NEED	OPPORTUNITIES FOR CHANGE
NEED TO MANAGE MONEY	■ Clarifying 'credit' language to differentiate between 'money owed' & money that will be used to balance the account over the course of the contract ■ Relatable energy comparison points to help consumers understand their changing usage levels (e.g. £x is equal to boiling 5 kettles) ■ Upfront information related to changes to pricing or product features – and framed / presented to draw attention ■ A more visual presentation and explanation of the breakdown of numbers for those who are 'scared of maths' ■ Personalised tips for reducing energy cost / consumption ■ Giving more prominence to monetary value of energy usage as opposed to kWh – with opportunities to get more detail if desired
NEED TO UNDERSTAND THE PRODUCT	■ Explanations of different types of tariff incorporated in welcome packs / start of the relationship ■ Tariff names to work harder to capture attention & clarify details ■ Simple tariff 'profile' data (e.g. name, rate, date of payment) to be kept on the bill alongside account / reference numbers (tariff name, tariff type, rate, payment etc.) ■ Tariff information framed as 'just in case' information – reflecting it's secondary to pricing / costs ■ Minimise jargon and provide glossary / definitions where jargon is necessary
NEED TO MAKE PURCHASING DECISION	■ Replacing text heavy components with visuals, icons and graphics wherever possible ■ Framing switching information around saving money ■ Using comparison points to help position tariffs against others (e.g. comparing energy usage and prices with other similar households or neighbourhoods) ■ Communicating about environment less frequently / more visually ■ Centralising digital shortcuts, such as QR codes and/or web links, in one place
NEED TO RESOLVE PROBLEMS	■ Centralising supplier contact information in one place such as a welcome pack, a card, a sticker, a fridge magnet or a booklet that the customer could easily access / reference ■ Keep phone numbers to a minimum – avoiding repetition ■ Reducing text-heavy nature of information – more visual cues to navigate to this information as needed

2. Background

Driving consumer engagement through improved supplier-customer communications

THE CONSUMER FIRST PANEL

Now in its ninth year, the Consumer First Panel is a key part of Ofgem's decision-making process. Through a varied programme of mixed-methodology research, the Panel enables the regulator to consider the attitudes, views and ideas of a range of consumers across all of its activities.

More specifically, the Panel aims to:

- Capture and understand consumers' views about the energy market at large – and specific issues within it
- Analyse and compare the relevant attitudes, behaviours and preferences of a range of consumers across Great Britain

POLICY CONTEXT

The past decade has seen a transformation in the energy industry, and the pace of change is increasing. The number of domestic retail suppliers operating within the market has also rapidly increased, and there is a need for a regulatory framework that is future-proof, allows for innovation and places the onus on suppliers to achieve good outcomes for consumers.

Within this retail market, it is critical that consumers can engage more easily and actively with the retail energy market – they must be able to quickly and easily access and understand the information they need to effectively manage their consumption and costs. The way in which suppliers communicate with their customers is critical to delivering these outcomes.

To that end, Ofgem wants to regulate supplier-customer communications in a manner that best enables suppliers to deliver positive consumer outcomes while also ensuring consumers are protected from harm. Improving supplier communications can help to increase the effectiveness of prompts to engage, particularly when delivered through existing regulated communications.

The rules related to domestic supplier-customer communications have consistently been identified by stakeholders as a priority area for reform. To strengthen its ability to protect consumers and enable innovation, Ofgem is considering where to remove unnecessary prescriptive rules from the supply licences and relying more on enforceable principles to help ensure consumers are getting what they need from supplier-customer communications.

WAVE 1: SUPPLIER COMMUNICATIONS

One area of consumer engagement which is especially prescriptive is supplier communications – with bills and other information subject to highly specific rules regarding layout, content and frequency. Given the importance of these communications in shaping consumers' perceptions of, and engagement with, individual suppliers and the market at large, Ofgem chose this as its focus of Wave 1 of the 2017/18 Panel.

The overall aim was to understand consumers' needs, behaviours and preferences regarding supplier communications and provision of information to their customer – both in terms of day-to-day interactions with existing suppliers, and engagement with the market more widely. In so doing, the research aimed to identify those areas where consumers would benefit from suppliers taking more innovative approaches to how they communicate with them.

WAVE 1 OBJECTIVES

Specific objectives for Wave 1 were to:

- Explore consumers' attitudes to the energy market in general – providing context & refreshing knowledge from previous Panels
- Understand domestic consumers' needs & priorities regarding information from suppliers and engagement with the market
- Explore consumers' perceptions and use of existing communications (familiarity, frequency comprehension, etc.)
- Identify strengths and weaknesses of existing communications in relation to consumers' needs
- Identify opportunities for improvement (format, content, channel, etc.)
- Begin to develop principles to help promote more useful (and innovative) consumer communications from suppliers

Although the work covered all forms of communications, a particular focus was on billing information, including annual statements – the most regular and used form of communication typically received by consumers.

OVERVIEW OF METHODOLOGY

We adopted a deliberative approach to this phase of work – working collaboratively and creatively with consumers to not only understand existing needs and behaviours, but also explore the potential of new approaches to supplier communications. The method for collecting data was not derived from statistical analysis but qualitative, gathering insight from consumers understanding and experiences.

At the heart of our method were four deliberative events in Paisley, Merthyr Tydfil, Watford and Leeds, complemented by pre-tasks in which Panellists introduced themselves, their households, and their attitudes to energy and energy usage.

Events combined a range of techniques, including group discussion, journey mapping and 'carousel-style' prioritisation exercises. These were supported by a varied range of stimulus designed to make sense of – and bring to life – the component parts of different supplier communications.

Across all four locations, we engaged a total of 75 consumers, spanning a range of ages, ethnicities and existing energy suppliers (25 in total). The sample was also designed to proportionately reflect Ofgem's new attitudinal consumer segmentation[3], with participants

[3] See Segmentation on page 17, Consumer Engagement in the Energy Market 2017, https://www.ofgem.gov.uk/system/files/docs/2017/09/consumer_engagement_survey_2017_report.pdf

scheduled to remain involved throughout all subsequent stages of the 2017/18 Consumer First Panel.

The consumer segmentation is the result of the 2017 Ofgem Consumer Engagement Survey and was developed to better understand motivators and barriers consumers face when engaging in the energy market by clustering consumers into six groups which differentiate their current attitudes.

Further details of our approach (including a full sample breakdown) are included in Annex 1.

ABOUT THE DELIBERATIVE SESSIONS

The deliberative sessions in each location split Panellists into three groups, bringing together six or seven Panellists at each table to ensure they felt comfortable talking publicly, and that they built rapport with other consumers and the moderators. This also allowed the researchers to ensure they captured the data effectively from each group, and pushed each Panellist to offer an opinion about each topic.

The session was also designed to be highly interactive – asking Panellists to engage with different types of information and move around the room over the course of three hours. This meant that they were more able to engage for the longer periods of time and felt they were a more active and valued part of the panel.

Across the three hour sessions, time was split to cover a number of activities:

- **Introductory presentation** – explaining the Consumer First Panel and providing contextual information for the session.
- **Panellist introductions** – asking Panellists to introduce themselves to others in their group (covering topics including family, work and their home).
- **Reflections on the energy market** – airing challenges and 'myths' about the energy market early to ensure researchers understood what might be driving attitudes to different information components.
- **Bill recall exercise** – to see what types of information naturally stood out to consumers, and what they remembered (without prompting) to show what stood out as important.
- **Information needs throughout the customer journey** – to explore what information they felt they need throughout their contract, from shopping to closing the account.
- **Reflections on current information** – an interactive 'carousel' of different information clusters, asking Panellists to systematically reflect on their need for different types of information and how to make it engaging. The six clusters were:
  - *Supplier contact details*: necessary information to get in touch with the supplier
  - *Detail of tariff, charges, dates and payments:* how much the consumer owes and when to pay

- *Environmental information*: energy-saving tips and fuel mix
- *Consumption details*: consumer's energy usage
- *Guidance, advice and dispute*: who to contact in case of problem
- *Changing tariff or supplier*: information about better deals and how to switch

- **Information priorities** – asking Panellists to rank the different types of information to clarify their personal preferences and compare with the wider group.
- **Principles of good communication** – to reflect on what 'good communication' should be from energy suppliers in order to support consumers.

3. Context & needs

VIEWS OF THE ENERGY MARKETS

Complexity and a perceived lack of transparency can push consumers to disengage

OVERVIEW

Across the four locations, consumers exhibited a wide range of general attitudes towards their energy suppliers.

I have a small supplier. They are concerned with doing a good job

There was, however, **widespread neutrality**, whereby Panellists felt 'satisfied' with their supplier – seeing them as a commercial organisation that performs its role, with which they don't have much further engagement. This belief existed across different types of energy consumer – including those who had and hadn't switched, with a range of differently-sized suppliers and extended across the segment groups.

There was also, however, a small group who felt **very negative** about the different energy suppliers they'd used – often due to frustrating experiences resolving complex problems.

Another small group, however, **felt positively** about their supplier – mostly those who had smaller or newer suppliers whom they perceived as flexible and innovative (across segment groups).

Most of the **social knowledge** (captured from sources including press stories and friends/family) focused on rising prices across the sector. The majority of Panellists across all locations and with a range of attitudes towards energy and shopping, felt confused about the justifications for rising prices and that, overall, pricing information is presented in an extremely complex manner. Many recognised that they didn't actively engage with *trying* to understand this information, as it was rarely presented in a manner that supported them to understand the key components of how pricing worked.

A handful of Panellists across the different locations felt they had a better grasp on this information – often through wide reading and ongoing, active interest in the energy sector.

NEGATIVE PERCEPTIONS

I find the prices and the market generally quite unpredictable. I don't know they expect us to understand

It's basically a choice paralysis with energy companies – the information doesn't help you really compare them

Despite positive, negative or neutral overall attitudes, almost all Panellists had some negative experiences of the energy sector. Problems and negative perceptions included:

- **'Intentional confusion'** – many Panellists were cynical about the reasons behind poor information design and believed that suppliers could benefit from consumer naivety. For example, when it's difficult to understand jargon and complex numerical concepts, consumers would be less likely to hold their supplier to account.
- **Lack of transparency** – within every group there was a small group of Panellists who felt suspicious about engaging with suppliers, often experiencing 'hidden costs' that were not well communicated upfront.
- **Poor customer service** – while not everyone had had much reason to engage with their supplier, the majority of the Panellists had had some contact and felt that the customer service experience in these moments had been poor (e.g. challenging to get through on the phone, rude customer service staff, inadequate answers).
- **Lack of loyalty** – around half the people across the Panel thought suppliers didn't feel pressure to compete for customers in a manner similar to other industries. They felt a missing desire to foster loyalty from them as a customer, which can encourage them to switch to other suppliers for a better deal.
- **Absence of meaningful comparison information** – especially for those who had explored the idea of switching or had recently switched. They often said they found themselves using price as a benchmark because there was limited other *understandable* information by which to differentiate the offers of different suppliers.

POSITIVE REFLECTIONS

I overhauled my energy stuff a few years ago to be more green. I've changed my supplier and tried to change all our habits

The majority of Panellists also had positive reflections on industry developments, including:

- **Smaller suppliers** were felt to be providing a better customer experience, with those using the newer / smaller suppliers more often reporting positive customer service.
- Consumers with **smart meters felt they were a positive development**, often feeling more in control and with a better understanding of energy usage patterns and how to engage with suppliers about cost.
- A small group of Panellists had received **incentives** from their supplier – including cash back schemes, vouchers and 'free energy days'.
- Most people felt it was becoming **easier to switch supplier** (beyond those who were particularly disengaged). Most appreciated that switching was being encouraged and made easier, even amongst those that hadn't switched at all.
- A minority of Panellists thought that **sustainable energy suppliers** were increasingly easy to find – which was particularly relevant to those who were more interested in green credentials and had a desire to reduce their impact on the environment.

Scope for innovation to overcome current 'information overload' on bills

INERTIA BROUGHT ABOUT BY INFORMATION OVERLOAD

While Panellists were recruited to represent a range of different 'engagement levels' with the energy market[4], there were three broad groups of consumers in terms of their engagement with billing communications:

"I NEVER OPEN IT"	■ A sizeable minority within each group ■ Often the least engaged or those with direct debits ■ Most likely *not* to have recently switched ■ Rarely, if at all, look at their energy bill or process any information within it
"I SOMETIMES CHECK IT"	■ Largest group across the sample ■ Regularly open their bills – although it might not be every month for direct debit payments ■ Includes those who have and haven't switched recently ■ Often have a 'quick scan' for key information
"I SCRUTINISE IT"	■ A very small minority ■ Often the *most* engaged with the energy sector, and more likely to be those who have experienced a significant problem ■ Likely to include those who *have* recently switched ■ Assess key details of interest – e.g. meter readings

My bill is so confusing. I need a degree to read this!

For many within these groups, their behaviours when engaging with billing communications stemmed from their existing relationships and attitudes towards the energy sector – often because of a lack of trust or perceived complexity. For many, especially those in 'I sometimes check it', **interaction with the bill was passive**, only looking for key information on bills and assuming all suppliers present information in the same way. For the majority, there was an assumption that engagement and understanding of the detail within the bill would require **significant effort** on their part – especially for those that had previous negative experiences of dealing with suppliers.

This impression was exacerbated by **the volume of information included within bills, which the majority found overwhelming**. Importantly, however, when asked to explore their bills further as part of the discussion groups, almost all Panellists found information within the bill that they felt would be useful to help them better manage their account.

Overall, impressions of this information **were positive**, with consumers recognising that a lot of the information they felt they wanted had been in front of them the whole time. This became apparent in the deliberative workshop exercises, particularly when asked to recall information they believe to be on their bill, subsequently looking at their bill in greater detail, and then taking part in the 'component carousel'. Many Panellists were surprised that their supplier was providing them with a wide range of information that could prove useful.

[4] Panellists were recruited by including a representative spread of the segments

I'm really surprised all this information is here. It's so useful - I've just never seen it.

I wish I'd noticed that they put in this information about sources of energy before

There's so much here that I've just never really seen – I mean I just look at the cost!

The reflection that they'd never seen or registered this type of information on their bill highlighted the challenge of presentation and formats used to communicate.

This became particularly apparent during the 'component carousel' where Panellists reflected on enlarged images of types of billing information. Across the different types of information, some found that their supplier presented components in more engaging ways than other suppliers – using colour and visual layouts to draw the eye.

CHANGING EXPECTATIONS

Related to this need for more compelling presentation of information, it became apparent throughout the group discussions that consumers' expectations about their energy bill *could* be changing.

For most, their current behaviours dictated that **paper billing information continued to be the most useful** – often making them feel more likely to open it and read it. However, the volume of information within this format was felt to be challenging and particularly hard to navigate.

It's easier with an app. My app allows me to have all the information through one channel

There was some recognition of a growing interest in digital billing – about half of each group were looking at their billing information either through **email bills or apps developed by suppliers**. This meant they could also easily access their overall account information – tracking their energy use in a digital format. More of the Panellists with this style of billing found the different types of information easy to navigate and explore.

Overall, consumers were hoping for a **greater level of personalisation** of billing information – recognising that their needs and interests might be different to others. While there was consensus on the types of information that *the majority* of consumers (across segments) felt was needed, there was no one set of specifications that *everyone* expected of an energy bill. There appeared to be flexibility for suppliers to be more innovative with their billing practices to meet these needs.

KEY CONSUMER NEEDS

Consumers often focus on costs but have wider information needs

To manage their account and supplier relationship– and to be able to effectively engage in the energy market – consumers across the four locations highlighted a set of **four clusters of need**. These 'needs' represent underlying drivers of behaviour, which help to make sense of existing perceptions and experiences of supplier communications, as well as consumers' wider information priorities – topics that will be explored further in the following chapters.

NEED TO MANAGE MONEY

A significant driver of many of the attitudes and behaviours discussed was the need to stay on top of their financial situations. Budgeting effectively to ensure they could make payments, especially for those not paying by direct debit, could be stressful. A couple of Panellists on direct debit had also found that they were *owed* significant amounts by their provider (up to £1000), which they said could have been used in other aspects of their lives.

I need to know when I am on credit: my supplier might owe me money!

In terms of managing their money, information needs included:

- Clear and accessible information about what they owed and what they might be owed
- Support to understand their usage patterns over time and the implications for cost
- Advice for reducing energy usage and bills
- Sufficient notice of changes in price or rates
- Indications of expected energy use in the future / different times of year

NEED TO UNDERSTAND THE 'PRODUCT'

Across all groups, there were differing levels of understanding in terms of the tariff consumers had subscribed to, and the implications of their contracts. This seemed to be a significant barrier to their ability to manage their account, their relationship with their supplier, and their ability to switch.

In terms of understanding the 'product', key information needs were:

I don't understand my bill, I can't be bothered!

- Clarity on the tariff they have and the key components of this tariff (e.g. exit fees, payment structures, price variation)
- Simple language and minimal acronyms throughout the bill to avoid confusion
- Clear information about changes to the pricing or product features during the course of the contract
- Confidence, and confirmation that bills have been settled and contracts finished at relevant points

NEED TO MAKE PURCHASING DECISIONS

When considering how to engage with the wider industry, many Panellists across the groups were unsure how best to compare their supplier and tariff with others. Many of those who had switched used price comparison websites to make their decision – focusing on price ahead of other product and service criteria.

To help people make purchasing decisions, information needs included:

- Overview of organisational values and how they differ from other suppliers
- Easy-to-find tools that push people towards shopping around
- Clarity on tariff and expected annual costs

There are so many options to choose from. Sometimes I have a choice paralysis.

NEED TO EFFICIENTLY RESOLVE PROBLEMS

A large number of Panellists recognised that their most common contact with their energy supplier arose from the need to resolve problems or queries with their account. Many had frustrations with the degree of time and effort involved in speaking to their supplier and easily finding and accessing information to help them better understand the situation.

Information needs around problem resolution include:

- Demonstration that suppliers are transparent, and welcome questions and discussion
- Clear information about how and who to get in contact with about queries or to make a complaint
- Easy access to their necessary account details – and indications of what will be needed on a call

I want communication to be short and sweet, focused on key messages.

4. Reflections on existing practice

We asked Panellists to look at the current presentation and framing of information on their bill in greater detail. When looking at the 'component clusters' consumers identified key information on their current bill that could meet the **four clusters of need** outlined above.

The following chapter outlines in detail the opportunities there are for suppliers to better meet consumer needs by identifying where these needs are currently being met on energy bills as well as information that Panellists found challenging to engage with.

For further information concerning the different components, please refer to Annex 2.

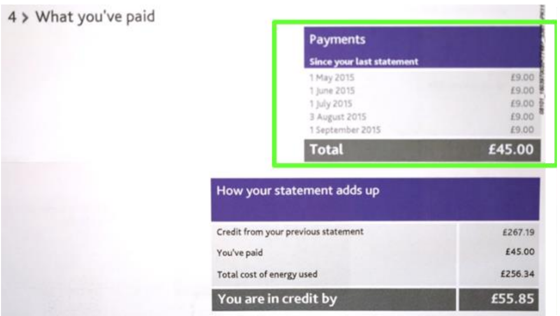
NEED TO MANAGE COSTS

DETAILS OF PAYMENTS & CHARGES

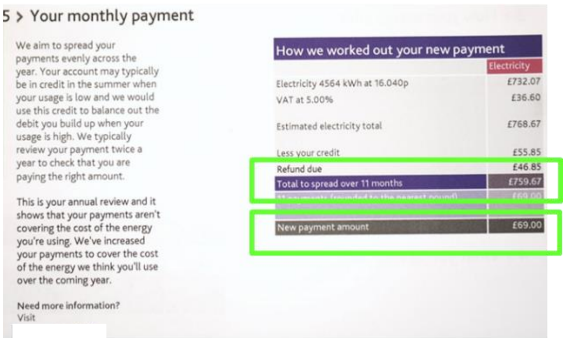
The most important and easily recalled information – but also sometimes confusing

When Panellists opened their bills, they actively looked for payments and charging information (both for those paying by regular direct debit payments over the year, and those who were paying quarterly or by other 'pay as you go' arrangements). When conducting the 'bill recall exercise' this was the easiest information for many participants to remember and was agreed to be an important component of regular contact with their provider.

USEFUL ASPECTS



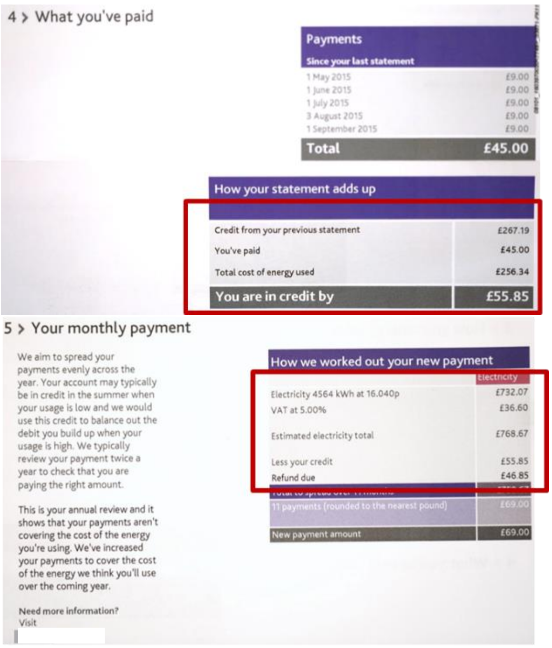
Details of previous payments were often reassuring – perceived as demonstrating a degree of transparency by energy suppliers.



For consumers paying by direct debit, seeing how the costs spread over the year also helped them feel in control.

Total costs were also generally felt to be clearly presented.

CHALLENGING ASPECTS



Mathematical elements felt to be least clear for some Panellists. A sizeable group felt naturally uncomfortable with numbers.

The use of the word 'credit' could also be confusing – specifically in terms of whether it referred to money to be repaid or used to balance out ongoing payments.

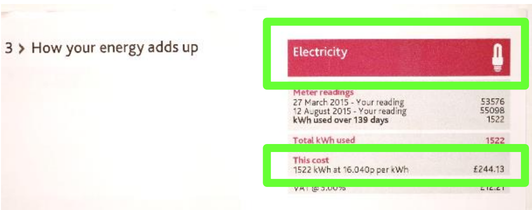
CONSUMPTION DETAILS

Demonstrates transparency – but could work harder to help people see usage patterns

Most Panellists felt that reviewing and reflecting on their usage levels would help them to better explore and understand what they could do to reduce the cost of their bills, and also to plan for the more expensive times of year.

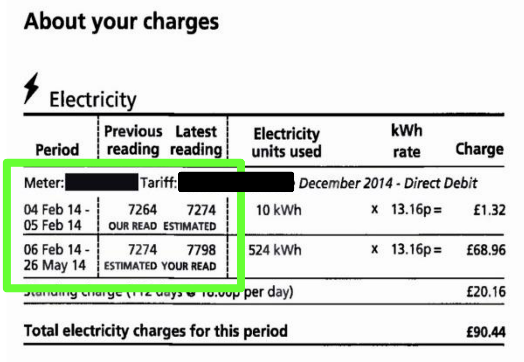
In terms of how this information is presented, at least half the Panellists were more interested in the monetary value of their usage ahead of their consumption in kWh. Some were not reflecting on monetary value in relation to their usage and only glancing at this section of their bill. Nearly everyone felt that comparison information showing how current usage compared to either previous months, previous years or other households in a similar situation could be useful in providing clarity on how 'expensive' their energy was at that point. However, not all Panellists could recall receiving this information.

USEFUL ASPECTS



Colourful visual design was well liked.

Most appreciated the monetary value of their energy use.



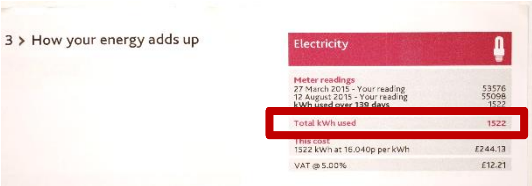
About your charges

Electricity

Period	Previous reading	Latest reading	Electricity units used		kWh rate	Charge
Meter: [redacted] Tariff: [redacted] December 2014 - Direct Debit						
04 Feb 14 - 05 Feb 14	7264 OUR READ	7274 ESTIMATED	10 kWh	x	13.16p =	£1.32
06 Feb 14 - 26 May 14	7274 ESTIMATED	7798 YOUR READ	524 kWh	x	13.16p =	£68.96
per day)						£20.16
Total electricity charges for this period						**£90.44**

Almost everyone (except the least engaged) could connect with the meter reading details.

CHALLENGING ASPECTS



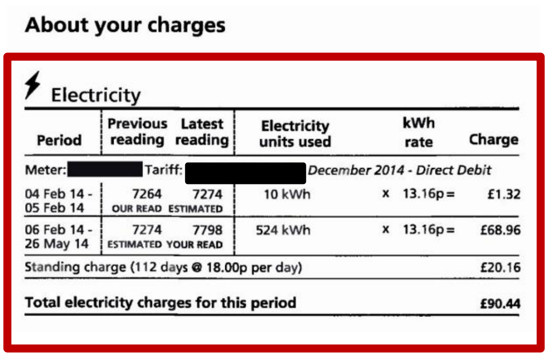
3 > How your energy adds up

Electricity

Meter readings

27 March 2015 - Your reading	53576
12 August 2015 - Your reading	55098
kWh used over 139 days	1522
Total kWh used	1522
This cost	
1522 kWh at 16.040p per kWh	£244.13
VAT @ 5.00%	£12.21

Few engaged with their total kWh hour usage – but did feel that its inclusion showed transparency.



About your charges

Electricity

Period	Previous reading	Latest reading	Electricity units used		kWh rate	Charge
Meter: [redacted] Tariff: [redacted] December 2014 - Direct Debit						
04 Feb 14 - 05 Feb 14	7264 OUR READ	7274 ESTIMATED	10 kWh	x	13.16p =	£1.32
06 Feb 14 - 26 May 14	7274 ESTIMATED	7798 YOUR READ	524 kWh	x	13.16p =	£68.96
Standing charge (112 days @ 18.00p per day)						£20.16
Total electricity charges for this period						**£90.44**

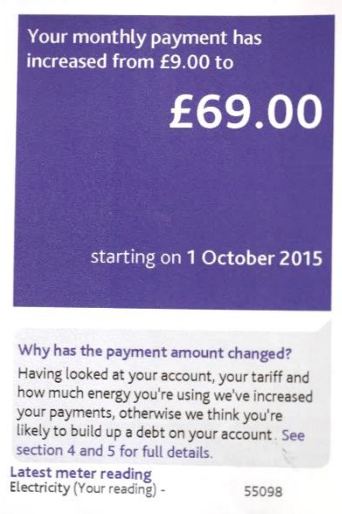
Table presentation was felt by about half the Panellists to be challenging to read – often those least comfortable with mathematical information.

I'm a chartered accountant but I can't see how that adds up

CHANGING PAYMENT AMOUNTS

Most wanted advance notice of changes in costs, with clear justifications

Almost all the Panellists who paid their bills by direct debit had experienced a change in the price of their bill over the earlier stages of a contract with a new supplier, often the result of incorrect estimates. This was often felt to be frustrating and, dependent on the degree of change, could make money management challenging. In addition, it was often felt that price changes should be clearly justified and most would like advance notice to plan their budget. Some even suggested they would like to be able to negotiate.



USEFUL ASPECTS

Almost everyone felt this was clearly set out and easy to understand.

Some were looking for this to be a dominant message when applicable to a bill – quickly drawing attention.

CHALLENGING ASPECTS

Challenges with this information generally stemmed from timing of delivery – with many frustrated that they weren't given *advance* notice of changes in charges.

It is useful to know when my payment change but I would like to know before I get my bill

ENVIRONMENTAL INFORMATION: ENERGY EXPLAINED

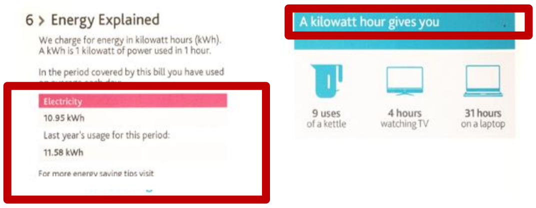
Panellists expected their consumption information to be more clearly presented

Even though few Panellists knew this information was included on the bill, they did not easily recall the detail. Once it had been identified, most felt it would be beneficial in helping them better understand their energy usage.

USEFUL ASPECTS

Almost everyone appreciated the visualisation of energy usage levels – even the more engaged Panellists who felt the information was 'obvious'.

CHALLENGING ASPECTS



Few people were attracted to read about their *own* energy usage *(left)*.

Some of the Panellists found the energy usage diagram confusing when they tried to understand it in detail.

Some would prefer to replace kWh with monetary value, as a money-saving tip.

OPPORTUNITIES TO FOR CLEARER INFORMATION TO HELP CONSUMERS MANAGE COSTS

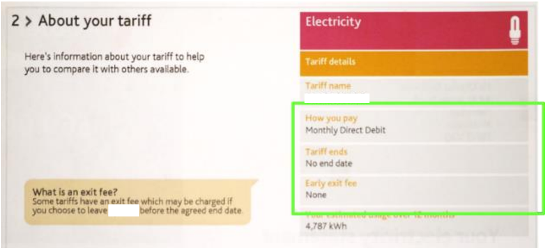
- Clarifying 'credit' language to differentiate between 'money owed' to consumers and money that will be used to balance account over the course of the contractual year
- Clear energy comparison points to help consumers understand their changing usage levels
- Specified lead times on changes to pricing or product features – framed / presented to draw attention
- Making information on how bills are calculated more visual for consumers who are 'scared of maths' (using flowchart, barcharts, diagrams, etc.)
- Personalised tips for reducing cost of the energy and reducing consumption
- Focusing on monetary value of energy usage – with opportunities for more detail if desired

DETAILS OF TARIFF

Most could recognise their current tariff – but confusing names make details easy to forget

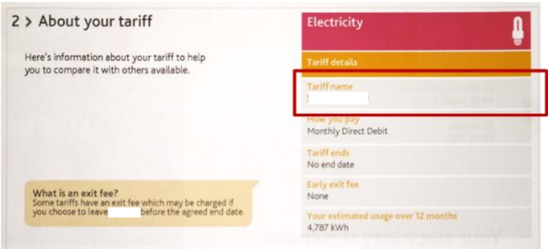
Most Panellists spontaneously spoke of the desire to have clear tariff information throughout their contract period, and the majority could recall seeing it on their bill prior to the session. **More than half** could remember and recognise the tariff that they had – but weren’t always clear about the implications for their billing, price or contract type.

USEFUL ASPECTS



Most Panellists appreciated regular reminders of key tariff details, such as payment mechanisms, end dates and exit fees.

CHALLENGING ASPECTS



Tariff names often caused confusion – many felt they were nonsensical, disengaging and designed to cause confusion.

> *I think they’ve made these names difficult and meaningless on purpose. They just want you to be confused so you can’t switch.*

OPPORTUNITIES TO BETTER MEET THE NEED TO UNDERSTAND THE ‘PRODUCT’

- Explanations of different types of tariff incorporated in welcome packs / start of the contract
- Tariff names to work harder to capture attention and clarify their details
- Simple tariff ‘profile’ data (name, rate, payment method) to be kept on the bill alongside account / reference numbers
- Framed as ‘just in case’ information – reflecting that it’s secondary to pricing / costs
- Specifications about accessible language and lack of jargon / acronyms across all bills

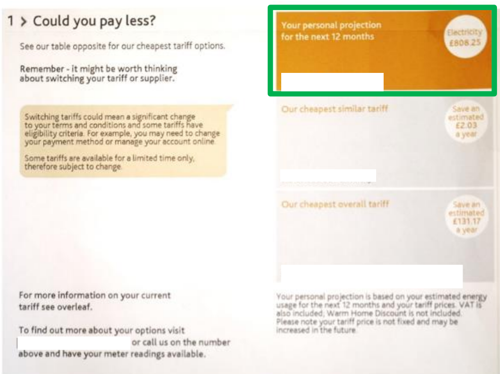
CHANGING TARIFF & SUPPLIER

Highly valuable but often overlooked

It's either too much or too little information when it comes to switching.

When asked about information needs, over half the Panellists spontaneously mentioned they wanted to know more about how switching could help reduce their energy bills. The majority were then pleasantly surprised to see this information on their bill – having never before had their eye drawn to this. Those who had engaged with this before had been encouraged by the information to reflect on their current supplier's tariff prices.

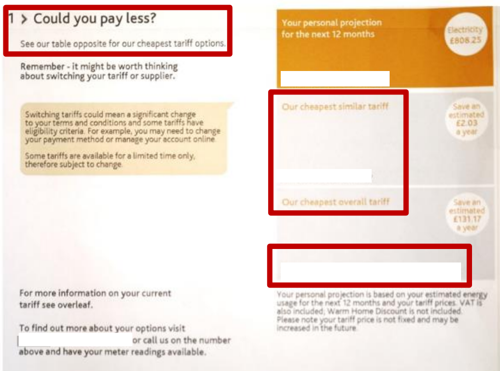
USEFUL ASPECTS



Visual layout was appealing, with the table making things clear.

Information felt to be useful, specifically in advance of the end of the consumers' tariff to enable them to explore options before renewing or switching.

CHALLENGING ASPECTS



Some felt that this information was being 'hidden', with eyes not drawn to it *(left)*.

Use of jargon *(right)* made it unclear for many.

Difference between cheapest 'similar' and 'overall' tariff *(left, top)* weren't known.

BEST TARIFF QR CODE

A highly useful tool, but often overlooked

None of the Panellists across the project had seen or engaged with the QR tool to explore what tariffs might be suitable to their situation. Almost everyone, once it had been explained, thought it was a useful tool – but it hadn't previously gained their attention.

USEFUL ASPECTS

Many Panellists could see how this could help them find the best deal (once it had been explained).

CHALLENGING ASPECTS

Few had QR readers installed on their phone.

The text was considered to be repetitive and made it difficult to engage with this component.

I don't know how to use a QR code. A link would be easier.

Panellist managing bills online

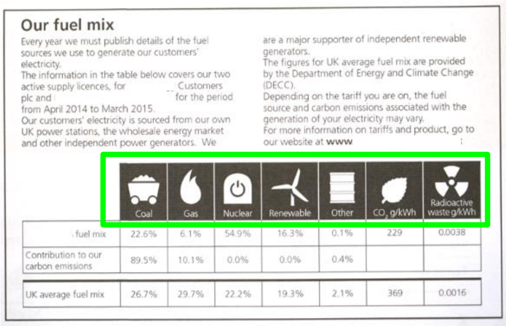
ENVIRONMENTAL INFORMATION: SOURCES OF ENERGY

Useful for more environmentally-concerned Panellists, but not a priority for the majority

I feel guilty I didn't know that was there…

This information was particularly important for a small group of Panellists – those who were most keen to be environmentally friendly *where they could*. This was a reflection of personality and personal values, rather than shared by any particular demographic. For others, this information was 'interesting' but might not influence their purchasing decisions and was seen to clutter the bill.

USEFUL ASPECTS



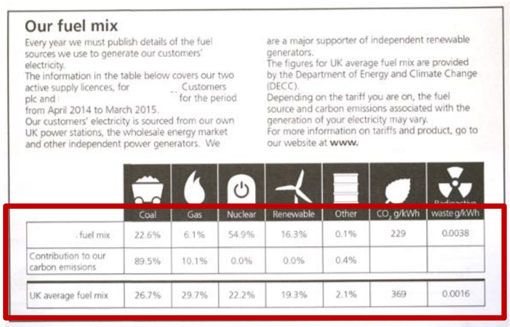
Our fuel mix

Every year we must publish details of the fuel sources we use to generate our customers' electricity.
The information in the table below covers our two active supply licences, for Customers plc and for the period from April 2014 to March 2015.
Our customers' electricity is sourced from our own UK power stations, the wholesale energy market and other independent power generators. We are a major supporter of independent renewable generators.
The figures for UK average fuel mix are provided by the Department of Energy and Climate Change (DECC).
Depending on the tariff you are on, the fuel source and carbon emissions associated with the generation of your electricity may vary.
For more information on tariffs and product, go to our website at www.

	Coal	Gas	Nuclear	Renewable	Other	CO_2 g/kWh	Radioactive waste g/kWh
fuel mix	22.6%	6.1%	54.9%	16.3%	0.1%	229	0.0038
Contribution to our carbon emissions	89.5%	10.1%	0.0%	0.0%	0.4%		
UK average fuel mix	26.7%	29.7%	22.2%	19.3%	2.1%	369	0.0016

After some explanation, most Panellists were interested in the sources of the supply – particularly the balance between renewable and non-renewable sources.

CHALLENGING ASPECTS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Even though many Panellists found using a table was a good idea, they felt the level of detail was *too specific* – preferring an overall sense of how 'green' the sources were.

Most felt that they did not need this information regularly.

OPPORTUNITIES TO BETTER MEET THE NEED TO MAKE PURCHASING DECISION IS NEED

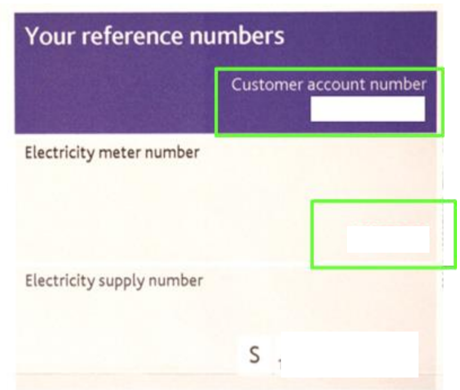
- Replacing text heavy components with visuals, icons and graphics
- Framing switching information around saving money to draw attention
- Using comparison points to help position tariffs against others
- Communicating about environment less frequently and in a more visual way
- Centralising digital shortcuts (inc. QR codes, web links)

REFERENCE NUMBERS

Useful information and important to have easy access – but not felt to be necessary on every bill

Almost everyone recognised that there was a great deal of value in having access to their meter number – allowing them to ensure their energy supplier was providing the correct readings and therefore costs. This was particularly true for Panellists who lived in shared blocks (e.g. flats or maisonettes) where there were likely to be multiple meters in a similar location. Most Panellists used the information to help differentiate between their electricity and gas supplies.

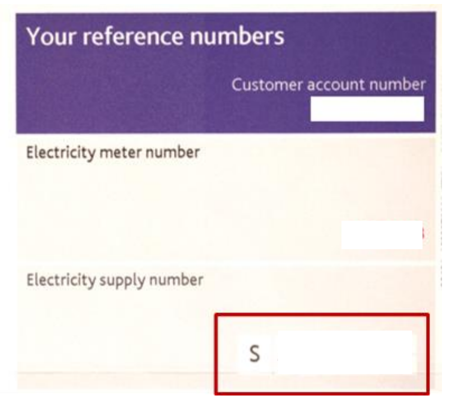
USEFUL ASPECTS



Most Panellists felt reference numbers were essential when speaking to suppliers, and wanted to be able to easily find these numbers when needed.

The majority had some understanding of their meter number, and thought it was a useful part of their bill.

CHALLENGING ASPECTS

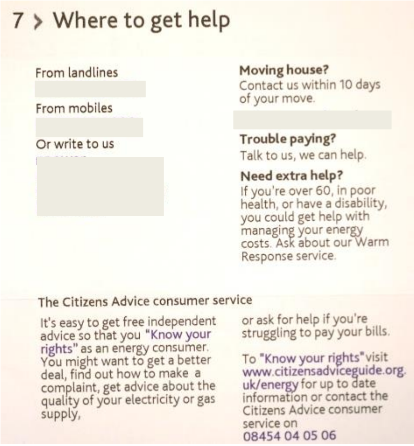


Only a handful of people knew what their electricity supply number was and when to use it.

You have to know your account number – if you ever ring them, it's the first thing they ask for

GUIDANCE & ADVICE

Most Panellists were reassured to have this information on their bill – feeling it suggested transparency (even though a minority knew it was a legal requirement). While almost everyone expected there to be some contact details on their bill, a large proportion thought they would more likely search online than dig out their bill when looking to call their provider.


7 > Where to get help

From landlines

From mobiles

Or write to us

Moving house? Contact us within 10 days of your move.

Trouble paying? Talk to us, we can help.

Need extra help? If you're over 60, in poor health, or have a disability, you could get help with managing your energy costs. Ask about our Warm Response service.

The Citizens Advice consumer service

It's easy to get free independent advice so that you "Know your rights" as an energy consumer. You might want to get a better deal, find out how to make a complaint, get advice about the quality of your electricity or gas supply, or ask for help if you're struggling to pay your bills.

To "Know your rights" visit www.citizensadviceguide.org.uk/energy for up to date information or contact the Citizens Advice consumer service on 08454 04 05 06

USEFUL ASPECTS

Some recognised that it was 'good practice' across different industries.

Some Panellists felt this information showed that suppliers were open to conversation – and it reflected well on them to include it.

CHALLENGING ASPECTS

Around half felt this information wasn't critical to billing – the design and density made it difficult to find the information they might need.

Some felt this information would be more valuable in a 'centralised place' – e.g. a welcome pack.

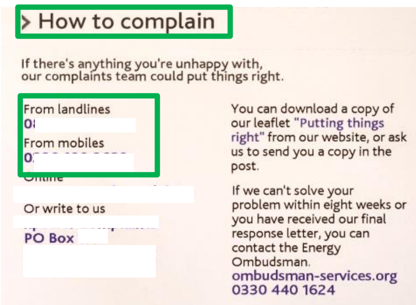
They don't want me to call them, that's why they give so many phone numbers.

DISPUTES & COMPLAINTS

Good for building trust – but hard to navigate

Almost no Panellists were able to recall this information being included on their bill, but it felt appropriate when they looked in more detail. Some saw it as reassuring, while others felt it was simply there because they are 'legally required' to do it. As with 'advice and guidance', most people thought they'd be more likely to seek this information online than on their bill.

USEFUL ASPECTS


> How to complain

If there's anything you're unhappy with, our complaints team could put things right.

From landlines

From mobiles

Or write to us

PO Box

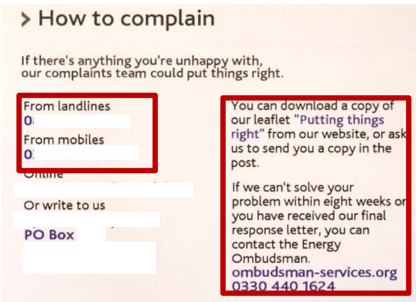
You can download a copy of our leaflet "Putting things right" from our website, or ask us to send you a copy in the post.

If we can't solve your problem within eight weeks or you have received our final response letter, you can contact the Energy Ombudsman.
ombudsman-services.org
0330 440 1624

Most found it reassuring to have this information – building trust with their supplier.

Some appreciated the variation of phone numbers, meaning they can cheaply call from different types of phones.

CHALLENGING ASPECTS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ombudsman-services.org
0330 440 1624

The repetition of phone numbers from previous points (*left*) was felt to be unnecessary.

The text-heavy presentation (*right*) stopped most consumers from engaging with this component.

It's reassuring to know that this information is available

LOSS OF SUPPLY

Most Panellists would look for the information online

The last thing I would do is rifle through drawers in the dark!

A small number of Panellists admitted they wouldn't know what to do in case of loss of supply. A few were aware that this was a problem to be solved with the electricity or gas networks and the supplier could not do anything.

A majority said that, if they were facing an interruption to their energy supply, they would probably go online to find out what to do. However, most thought that having this information on the bill could be useful to non-computer-literate consumers.

USEFUL ASPECTS ✓	Panellists who were less digitally capable felt more comfortable having it on their bill. Panellists who had experienced power loss felt more drawn to this information than others. The least digital savvy panellists mentioned they would go to their bill in case of power loss.
CHALLENGING ASPECTS ✗	Most felt they would more likely search for this information from their smartphone as required – and it was irrelevant to their bill. Some thought that in the case of power loss, reading this information in the dark might be challenging.

OPPORTUNITIES TO BETTER MEET THE NEED TO RESOLVE PROBLEM

- Centralising contact information in one place (either welcome pack, card, sticker, magnet or booklet, etc.) to be able to access this information without looking at a bill
- Keeping phone numbers to a minimum – avoiding repetition
- Reducing text-heavy information – more visual cues to navigate to this information as needed

5. Conclusion: Opportunities for improved consumer outcomes

SUMMARY OF FINDINGS

Consumers are not currently engaging with all the information they receive – but they do recognise its value, and would like it to be presented more clearly

Panellists across the four locations were generally 'satisfied' with their communication from their suppliers – although many recognised that they rarely fully engaged with the regular information they receive. This was particularly true among those who were more disengaged, and for those who received email bills.

The vast majority were not looking at the volumes of information within their bill in any great detail – often focusing on payment information and rarely much further. This helped them to meet the need of 'managing money', but meant they were often missing information that could meet other needs.

However, when prompted to explore, almost everyone appreciated the value of the other information included – whether in terms of helping them to manage their account, reflect on their energy usage, or make more informed decisions about choosing suppliers.

The challenge was that only a handful could recall any wider information being included on their bill or having read this information before, with Panellists often finding the volume of information overwhelming, or useful details 'hidden' in an unengaging way. Recognising this disparity between the usefulness of information and its presentation, consumers were hopeful that information could be better communicated in future.

THE OPPORTUNITY

Given these findings, the greatest opportunity for supplier communications lies in *how* and *when* different types of information are presented – rather than fundamentally altering or adding to the nature of information which suppliers are making available. By adopting a more flexible approach to communications design, planning and delivery – including a greater variety of content styles and channels – an opportunity exists to increase consumer engagement with relevant information.

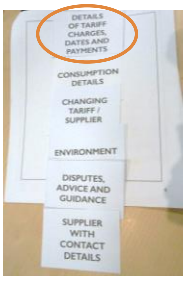
Specific questions to consider are:

- ➔ **Prioritisation**: What information should be prioritised?
- ➔ **Timeliness**: When should this information be provided?
- ➔ **Key communication principles**: What are the principles which specific communications should follow?

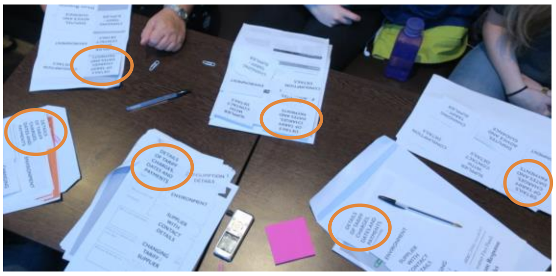
PRIORITISATION

Overall priorities for regular bills focused on managing costs

The information that the majority of Panellists prioritised when reflecting specifically on bills was financial information – charges, fees and ongoing payments. For almost everyone, this was how they saw the 'purpose' of the bill in the short term, immediately as they receive it – although they recognised that there were benefits to having wider information to help them to plan for the longer term, and reflect on how to best manage their energy budget for the following months or years.



Leeds


Paisley

Watford

In terms of specific financial information, Panellists across the board said the most important information for them to make informed choices about their energy supply was:

- How much they owe / are paying regularly
- If they are in credit, by how much, and if they can claim it back
- Any recent changes in usage & costs in comparison to previous months and/or years
- How they could save money (either tips or tariff switching options)

The Panellists who were more engaged in planning their energy budget for the next months or years – in particular those who were highly engaged in the market and those who have recently switched – were more likely to also prioritise other information. Some of the wider information they wanted to have included:

- Regular breakdowns of consumption information
- Ongoing reflections on energy sources (sustainable vs. non-sustainable)
- Contact details for resolving challenges

TIMELINESS – WHAT INFORMATION CUSTOMERS WANTED AND WHEN

Almost all Panellists felt there was significant information that didn't *need* to be shared on a regular basis. Many felt that information should be prioritised to reflect the different points in their experience with their supplier.

SIGN UP

Sign-up should prioritise providing clarity on the account information – including details on the tariff (with a clear explanation of the implications), how to get in touch for advice and indications on contract termination and early exit fees.

It would be handy to have all their contact details on a fridge magnet from the beginning

REGULAR CONTACT

Regular contact points (inc. billing) should highlight the financial requirements outlined previously, any changes in usage (including comparisons with previous months / years), and some potential tips. A minority of Panellists also felt strongly about the ongoing need to have contact points and details, to be able to get in touch quickly in case of a problem with their bill.

I don't need all this information all the time, just tell me how much I pay

ANNUAL CONTACT

Annual statements could best provide a summary of their contract and provide a review of current spending and usage patterns. Contact about different tariffs and supplier options was noted to be helpful just before the annual statement, to allow consumers time to consider their options.

It would be useful to have information about new tariff before the end of my contract

AD HOC CONTACT

'Ad hoc' communication should be used to communicate items that are more out-of-the-ordinary, such as unexpected changes in pricing or other arrangements, which suppliers want to draw attention to. A significant group of Panellists however voiced concern about this, highlighting that this shouldn't be an invitation for suppliers to bombard them with communication.

I am not going to switch tariff every month; I don't need to have the cheapest tariff on every bill

END OF CONTRACT

At the end of the contract most Panellists wanted information that helped reassure them that all the details were correct and the confirmation that it had been finalised. This could include a summary of total charges over the year, any repayment of credit and a final bill. A small number of Panellists felt that suppliers could offer deals at this point to try and encourage them to stay, but most didn't want to be hassled, as they experience in other sectors.

Suppliers always ask for previous bills when you sign up: it is important to get a final bill

KEY COMMUNICATION NEEDS

In terms of the design and delivery of supplier communications, the key information needs consistently highlighted by Panellists during the research were as follows:

They say 'less is more' for a reason. If they communicate too much it just makes me think there's some kind of problem going on

RELEVANT	■ Clear message hierarchy, prioritising most useful information they had identified ■ Navigation tools help locate key messages ■ Timely information at different moments during contracts ■ Appropriate level of detail – with direction to further detail as desired ■ Opportunities for personalisation as desired
ATTENTION GRABBING	■ Appealing to read as well as informative ■ Visual styles of presentation where possible (e.g. graphics) ■ Effective highlighting of vital information (e.g. changing costs)
SIMPLE	■ Jargon-free, with accessible language which everyone can quickly understand ■ Simple presentation of complex information (e.g. consumption) ■ Emphasises transparency with helpful starting points
UNCLUTTERED	■ Supports navigation to allow consumers to find most useful information ■ Clear presentation – key messages pulled out and easily identifiable
EASY TO ACCESS	■ Accessible via a range of channels / formats ■ Clear instructions on where to access information ■ Flexible to different types of consumer behaviour

Thank you

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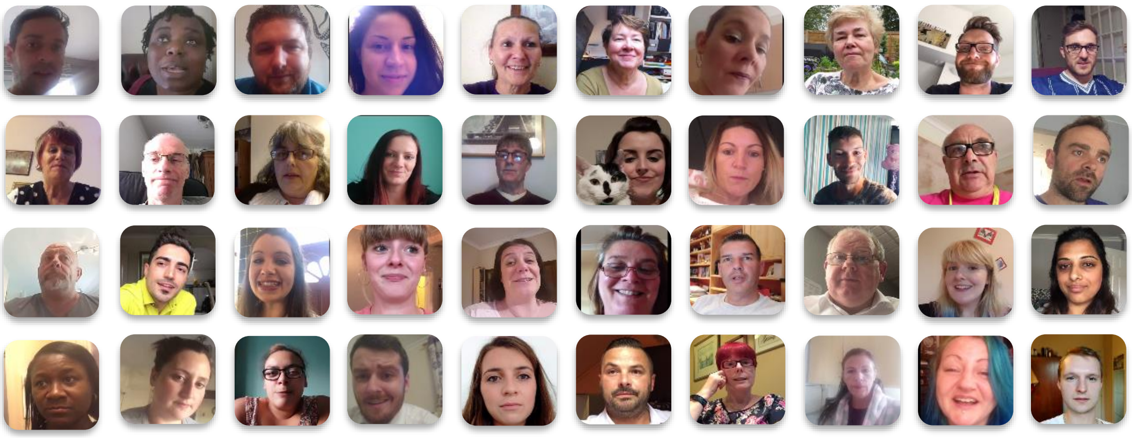
6. Annex 1: Methodology

OVERVIEW

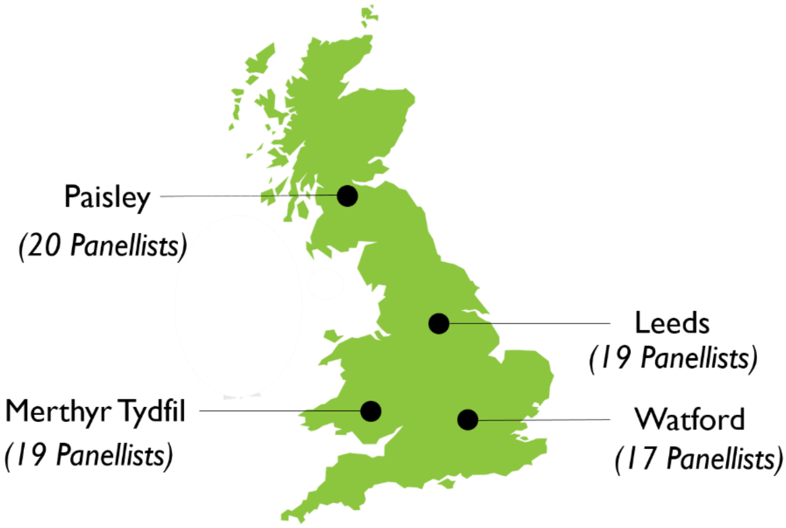
The methodological approach for this fieldwork centred on **four deliberative sessions** with the Consumer First Panellists – bringing together a variety of energy consumers to create a broadly representative sample, according to national demographic datasets, coupled with Ofgem's own consumer segmentation. All fieldwork was completed by Revealing Reality in August 2017[5].

INTRODUCING THE PANELLISTS



[5] Panellists were asked to give their consent for participation in the research by signing consent forms at the sessions. This included consent for any data gathered during the project to be used to illustrate the research findings, including images.

For this first wave of research with the Consumer First Panel, we brought together 75 Panellists[6] in four locations across Great Britain, spanning a range of energy suppliers, Ofgem segmentation and demographic characteristics.



In terms of the Ofgem segmentation, we incorporated a representative sample across the four locations:

HAPPY SHOPPERS	25 x Panellists
MARKET SCEPTICS	15 x Panellists
ANXIOUS AVOIDERS	5 x Panellists
SAVVY SEARCHERS	11 x Panellists
HASSLE HATERS	13 x Panellists
CONTENTED CONFORMERS	6 x Panellists

To ensure a broad range of experiences was captured, the research achieved a good demographic spread, including a balance between male and female respondents, and a wide range of ages, income levels, and ethnicities.

AGE	GENDER	ETHNICITIES
■ 18 – 24: 7 x Panellists ■ 25 – 34: 19 x Panellists ■ 35 – 54: 31 x Panellists ■ 55 – 64: 12 x Panellists ■ 65+: 6 x Panellists	■ 40 x women ■ 35 x men	■ White ■ Asian/ Asian British ■ Black African/Caribbean British ■ Mixed

[6] The ambition with the Panel is to have 80 Panellists – further respondents are being recruited and will be included in the future waves of work

Panellists were also recruited to exhibit a spread of different energy usage behaviours – both in terms of current suppliers, payment mechanisms, and switching habits. The Panel included a range of suppliers – covering the larger suppliers but also newer and smaller ones.

It also includes people who *have* switched supplier and tariff more or less recently, alongside Panellists who have never switched.

HAVE YOU EVER SWITCHED SUPPLIER?		
Switched after August 2016	Switched before August 2016	Never switched
27 Panellists	36 Panellists	12 Panellists

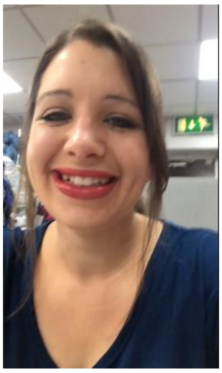
HAVE YOU EVER SWITCHED TARIFF WITH YOUR CURRENT SUPPLIER?		
Switched after August 2016	Switched before August 2016	Never switched
16 Panellists	7 Panellists	52 Panellists

Finally, the Panel includes an array of different payment mechanisms, weighted towards those who pay by Direct Debit, but including those who use other methods.

HOW DO YOU PAY YOUR ENERGY BILL?			
Direct Debit	Pre-payment meter	Standard Credit	Other (online, app…)
46 Panellists	12 Panellists	2 Panellists	15 Panellists

PRE-TASKS

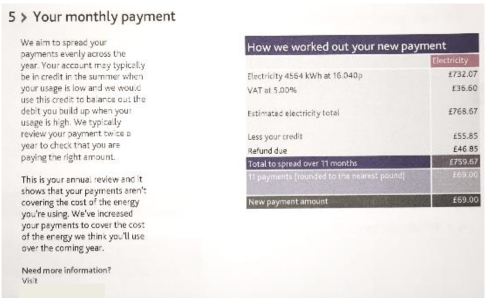


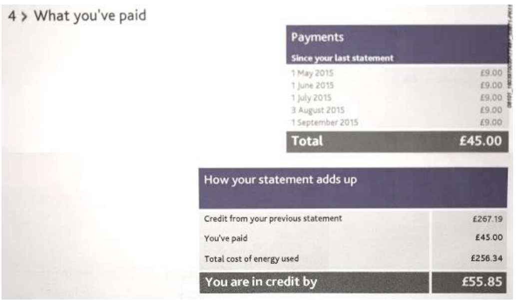
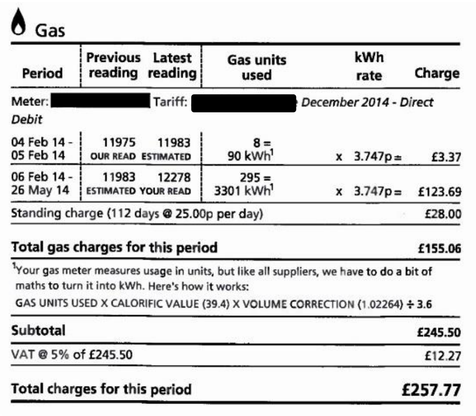
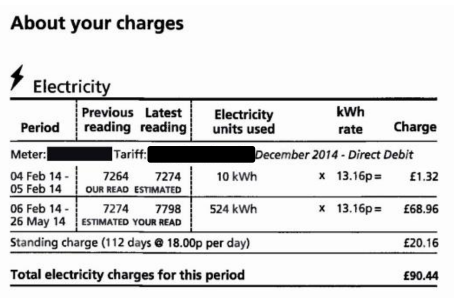
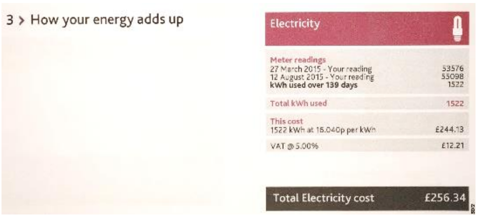
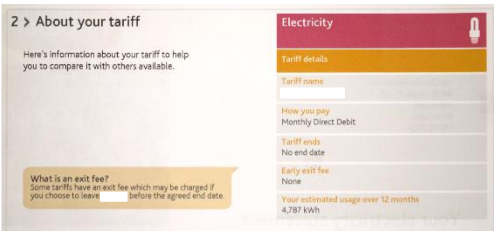



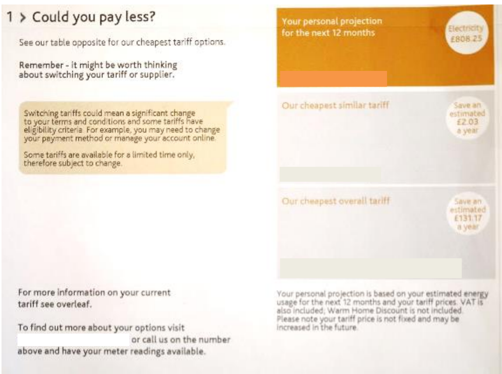
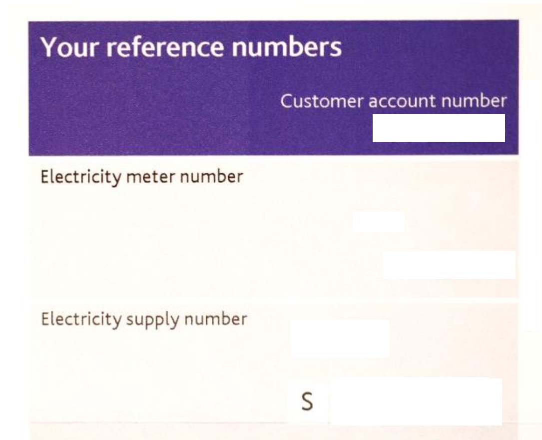
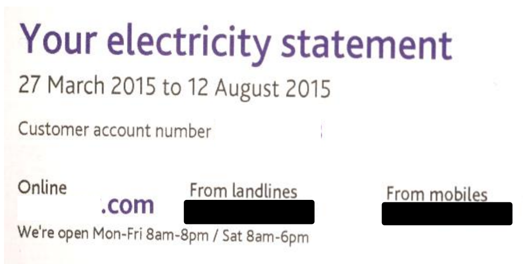
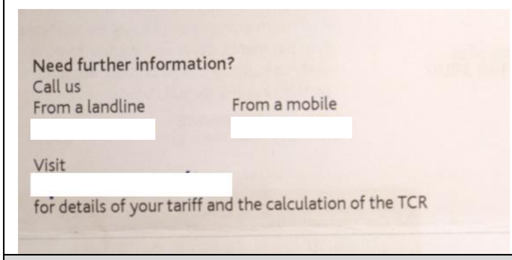
Prior to their attendance at the session, each respondent completed **3 x short videos**, providing researchers with an introduction to them and their lives and warming them up to talking about their suppliers. The tasks set were focused on:

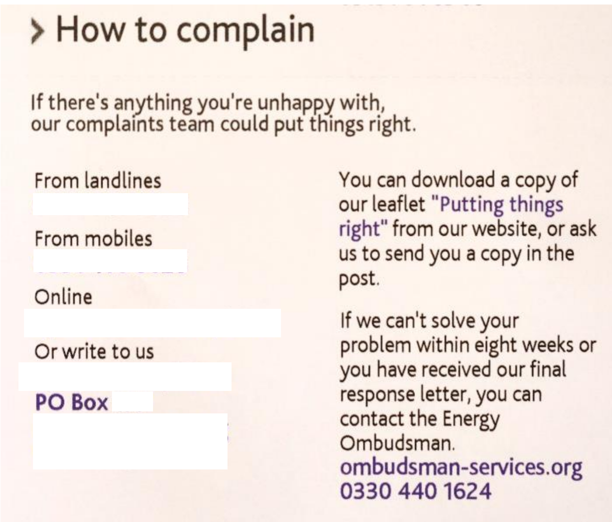
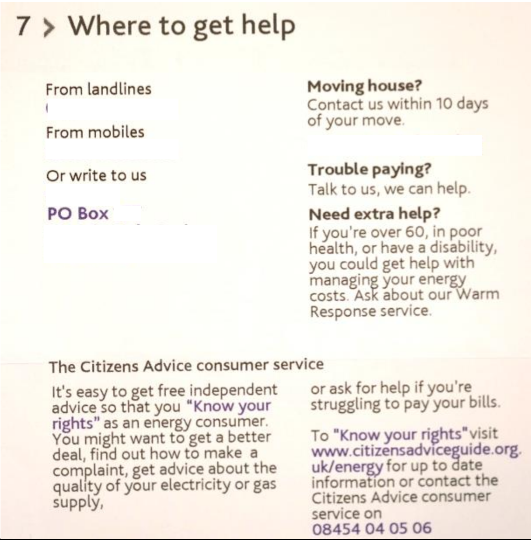
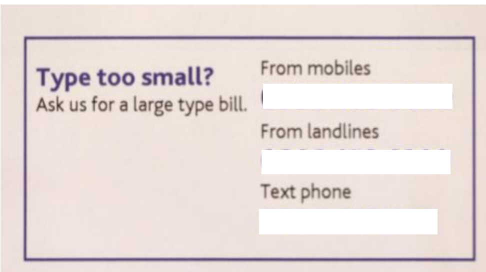
- Interest in being on the panel
- Demonstration of appliances and devices around the home that consume high volumes of energy
- Reflections on switching suppliers and experiences of switching
- Understanding of energy bills

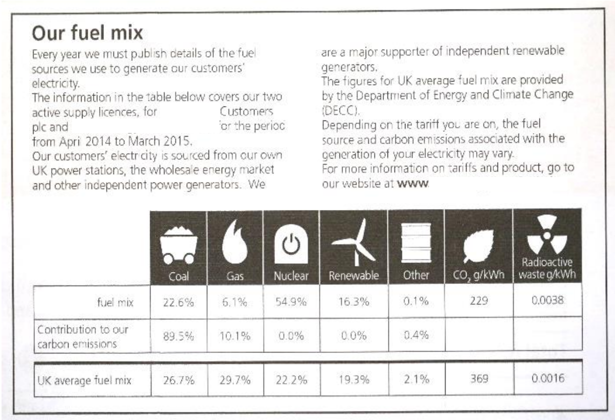
7. Annex 2: Reviews of component clusters

<table>
<tr><th>COMPONENTS</th><th>NEEDS MET</th><th>NEEDS HIGHLIGHTED</th></tr>
<tr><td colspan="3">DETAILS OF TARIFF CHARGES, PAYMENT AND DATES</td></tr>
<tr><td>
</td><td>■ Most felt it was essential to know the exact payment amount.</td><td>■ Some did not understand how estimates work and why they do not pay their exact usage.
■ Some felt confused by the meaning of the numbers.</td></tr>
<tr><td>
</td><td>■ Most thought it was important to have this information at the time they needed to pay.
■ A few noticed the justification at the bottom and enjoyed having it.</td><td>■ Some did not understand how this payment was calculated.</td></tr>
<tr><td>
</td><td>■ Some thought this information could help them manage their budget.</td><td>■ Some did not understand why they do not pay for their exact usage.
■ Most said they only needed to know what they owe.</td></tr>
</table>

<table>
<tr><td>
4 > What you've paid
Payments
Since your last statement
1 May 2015 £9.00
1 June 2015 £9.00
1 July 2015 £9.00
3 August 2015 £9.00
1 September 2015 £9.00
Total £45.00
How your statement adds up
Credit from your previous statement £267.19
You've paid £45.00
Total cost of energy used £256.34
You are in credit by £55.85</td><td>■ Most Panellists thought this information was useful to check their supplier had received their payment.</td><td>■ Panellists on Direct Debit found this information irrelevant to them.
■ Some thought this information would be more useful along with details of their energy usage.</td></tr>
<tr><td colspan="3">CONSUMPTION DETAILS</td></tr>
<tr><td>
Gas
Period | Previous reading | Latest reading | Gas units used | kWh rate | Charge
Meter: [redacted] Tariff: [redacted] December 2014 - Direct Debit
04 Feb 14 - 05 Feb 14 | 11975 OUR READ | 11983 ESTIMATED | 8 = 90 kWh[1] | x 3.747p = | £3.37
06 Feb 14 - 26 May 14 | 11983 ESTIMATED | 12278 YOUR READ | 295 = 3301 kWh[1] | x 3.747p = | £123.69
Standing charge (112 days @ 25.00p per day) £28.00
Total gas charges for this period £155.06
[1]Your gas meter measures usage in units, but like all suppliers, we have to do a bit of maths to turn it into kWh. Here's how it works:
GAS UNITS USED X CALORIFIC VALUE (39.4) X VOLUME CORRECTION (1.02264) ÷ 3.6
Subtotal £245.50
VAT @ 5% of £245.50 £12.27
Total charges for this period £257.77</td><td>■ Most considered this was essential information to have on a bill.</td><td>■ Most questioned the clarity of this component – they could sense the information was important but the presentation made it hard to understand.
■ Numbers were difficult to understand for most Panellists.</td></tr>
<tr><td>
About your charges
Electricity
Period | Previous reading | Latest reading | Electricity units used | kWh rate | Charge
Meter: [redacted] Tariff: [redacted] December 2014 - Direct Debit
04 Feb 14 - 05 Feb 14 | 7264 OUR READ | 7274 ESTIMATED | 10 kWh | x 13.16p = | £1.32
06 Feb 14 - 26 May 14 | 7274 ESTIMATED | 7798 YOUR READ | 524 kWh | x 13.16p = | £68.96
Standing charge (112 days @ 18.00p per day) £20.16
Total electricity charges for this period £90.44</td><td>■ Most thought this information was useful to manage their budget.
■ A few said they could use it on price comparison websites.</td><td>■ The presentation made it difficult for most Panellists to engage with the table.
■ Most Panellists found it difficult to relate to the numbers.</td></tr>
<tr><td>
3 > How your energy adds up
Electricity
Meter readings
27 March 2015 - Your reading 53576
12 August 2015 - Your reading 55098
kWh used over 139 days 1522
Total kWh used 1522
This cost
1522 kWh at 16.040p per kWh £244.13
VAT @ 5.00% £12.21
Total Electricity cost £256.34</td><td>■ This design felt more engaging than the above to all Panellists.
■ The total cost felt important to most Panellists.</td><td>■ Most found the monetary value more important than kWh.</td></tr>
<tr><td colspan="3">CHANGING TARIFF OR SUPPLIER</td></tr>
<tr><td>
2 > About your tariff
Here's information about your tariff to help you to compare it with others available.
What is an exit fee?
Some tariffs have an exit fee which may be charged if you choose to leave before the agreed end date.
Electricity
Tariff details
Tariff name
How you pay
Monthly Direct Debit
Tariff ends
No end date
Early exit fee
None
Your estimated usage over 12 months
4,787 kWh</td><td>■ Most thought information about exit fees could help them manage their account.
■ Some found this design engaging.</td><td>■ Some did not understand how this component could help them understand their tariff.
■ Some found it irrelevant and felt it does not help them understand how much they owe.</td></tr>
</table>

<table>
<tr>
<td>
</td>
<td>■ Most Panellists found it useful to know how much money they could save on another tariff.</td>
<td>■ Some said they would like to see the best tariffs from other suppliers as well.
■ Some would expect their supplier to automatically switch them to their best tariff.
■ Some asked the difference between similar and overall tariff.</td>
</tr>
<tr>
<td>
</td>
<td>■ When understanding the benefits of the QR code, most Panellists found it useful to get the best deal.</td>
<td>■ Most were confused about QR codes and could not immediately understand the benefit.</td>
</tr>
<tr>
<td colspan="3">SUPPLIER WITH CONTACT DETAILS</td>
</tr>
<tr>
<td>
</td>
<td>■ Most were aware that their reference numbers were necessary when getting in touch with suppliers.
■ Most knew that they were useful to be identified properly, especially if living in a shared house.</td>
<td>■ Some didn't know how these numbers would be useful to them.
■ Some found the information irrelevant as it doesn't tell them where to find their meter.</td>
</tr>
<tr>
<td>
</td>
<td>■ In general, Panellists found it reassuring to have contact details and be able to get in touch immediately in case they have a question related to their bill.</td>
<td>■ Most said they would look online for phone numbers instead of the bill.
■ Some suggested to use their app to get in touch. A few also mentioned web chats.</td>
</tr>
<tr>
<td>
</td>
<td>■ Having contact details made Panellists feel their supplier was approachable.</td>
<td>■ Most felt that they did not need to see this information several times on the bill.
■ In general, it didn't seem that this information was necessary monthly.</td>
</tr>
<tr>
<td colspan="3">GUIDANCE, ADVICE & DISPUTES</td>
</tr>
</table>

	■ Most thought this information was important to them in case of a problem. ■ Non-computer-literate consumers need this information on paper.	■ Some Panellists were overwhelmed by the number of phone numbers throughout the bill. ■ Most did not think this information was essential on every bill. Some suggested to use another channel. Most said they would rather look online.
	■ Most had never noticed this component and found it reassuring and ethically essential. ■ Non-computer-literate consumers need this information printed.	■ The design and density made it difficult to navigate and left some Panellists cynical about the willingness of their supplier to help ■ Nobody self-identified as being vulnerable and needing adapted services. ■ Most did not need this information monthly and some suggested to get them less frequently through other media channels.
	■ Some admitted they wouldn't know what to do in the case of power cut and found this information useful. ■ Most had noticed this information before. A few had used it in the past.	■ Most thought they would look for this information online if needed. ■ Some said they would find it difficult to find their bill and read it in case of power cut at night time.
	■ Most thought this information was necessary on paper for older people, who are often less computer-literate.	■ Most thought suppliers should check consumers' needs at sign-up. ■ This information seemed irrelevant to digital bill users.

<table>
<tr><th colspan="3">ENVIRONMENTAL INFORMATION</th></tr>
<tr>
<td>


Our fuel mix

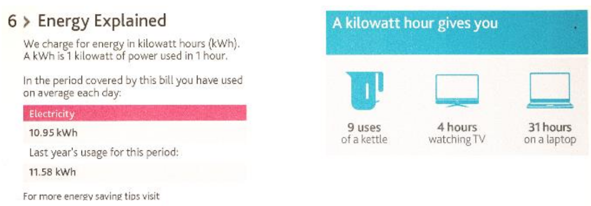
Every year we must publish details of the fuel sources we use to generate our customers' electricity.
The information in the table below covers our two active supply licences, for Customers plc and for the period from April 2014 to March 2015.
Our customers' electricity is sourced from our own UK power stations, the wholesale energy market and other independent power generators. We are a major supporter of independent renewable generators.
The figures for UK average fuel mix are provided by the Department of Energy and Climate Change (DECC).
Depending on the tariff you are on, the fuel source and carbon emissions associated with the generation of your electricity may vary.
For more information on tariffs and product, go to our website at www.

<table>
<tr><th></th><th>Coal</th><th>Gas</th><th>Nuclear</th><th>Renewable</th><th>Other</th><th>CO_2 g/kWh</th><th>Radioactive waste g/kWh</th></tr>
<tr><td>fuel mix</td><td>22.6%</td><td>6.1%</td><td>54.9%</td><td>16.3%</td><td>0.1%</td><td>229</td><td>0.0038</td></tr>
<tr><td>Contribution to our carbon emissions</td><td>89.5%</td><td>10.1%</td><td>0.0%</td><td>0.0%</td><td>0.4%</td><td></td><td></td></tr>
<tr><td>UK average fuel mix</td><td>26.7%</td><td>29.7%</td><td>22.2%</td><td>19.3%</td><td>2.1%</td><td>369</td><td>0.0016</td></tr>
</table>
</td>
<td>

- Most Panellists had never noticed this information before and enjoyed learning about it.

</td>
<td>

- Almost everyone said this information was not going to influence their choices as price still comes first.
- This component confused some Panellists.

</td>
</tr>
<tr>
<td>


6 > Energy Explained

We charge for energy in kilowatt hours (kWh).
A kWh is 1 kilowatt of power used in 1 hour.

In the period covered by this bill you have used on average each day:

Electricity
10.95 kWh
Last year's usage for this period:
11.58 kWh

For more energy saving tips visit

A kilowatt hour gives you

9 uses of a kettle
4 hours watching TV
31 hours on a laptop
</td>
<td>

- Some Panellists were keen on getting some energy-saving tips as it also helps them to save money.
- Most Panellists appreciated the effort to make this component more visual.

</td>
<td>

- When looking in more detail, some Panellists realised they did not understand what kWh meant.

</td>
</tr>
</table>