Research and data
Analogue and digital
Customers and money

Customer satisfaction with energy supplier complaints handling 2018

Research Report

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Contents

1 Executive summary

1.1 Context and approach

Research background

Ofgem is the independent gas and electricity markets regulator for Great Britain. Its principle objective is to protect the interests of existing and future electricity and gas customers. In 2008, Ofgem set the Complaints Handling Standards[1] (CHS) for all suppliers providing energy to domestic (private households) and/or micro-business customers (defined as a business with up to 9 employees with a turnover no greater than £2 million annually[2]). The CHS are a set of regulations that suppliers must follow when responding to and dealing with customer complaints; a complaint is defined as any expression of dissatisfaction with the service received.

Ofgem has carried out research since the CHS were introduced to assess how well suppliers have been meeting the standards. Research in 2016 found that satisfaction with the way complaints had been handled had decreased and Ofgem asked suppliers to review their processes and improve their services to generate positive change for complainants. This research was commissioned to monitor any changes in complainants' experiences.

Research aims and approach

The primary aim of this research is to measure domestic and micro-business complainants' satisfaction with the way their complaints had been handled by their supplier. This includes establishing the extent to which satisfaction levels have changed since 2016, identifying the key drivers of satisfaction and dissatisfaction, and identifying evidence of good practice and areas in need of improvement.

The research was carried out in February through to April 2018, with 3,080 domestic and 703 micro-business complainants who had lodged complaints with their supplier in late 2017[3]. Interviews were carried out using a structured questionnaire, conducted by telephone and lasted on average 18-21 minutes. Data were weighted to reflect the share of complaints in the market. It is important to stress that research findings reflect the complainants' experience of the complaints handling process.

Who are the complainants

Research participants were complainants of the following:

- The six largest domestic and micro-business suppliers: British Gas, SSE, EDF, E.ON, ScottishPower and npower; and

[1] https://www.ofgem.gov.uk/sites/default/files/docs/2008/07/complaint-handling-standards-decision-july-2008.pdf

[2] Ofgem defines a non-domestic customer as a micro business if they meet one of the following criteria: 1) they employ fewer than 10 employees and have an annual turnover or balance sheet no greater than €2 million, or 2) use no more than100,000 kWh of electricity per year or no more than 293,000 kWh of gas per year. For the purposes of this research, energy usage was not factored into the definition.

[3] Note on Domestic complainants: Complainants to OVO raised complaints between 25 January and 2 March 2018 rather than in late 2017. Full details are available in the Technical Report.

- The largest of the medium-sized suppliers: First Utility, Utility Warehouse, OVO, Utilita and Co-op Energy (domestic complainants only), as well as Opus (micro-business complainants only).

The most common cause for complaint among both domestic and micro-business complainants was billing, and the vast majority of complaints were made by telephone. Just over half of all complainants stated that their complaint was resolved at the time of interview (min. of 8 weeks after the complaint had been raised).

1.2 Key research findings

Overall levels of satisfaction and dissatisfaction

Satisfaction with complaints handling has improved significantly since 2016, both among domestic and micro-business complainants. In the domestic market in 2016, just over a quarter of complainants (27%) were satisfied with the way their complaint had been handled, which rose significantly to a third (32%) in 2018. This was met with a significant decline in the proportion of complainants who were dissatisfied, though more still remain dissatisfied (57% in 2018) than satisfied.

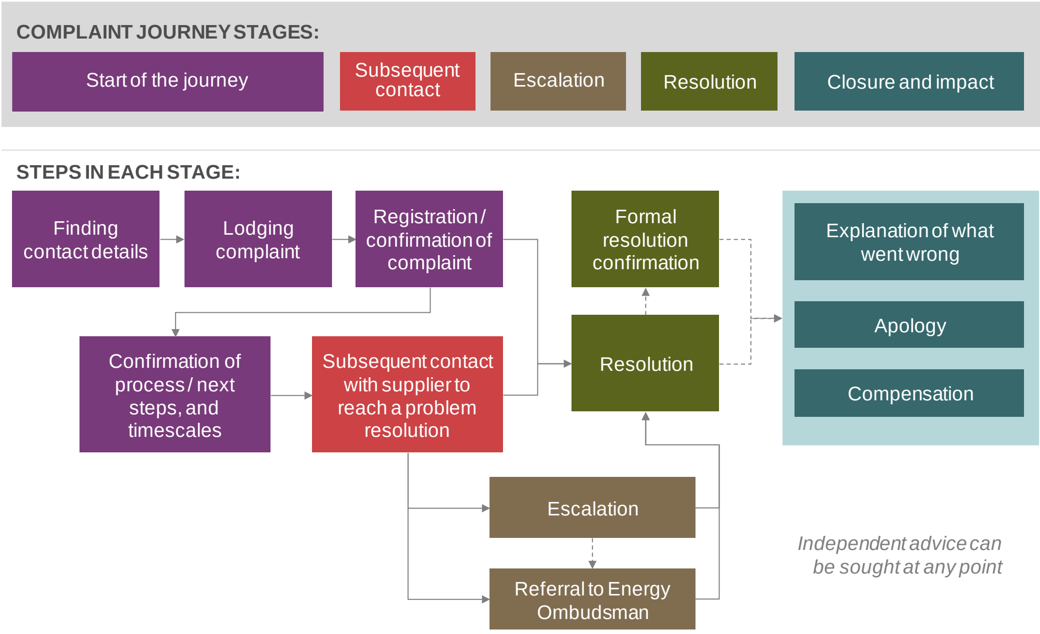
- The greatest improvements in satisfaction were reported among those who complained to npower and ScottishPower (the two worst performers among the largest suppliers in 2016) which shows the impact of the concentrated effort by those suppliers to improve complainants experience following an intervention from Ofgem in 2016.
- Among the medium-sized suppliers, complainants to First Utility reported significantly higher levels of satisfaction compared to previous years.
- However, there is still a long way to go as just under 2 in 3 complainants to those suppliers were dissatisfied with how their complaint had been handled.

The improvement is similar in the micro-business market, where satisfaction rose from 21% in 2016 to 28% in 2018 and was met with a similarly significant decline in the proportion of micro-business complainants who were dissatisfied, though the majority (60%) remained dissatisfied.

Experiences at different stages in the complaints handling journey

Each stage of the complaints process was investigated in detail to understand what the process was like from the complainants' perspective, and what impact each element had on overall satisfaction with complaints handling. The questions asked within each stage reflected the requirements of the Complaint Handling Standards (CHS). Figure 1 over the page presents the complaints journey model used for the purposes of this study.

Figure 1: The complaint journey.



- *Start of the complaints journey*

  The start of the process worked well for most complainants. Supplier contact details continued to be easy to find for the majority (76% among domestic complainants and 78% among micro-business complainants – this was consistent with 2016). As in previous years, bills and statements were the main source of this information, but other forms of communications from the supplier (e.g. app based information) were becoming more commonly used as sources of contact details.

  Registering the complaint was easy for most (57% among domestic complainants and 54% among micro- business complainants), however, 1 in 3 still found it difficult (34% domestic and 35% micro-business) – this was consistent with 2016. Among those who found it difficult to register their complaint, the reasons for this focused around not being able to get through to the right person or department who could help them – this is the case in both, the domestic, and micro-business markets, but a significantly bigger problem for domestic complainants in 2018 than it was in 2016. Understanding of the complaint at that stage of the process was not a barrier to having it registered (though is seems to have elongated the complaints process for some complainants who said they haven't reached a resolution yet at the time of interview for this reason). Among micro-business complainants, the recognition of the problem being a genuine issue that the supplier needed to address was a significant barrier to having it registered as a complaint, it was more of an issue for them in 2018 compared with 2016.

  Despite a positive start to the process for more than half of complainants, in the majority of cases, suppliers failed to set expectations for the rest of the process for complainants. There has been little change in this since 2016 despite this being flagged by Ofgem as one of the key areas needing improvement. Only around half reported having been told what steps would be taken to resolve their complaint (domestic 54%;

micro-business 51%), and fewer, around a third, said they have been given a resolution date (domestic 33%; micro-business 31%). absence of this information leaves complainants to set their own expectation for what the process will look like and how long it will take, which doesn't always match the reality, and can lead to significant disappointment among complainants when those expectations aren't met.

- *Subsequent contact*

  Previous waves of the research have shown that ongoing communication is of paramount importance to the complaint process as its presence ensured that complainants are not in the dark about their situation and have confidence that their case is being dealt with. There have been some improvements in this area, with suppliers being significantly better at getting back to complainants when promised or agreed compared to 2016 (domestic 36% in 2016 vs. 39% in 2018; micro-business 32% in 2016 vs. 42% in 2018), however, consistently with 2016, only a quarter said that the supplier kept them updated on the progress of their case without being prompted to do so (domestic 25% in 2016 vs. 25% in 2018; micro-business 22% in 2016 vs. 26% in 2018).

  Consequently, complainants chased suppliers for information, however, the proportion who say they have done this has decreased significantly since 2016 (domestic 57% in 2016 vs. 49% in 2018; micro-business 66% in 2016 vs. 57% in 2018), which was potentially connected to the suppliers being more reliable and getting back to complainants when agreed.

- *Escalation and third party involvement*

  While there have been many improvements in how complaints were handled in 2018 compared to previous years, few complainants received information about alternative resolution routes. Feeling like there is no other way to move the process along (should this be necessary) could cause stress, so sharing information about alternative resolution routes (or where to find it) with complainants is important to reducing levels of stress associated with the complaints process.

  Despite only around a quarter (domestic 22%; micro-business 25%) being told that they could escalate their complaint to be dealt with by a more senior member of staff, around a third of complainants had done so (domestic 35%; micro-business 36%). The main reasons for this focused around slow and poor quality response from staff, and in some cases, lack of understanding of the issue.

- *Resolution*

  Just under half of complaints were considered *unresolved* by complainants (domestic 42%; micro-business 47%) and the main reason for this was the lack of communication from suppliers confirming otherwise.

  The resolution gap has remained relatively steady since 2009, with 40% of the domestic complaints (and 43% of micro-business complaints) considered resolved by the suppliers being considered as unresolved by the complainants themselves. Among domestic complainants, the absence of communication is the main reason for this. Micro-business complainants said they were still experiencing the same problem, meaning that from their perspective, the issue hadn't been fully addressed and dealt with despite the supplier marking their case as resolved on their system.

- *Closure and impact of the complaints process*

  Just over half of complainants said their complaints had been resolved (domestic 58%; micro-business 53%) and reported resolution times have shortened compared to 2016. However, fewer than 1 in 5 complainants (domestic 18%; micro-business 16%) reported receiving resolutions timings at the start of the process which matched how long the complaints ultimately took to resolve.

  Expectations of what complainants would receive were largely met, with most complainants with resolved cases saying they received at least a rectification of the problem. However, fewer (around 1 in 3) received an explanation of the problem, which was something most expected to receive. In fact, those who received an explanation of the problem were more satisfied with the entire process than those who hadn't received it (consistently with drivers analysis which shows that not receiving an explanation drives satisfaction with the process down), thus becoming an important step for the suppliers to fulfil to ensure the complainants expectations and needs are met.

Experiences of vulnerable complainants (domestic market only)

Vulnerable complainants' experience was comparable to that of other complainants, however, they were significantly more satisfied with how their complaint had been handled compared to the domestic market average (36% vs. 32% average). They were also significantly less likely to be dissatisfied with their experience than the market average (52% vs. 57% average). Nevertheless, it is important to point out that similarly to the market average, vulnerable complainants were more likely to be dissatisfied than satisfied with how their complaint had been handled.

Consistently with the market, they found the contact details to raise their complaint easily in most cases (though they were more likely to use bills and account statements as the source of that information than the rest of the market), and most found their complaint easy to register with their supplier. Similarly to the other complainants, their expectations weren't correctly set at the start of the process, with around half being told what steps would be taken to resolve their complaint (51%) and around a third (30%) being given a resolution date.

Ongoing communication, and being kept updated on the progress of their case, are in need of significant improvement, consistently with the market average. However, marginally fewer vulnerable complainants compared to the market average (32% vs. 35% average) escalated their complaint to a more senior member of staff. Reasons for escalation mirrored the market average (taking too long, poor quality response).

The proportions of vulnerable complainants who report their complaint as resolved and unresolved was consistent with the market average. Among those with unresolved cases, lack of communication from suppliers to say otherwise was the main reason why (with 53% of vulnerable complainants with unresolved cases having said this, vs. 45% average). For those who said their complaint has been resolved, fewer than 1 in 5 reported having received accurate resolution timescales, consistently with the market average.

Based on the experiences in the process and perceptions of staff, both of which were comparable with the market average, it is difficult to pin point what's driving the higher levels of satisfaction with complaint handling among vulnerable complainants – perhaps being given additional support to help them with resolving their queries on an ongoing basis, rather than specifically during the complaints process, contributes to a higher level of overall satisfaction with interactions with their supplier.

1.3 Key drivers of satisfaction and dissatisfaction

Domestic complainants

- *Satisfaction:* The drivers of satisfaction this year were broadly consistent with 2016, focusing primarily on the experiences early on in the process. Easily finding the right contact details and being greeted by polite and professional staff who told them what steps would be taken to get the complaint resolved (experienced by just over half of domestic complainants) in clear and understandable language set the right tone for the rest of the process. It was the smoothness of the early interactions that helped uplift overall satisfaction with how the complaint has been handled.

  Reducing effort the complainant has to make also contributes to increasing overall satisfaction with complaint handling; this includes providing the complainants with information about what is happening with their complaint on an ongoing basis, to help reduce their need to chase for updates. There have been significant improvements in suppliers getting back to complainants when agreed. However, further improvements are recommended to ensure that complainants' experience continues to improve, and satisfaction levels continue to rise.

- *Dissatisfaction:* There were many more drivers of dissatisfaction than satisfaction. This is expected given that complainants are more likely to be dissatisfied than satisfied (despite the significant uplift in overall satisfaction levels).

  The main contributors to high levels of dissatisfaction with complaint handling were long resolution periods (though these have started to improve in 2018, but further improvements are needed), and not being kept up to date with the progress of the case. Furthermore, suppliers not providing complainants with a clear view of how long the resolution will take continued to be a problem area in 2018. Lack of information on what they should expect, and when, could cause anxiety and lead complainants to set their own expectations, which doesn't always reflect the reality of the situation, particularly if the issue they have raised is complex.

  Closure was also a problem area for many complainants. The main issue was a lack of an explanation of the problem upon resolution, as well as a lack of an apology for the issue occurring in the first place. Both help to reassure the complainant that the issue has been dealt with and is unlikely to happen again. Lack of an explanation may leave the complainant feeling that the problem could very easily come back as they have no reassurance that it has been fully addressed.

Micro-business complainants

- *Satisfaction*: As with domestic complainants, being provided with information about the steps that would be taken to resolve their complaint in clear language was one of the key areas that need to be built on to improve complainants' experience, and through that, increase satisfaction with complaint handling. Receiving a resolution confirmation at the end of the process had a similarly positive effect.
- *Dissatisfaction:* The key drivers of dissatisfaction among micro-business complainants were similar to those within the domestic market. They focused around what complainants considered to be unacceptably long resolution periods, and a lack of ongoing communication or communication about likely timescales. This created an information gap that micro-business complainants filled by repeatedly chasing suppliers for information.

  This became particularly problematic when they dealt with multiple members of staff, who often appeared unhelpful and not taking the complaint seriously enough. The issue with staff seemed to be permeating the entire journey for them – for example, micro-business complainants were finding it more difficult to register their complaint because it was not being acknowledged or understood when it is first raised.

1.4 Evidence of good practice and areas for improvement

Good practice

Satisfaction was driven by professional staff encountered at the start of the journey and more consistency with getting back to complainants when agreed. Staff played an important role in the complaints handling process. While there are still many improvements to be made in this area, professionalism in how complaints were dealt with was a key driver of satisfaction, together with staff being more reliable than in 2016 and getting back to complainants when agreed. This helped reduce the information vacuum, and effort complainants needed to make, to get their complaint resolved. This treatment needs to be injected further into the process more consistently to drive satisfaction with complaint handling upwards.

Areas for improvement

Dissatisfaction was driven by a lack of ongoing communication, made worse by lack of clarity around resolution timescales. There have been some significant improvements in how complaints are handled, however, the areas for improvement remain consistent with 2016. There is still an issue with a lack of ongoing (and proactive) communication from suppliers. This was the main driver or the resolution gap and is exacerbated by lack of clarity around resolution timescales. This was not helped by some staff seeming unhelpful and unconcerned by the complainants' cases when contacted.

Furthermore, upon resolution, complainants expected to receive an explanation of the problem, and a lack thereof further contributed to an information vacuum potentially created earlier in the process, when ongoing communication was lacking. The lack of 'proper' closure gave the complainants little or no confidence that the complaint had been fully resolved and the issue won't happen again.

2 Introduction

2.1 Research context

Ofgem is the independent gas and electricity markets regulator for Great Britain. It has a principle objective to protect the interests of existing and future electricity and gas customers. It has set key consumer outcomes that it requires energy suppliers to achieve. These include standards prescribing better quality of service and fair treatment, as well as listening to consumers to ensure that their experiences in the energy market are understood. As part of that, Ofgem is committed to monitoring supplier performance against the regulations it sets for handling complaints. By definition, complaints are 'any expressions of dissatisfaction with the service received' made by consumers. These expressions of dissatisfaction should be logged by the supplier as 'a complaint' and appropriately dealt with thereafter as such.

Ofgem's Complaints Handling Standards[4] (CHS) for all suppliers providing energy to domestic (private households) and/or micro-business customers (defined as a business with up to 9 employees with a turnover no greater than £2 million annually) include requirements on suppliers to use accessible language, offer a range of channels for lodging and managing complaints, provide a clear pathway from complaint to resolution, and provide a clear route for redress should the complaint not be resolved to the consumer's satisfaction. All complaint cases must be logged in written electronic form and the process of complaint handling has to be readily available to consumers on the supplier website (and they must be informed about the existence of the procedures). Suppliers are required to treat all consumers fairly; the standards apply to domestic and micro-business[5] complainants.

Research to measure how well suppliers have been meeting the standards has been conducted since 2008, when they were introduced. Five waves of research have been conducted prior to this survey, with this wave being the 6th.

In 2014 (4th wave) a number of issues contributed to a fall in satisfaction with complaint handling, including speed of resolution, lack of ownership and staff's inability to make decisions at point of contact, as well as poor ongoing communication. Communications were sent to suppliers to outline areas that needed improvement.

The 2016 wave (5th) identified a further decrease in satisfaction with the way suppliers were handling complaints. This decrease was found among domestic and micro-business complainants alike. The issues which affected this were largely similar to those in 2014:

Resolution periods were seen as unacceptably long, and the lack of ongoing communication left complainants in the dark about their situation. They were left to set their own expectations of what should happen, which was often far from reality and exacerbated the already negative perception of the situation. Thus, many complainants chased suppliers for information, which meant speaking to multiple staff who didn't always have access to the full complaint history – this was seen as unhelpful and was contributing to higher levels of stress and consequently, complainants voting with their feet and switching suppliers. In

[4] https://www.ofgem.gov.uk/sites/default/files/docs/2008/07/complaint-handling-standards-decision-july-2008.pdf
[5] Micro-businesses are businesses with up to 9 employees.

response, Ofgem took a number of direct and indirect actions against suppliers to help improve the situation for complainants and issued further guidance to suppliers to encourage them to more effectively address the areas in need of improvement.

This wave of research was commissioned to assess how well suppliers responded to the call for improvements, and to monitor any changes in complainants' experiences.

2.2 Research aims and objectives

The primary aim of this research was to measure domestic and micro-business complainants' satisfaction with the way their complaints have been handled by their energy supplier. Specifically, the research set out to:

1. Gauge complainants' satisfaction with suppliers' complaints handling at market (and supplier) level, and understand the key drivers of satisfaction and dissatisfaction;
2. Identify areas of good practice in the application of the Complaints Handling Standards;
3. Identify areas of weakness in suppliers' complaints handling process, and determine priority areas that require action; and
4. Assess the extent to which suppliers' handling of complaints and complainants' satisfaction with this has changed since 2016, revealing areas where improvements have been made or areas where they have remained steady or declined.

2.3 Research methodology

A summary of the research methodology is shown in Figure 2. Further details about the methodology can be found in the Technical Appendix, available as a separate document.

Figure 2: Summary of research methodology.[6]

DOMESTIC COMPLAINANTS	
Method	Telephone (CATI)
Fieldwork period	February to April 2018
Interview length	21 minutes on average
Who we spoke to	3,080 domestic complainants
Sample	Provided by suppliers *(complaints made between 16-31 Dec 2017 for the largest suppliers and in Nov or Dec 2017 for mid-sized suppliers)*
Quotas	6 largest suppliers 5 medium-sized suppliers
Weighting	Share of complaints in Nov/Dec '17 *(number of domestic complaints received by each supplier as a proportion of the total number of domestic complaints received by all domestic suppliers surveyed)*

MICRO-BUSINESS COMPLAINANTS	
Method	Telephone (CATI)
Fieldwork period	February to March 2018
Interview length	17-19 minutes on average
Who we spoke to	703 micro-business complainants
Sample	Provided by suppliers *(complaints made in Nov or Dec 2015)*
Quotas	6 largest suppliers 1 medium-sized supplier
Weighting	Share of complaints in Nov/Dec '17 *(number of micro-business complaints received by each supplier as a proportion of the total number of micro-business complaints received)*

[6] Note on Domestic medium-sized supplier sample: OVO complainants raised complaints between 25 January and 2 March 2018. Full details are available in the Technical Appendix.

2.4 Reporting conventions

When interpreting the data presented in this report, please note that:

- **Results may not sum to 100%** due to rounding and/or due to participants being able to select more than one answer to a question.
- **Data presented in this report is from a sample of complainants** rather than the total population. This means the results are subject to sampling error. Differences between suppliers or other sub-groups, and between different waves of the research, are only commented on if they are statistically significant at the 95 per cent confidence level. This means there is no more than a 5 per cent chance that any reported differences are *not* real but a consequence of chance/ sampling error.[7]
- **Statistically significant differences** are indicated on each figure with arrows, as detailed below, and commented on where appropriate. Typically, the larger the base size (the number of respondents answering the question), the more likely it is that any differences observed are statistically significant. Results in each section of this report are presented for the current wave of the survey in the first instance. Comparisons are made with 2016 (and in some cases earlier years) to establish what has/ has not changed over time.

⬆⬇ Significantly higher / lower in 2018 vs. 2016	This indicates significant difference (at 95% level of significance) between results reported in 2016 and 2018 (the most recent wave)

- **Results represent the experience from the complainants' perspective**; it is *their* perception and recall of their experience that is reported.

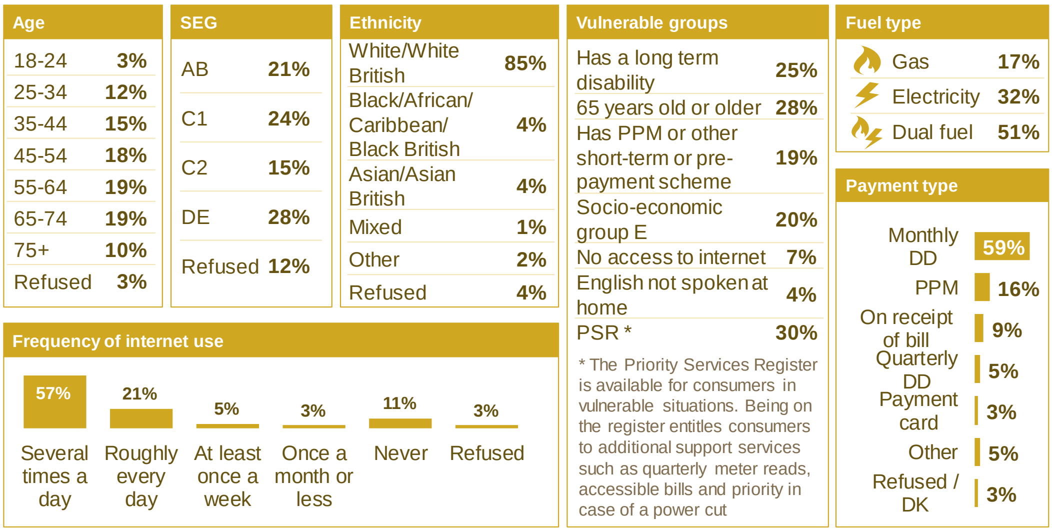
[7] Strictly speaking, calculations of statistical significance apply only to samples that have been selected using a probability sampling design. However, in practice, it is reasonable to assume that these calculations provide a good indication of significant differences for quota sampling (as used for this research).

3 Complainant profiles

3.1 Demographic and firmographic profiles of complainants

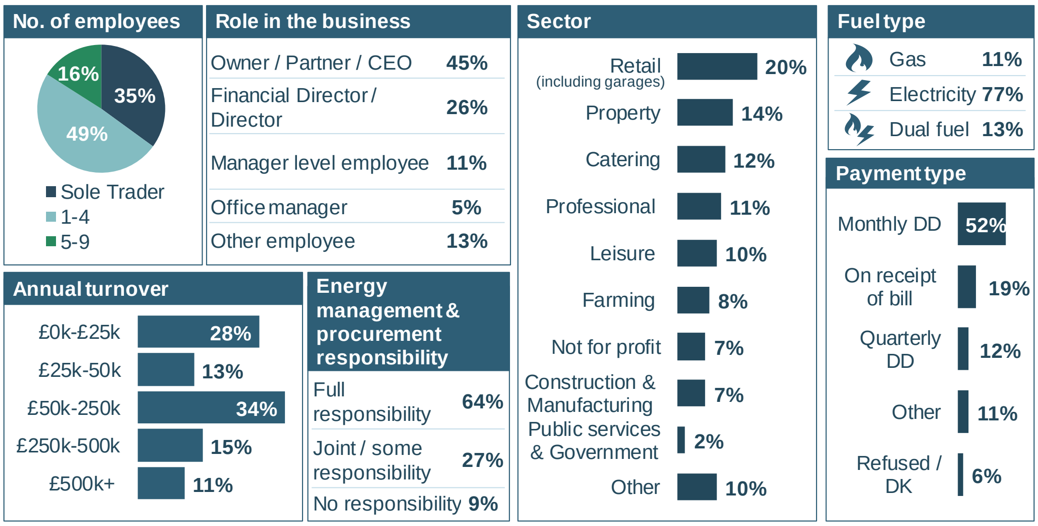
The complainants are a representative sample of all consumers who had contacted their supplier to ‘express dissatisfaction’ in late 2017.[8] The profiles of the domestic and micro-business complainants who participated in the survey are shown in Figures 3 and 4 below.

Figure 3: Domestic complainant profile.



Base: Domestic complainants (3,080).

Figure 4: Micro-business complainant profile (up to 9 employees).



Bases: Micro-business complainants (703).

[8] To reiterate, complaints are ‘any expressions of dissatisfaction with the service received’ made by consumers and for this research, the complaints were made between 16-31 December 2018 for the largest domestic suppliers and in November-December 2018 for all medium-sized suppliers (except for complainants to OVO who raised complaints between 25 January and 2 March 2018) and all micro-business suppliers.

3.1.1 Complainants in vulnerable situations

Ofgem's responsibility to protect the interests of energy consumers includes those who are in vulnerable circumstances (this relates to domestic consumers only). Vulnerable circumstances arise when a consumer's personal circumstances and characteristics, combined with aspects of the market, create situations where they are either:

- Significantly less able, than a typical consumer, to protect or represent their interests in the energy market, and/ or
- Significantly more likely, than a typical consumer, to suffer detriment or that detriment is likely to be more substantial.

More specifically, this would apply to some consumers of pensionable age, those who have a disability, are chronically ill, have a mental health condition which impacts their ability to e.g. understand their bill, if they live in rural areas, are on low incomes or in any other vulnerable situation which means that they need additional support (on an ongoing basis or for a limited time). Vulnerability can be transient as personal circumstances change. Furthermore, a vulnerable consumer is not vulnerable because of who they are, but because of the circumstances they are in, which is what may prevent them from being able to fully protect or represent their interests in the energy market.[9]

Energy suppliers have the responsibility to 'seek to identify' each domestic customer in a vulnerable situation, to be able to address their needs appropriately.[10] This means identifying where individual circumstances create barriers to accessing services in the energy market and having a strategy to help consumers overcome those barriers. Vulnerable customers are often included in the Priority Services Register (PSR) – it is a free service provided by suppliers and network operators to customers in need. If eligible, and the customer agrees to be registered, a customer will qualify for supplementary services such as suppliers providing support to help the customer identify someone acting on behalf of their supplier, e.g. a password or showing an agreed identification card if visiting the customer's home, among a number of other services.[11] This level of support is particularly important in relation to raising a complaint, which can have a financial and/ or emotional impact on the complainants.

Figure 5 over the page presents the % of complainants registered on PSR among those who raised complaints/ expressed dissatisfaction in late 2017[12] as identified by the suppliers.

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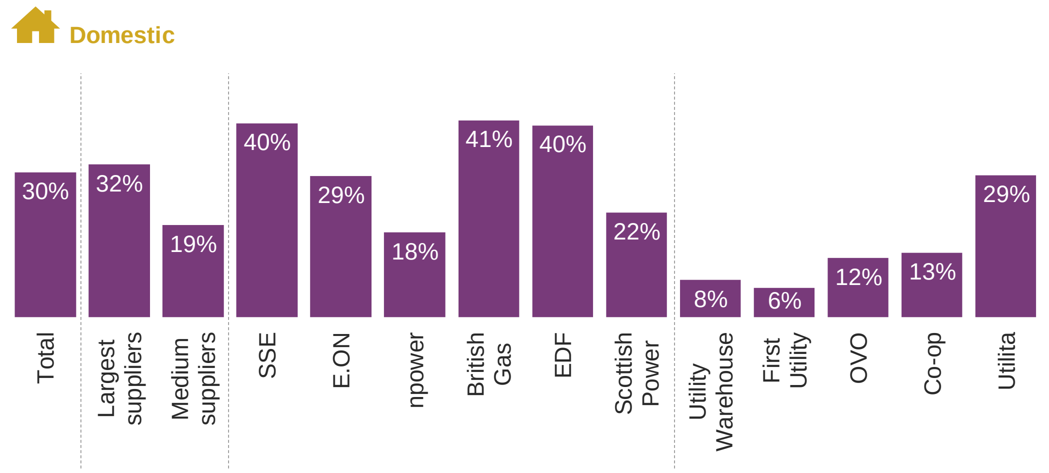
[9] Ofgem *Customer Vulnerability Strategy*, published July 2013.

[10] For more information on the Standards of Conduct, see Ofgem *Licence guide: Standards of Conduct*, published October 2017.

[11] https://www.ofgem.gov.uk/consumers/household-gas-and-electricity-guide/extra-help-energy-services/priority-services-register-people-need

[12] With the exception of OVO where complaints were raised between 25 January and 2 March 2018 – see Technical Report for details.

Figure 5: Vulnerable (PSR) complainants by supplier – complaints made in late 2017[13] to domestic suppliers only.



Data provided by suppliers in response to Ofgem RFI on complaints made in late 2017.

Base: Domestic complainants (All: 3,080; Largest: 2,077, Medium: 1,003; BG: 334; SSE: 356; EDF: 325 E.ON: 421; ScottishPower: 356; npower: 285; Utilita: 245; Co-op: 142; OVO: 106; Utility Warehouse:130; First Utility: 380).

In the 2018 wave of the research, suppliers were asked to provide this information to help assess whether PSR complainants are receiving an adequate level of service. This information was not available in 2016, thus direct comparison is not possible. Therefore, throughout this report, the experience of complainants registered on the PSR is evaluated in relation to the 2018 market average. They are referred to as vulnerable complainants throughout the report.

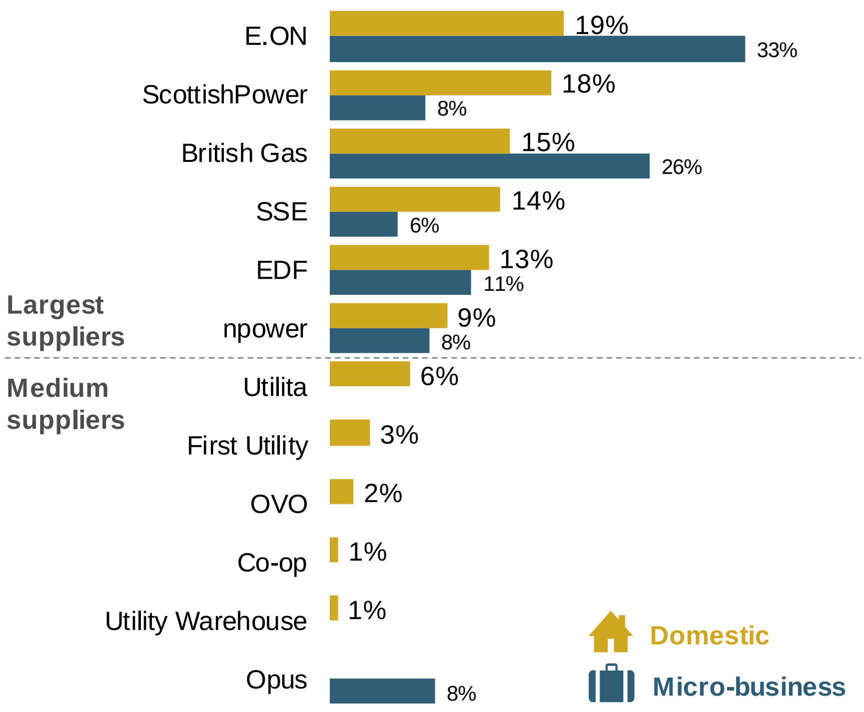
3.2 Profile of domestic and micro-business complaints

Participants were complainants to the six largest suppliers (domestic and micro-business) and six medium-sized suppliers (five domestic only; one micro-business only).

Consistently with previous waves of the research, collectively, these suppliers comprised the majority of the domestic and micro-business energy supply markets.[14] Each supplier's share of complaints is presented in Figure 6 over the page. Data were weighted to represent each supplier's share of complaints in the market in November and December 2017.[11] More details on this are available in the Technical Appendix included as a separate document.

[13] With the exception of OVO where complaints were raised between 25 January and 2 March 2018 – see Technical Appendix for details.
[14] Estimated.

Figure 6: Complaints distribution across domestic and micro-business suppliers.



QS6. And which supplier did you make this complaint to?

Bases: Domestic complainants (All: 3,080), Micro-business complainants (All: 703).

As in previous years, in 2018 the majority of complaints were raised by telephone, with 83% of domestic and 83% of micro-business complainants having used this channel (compared to 84% and 79% respectively in 2016). Only 10% of domestic and 12% of micro-business complainants contacted their supplier by email (compared to 9% and 17% respectively in 2016). Other forms of initial contact (e.g. web chat or web forms) were seldom used.

Billing remained the most common reason for complaining, though significantly less of a problem than in 2016. While half (51%) of domestic complaints were in relation to billing problems, this is a significant decrease from 56% in 2016. The decrease in micro-business billing complaints was also significant and even more substantial, falling from 70% to 59%.

Issues related to gas and electricity meters (not smart or pre-payment meters), remained the second most common problem area (21% among domestic and 25% among micro-business complainants). These included meter accuracy issues or problems related to installation or removal of a meter.

Figure 7 over the page provides details on reasons for complaints being raised in 2017.

Figure 7: Nature of the complaint.

Significantly higher / lower in 2018 vs. 2016

	Domestic 2016	Domestic 2018	Micro-businesses 2016	Micro-businesses 2018	*Significantly higher for…*
Billing	56%	51% ↓	70%	59% ↓	npower (61%), Co-op (71%)
Meters	23%	21%	20%	25%	UW (31%)
Change of supplier/tariff	15%	17% ↑	12%	18% ↑	BG (23%)
Smart Meters	5%	14% ↑	-	-	EDF (19%), UW (25%)
	-	-	2%	8% ↑	E.ON (14%)
Customer service	12%	13%	6%	13% ↑	
Account Management	3%	9% ↑	2%	16% ↑	
Pricing	12%	8% ↓	10%	12%	OVO (15%)
Pre-payment meters	5%	5%	0%	0%	Utilita (10%)
Debt	5%	4%	6%	6%	Co-op (9%)
Sales	4%	3% ↓	6%	6%	UW (7%)
Other	2%	1% ↓	1%	0%	

QS7. What was your complaint to [named supplier] about?

Bases: Domestic (All 2016: 3,049; All 2018: 3,080; BG: 334; EDF: 325 E.ON: 421; npower: 285; Utility Warehouse: 130; OVO: 106, Utilita: 245; Co-op: 142), **Micro-business** (All 2016: 468; All 2018: 703; E.ON: 191).

Problems concerning smart meters, tariff changes and account management were significantly more common for both domestic and micro-business complainants in 2018 than in 2016. The increase in smart meter problems was particularly evident amongst domestic complainants (a significant rise from 5% in 2016 to 14% in 2018), likely to reflect the increasing take up of smart meters in the market. Micro-business complainants were significantly more likely to complain about account management related problems (increase from 2% in 2016 to 16% in 2018) – this was most likely to have been related to updating account information and issues with the contract (set-up/ renewal/ ending). Micro business complaints about customer service related issues have also increased in 2018 (13% vs. 6% in 2016).

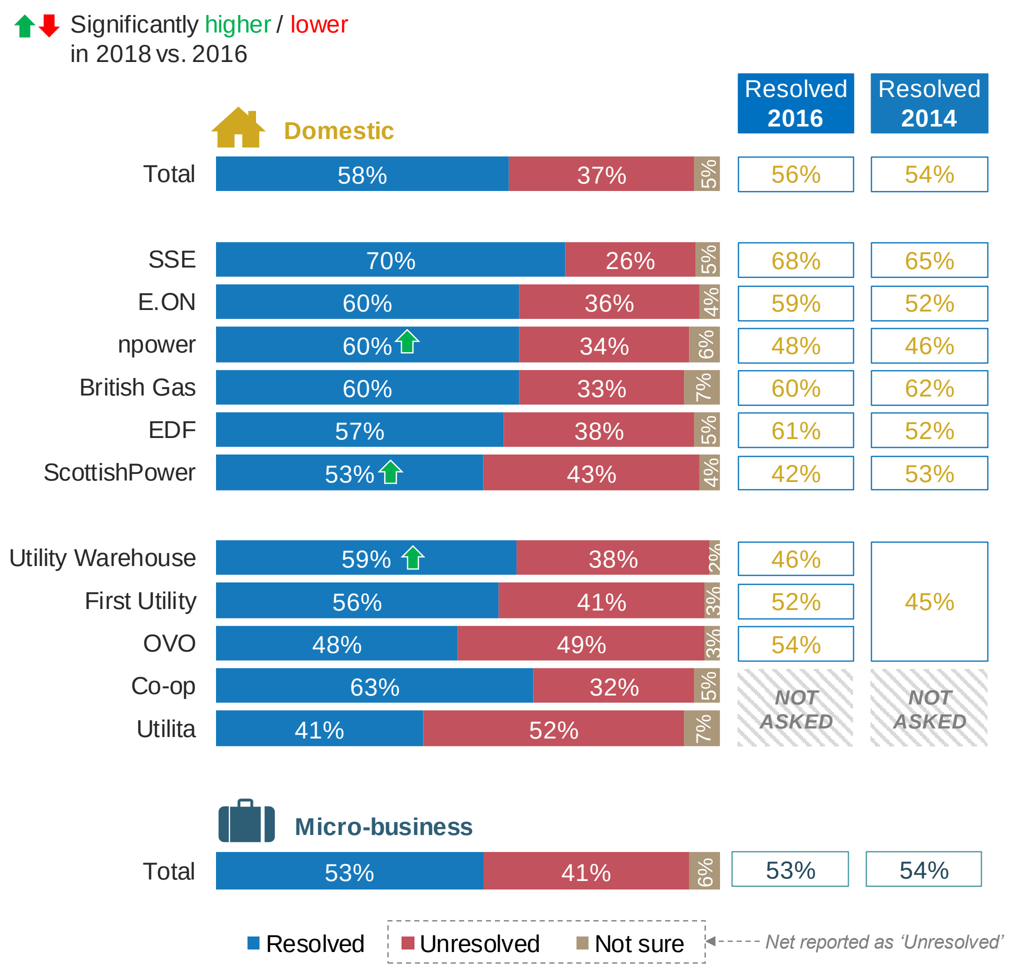
There were some differences in reasons for complaining to different suppliers. Over 60% of domestic complainants to either npower or Co-op experienced billing issues (significantly higher than the domestic market average of 51%), while complainants to British Gas were more likely than average to be raising issues related to change of supplier or tariff (23% vs. 17% average, though 55% of complainants to British Gas still complained about billing issues). Complainants to Utility Warehouse (domestic only) were more likely than others to raise issues related to energy meters (either regular or smart meters).

Just over half of complainants considered their case to be 'resolved'. While this proportion has fluctuated within individual suppliers wave-on-wave, the overall market figure has remained fairly consistent across each survey wave (see Figure 8 for details).

More domestic complainants (58%) had their complaint resolved within the c. 8 weeks in this wave of the research than in the previous wave, marking a return to pre-2014 levels.

The proportion of resolved complaints has remained steady for micro-business complainants (53%).

Figure 8: Complaint status from the complainants' perspective.



QD2.Would you say your complaint is…?

Bases: Domestic - 2018 (All: 3,080; BG: 334; SSE: 356; EDF: 325; E.ON: 421; ScottishPower: 356; npower: 285; First Utility: 380; Utility Warehouse: 130; OVO: 106; Utilita: 245; Co-op: 142), **2016** (All: 3,049; BG: 653; SSE: 405; EDF: 228; E.ON: 500; ScottishPower : 332; npower: 452; First Utility: 247; Utility Warehouse: 120; OVO: 91), **Micro-business** (2018: 703; 2016: 468).

In the domestic market, most suppliers showed improvement in the number of resolved cases, most notably npower (60%, from 48% in 2016), ScottishPower (53% from 42% in 2016) among the largest suppliers, and Utility Warehouse (59%, up from 46% in 2016) among the medium suppliers. SSE (70% in 2018 and 68% in 2016) remained the best performer. EDF (57%) and OVO (48%) had lower levels in 2018 compared with 2016 (61% and 54% in 2016 respectively). Co-op Energy is the best performer among the surveyed medium domestic suppliers in terms of the proportion of resolved cases after the 8-week period, with 63% of complainants saying their complaint had been resolved. Utilita is performing less well, with only 41% of cases being resolved according to the complainants.

In the micro-business market, Opus, the only medium supplier included in the research, had the highest number of resolved cases at the time of interview (around two-thirds of complaints had been resolved at the time of interview). Most of the other micro-business suppliers had lower numbers of resolved cases than in 2016, with a minor improvement for EDF.

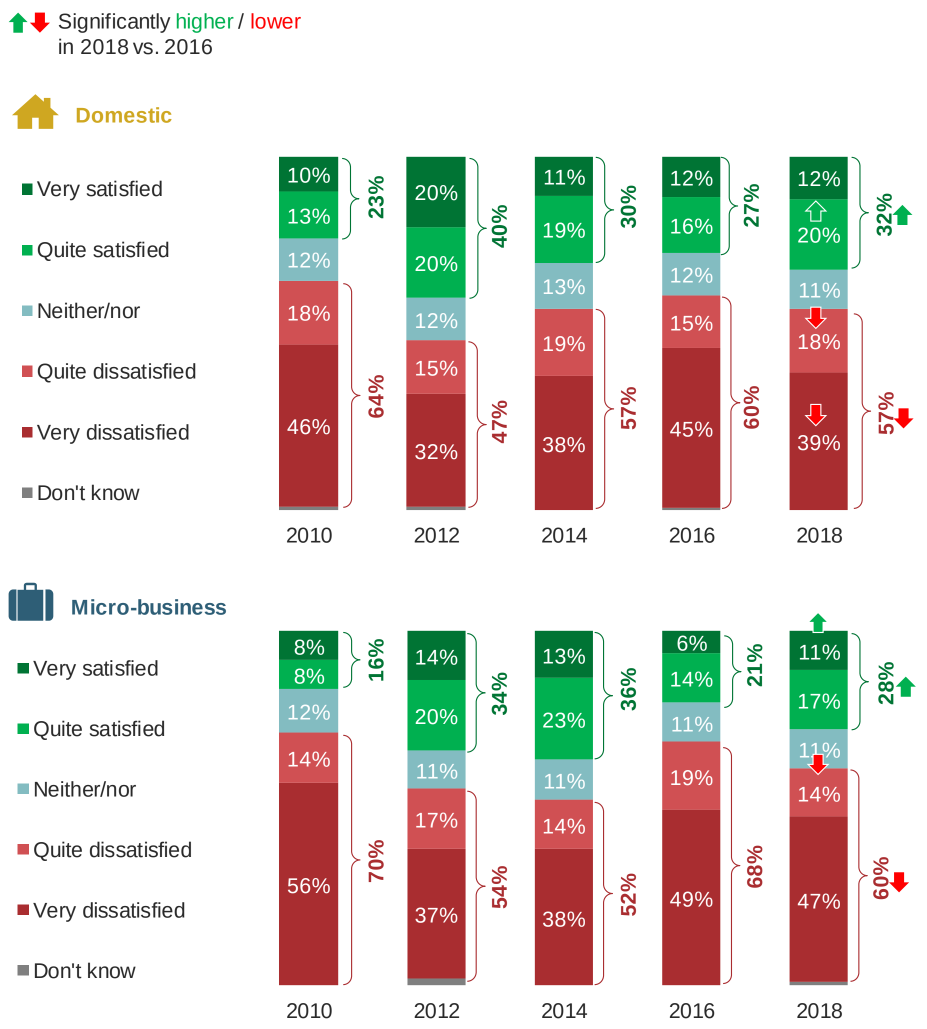
Note on unresolved cases: within this report, any reference to ‘unresolved’ cases refer to the net figure of cases identified by complainants as unresolved plus those who were not sure if their case had been resolved or not. This was consistent with the 2016 wave of the research. Thus 42% of cases in the domestic market, and 47% of cases in the micro-business market, were deemed unresolved.

4 Satisfaction with complaints handling

4.1 Market level satisfaction

Satisfaction with complaints handling has improved significantly among both domestic and micro-business complainants overall (see Figure 9). In 2016, only just over 1 in 4 (27%) of domestic complainants were satisfied with the way their complaint was handled, and this rose significantly to 1 in 3 (32%) in 2018. Among micro-business complainants, levels of satisfaction rose significantly from 21% in 2016, to 28% in 2018.

Figure 9: Overall satisfaction with complaint handling, 2010-2018.



QG1. Taking everything into account, how satisfied are you overall with the way in which your complaint has been handled by [named supplier]?

Bases: Domestic (2018: 3,080; 2016: 3,049; 2014: 2,457; 2012: 2,769; 2010: 2,734), Micro-business (2018: 703; 2016: 468, 2014: 287; 2012: 256; 2010: 274).

While complainants are still more likely to be dissatisfied than satisfied, the number of dissatisfied customers has decreased significantly across the markets. **Nevertheless, there is still a way to go to improve complainant satisfaction**. Overall, 57% of domestic and

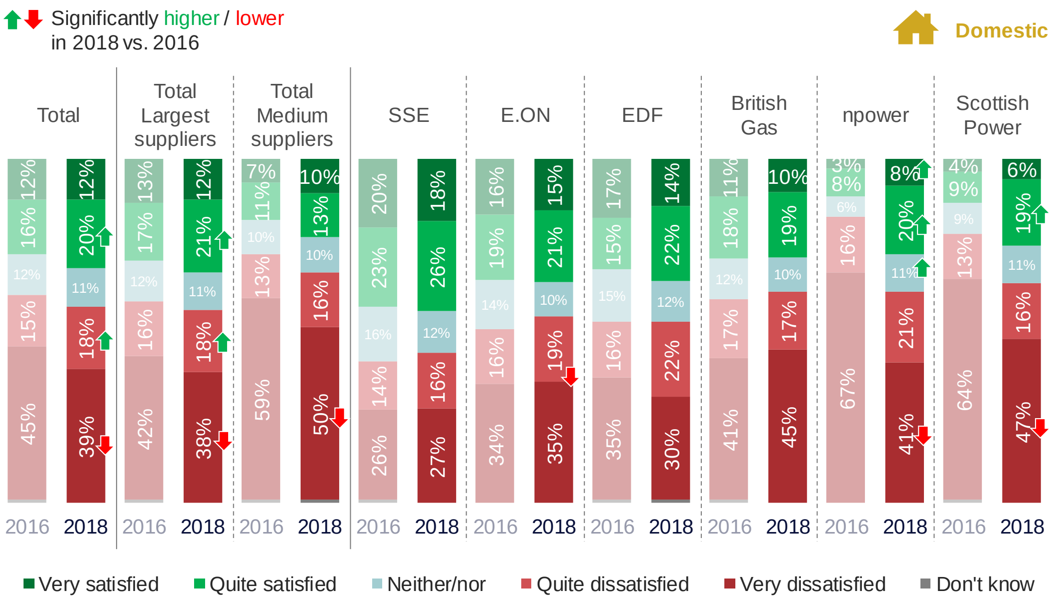
60% of micro-business complainants were dissatisfied with their complaint handling experience. Furthermore, the strength of complainants' feelings of dissatisfaction is evident given the high level of 'very' dissatisfied complainants: 39% domestic and 47% micro-business.

4.2 Supplier level satisfaction

There were significant differences in levels of satisfaction and dissatisfaction with how complaints were handled across suppliers in the domestic market since 2016.

Encouragingly, the worst domestic performers from 2016, npower and ScottishPower, have shown significant uplifts in overall satisfaction, owing in part to the improvements in the number of resolved cases. Clearly, their efforts to implement improvements after the deterioration in satisfaction over the 2014-2016 period, have had a positive impact on the experiences of their domestic complainants, though there is still a long way to go as the majority, close to 2 in 3, were dissatisfied with how their complaint had been handled. Figure 10a below shows satisfaction levels among the largest suppliers in the domestic market.

Figure 10a: Overall satisfaction with complaint handling – largest domestic suppliers.

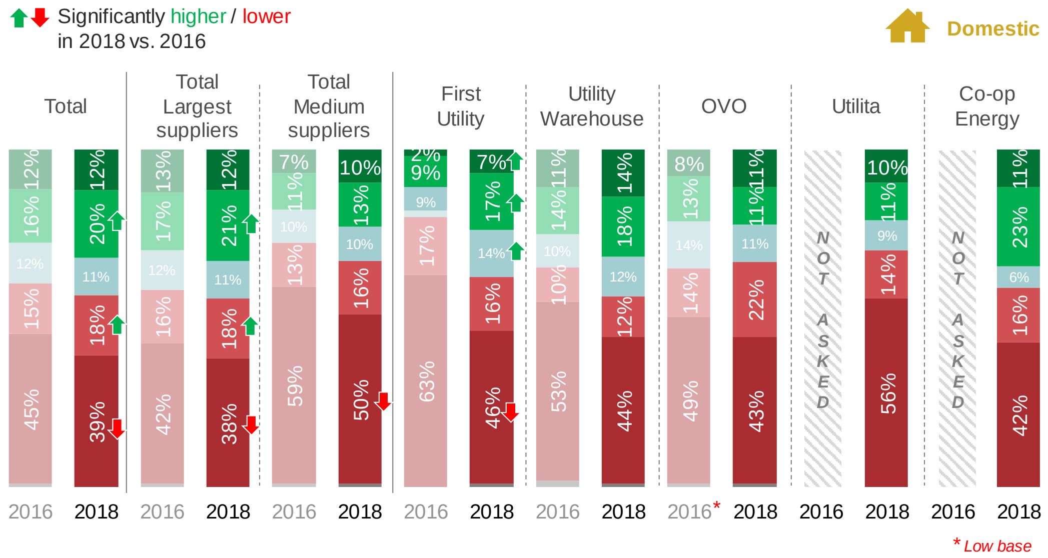


QG1. Taking everything into account, how satisfied are you overall with the way in which your complaint has been handled by [named supplier]?

Bases: **2016 –** Domestic Total (3,049), Largest suppliers Total (2,570), Medium suppliers Total (479), British Gas (653), SSE (405), EDF (228), E.ON (500), ScottishPower (332), npower (452). **2018 –** Domestic Total (3,080), Largest suppliers Total (2,077), Medium suppliers Total (1,003), British Gas (334), SSE (356), EDF (325), E.ON (421), ScottishPower (356), npower (285).

Among domestic medium suppliers (see Figure 10b below), First Utility has seen a significant uplift in satisfaction with complaints handling, and others have seen marginal improvements. It is also encouraging to see a decrease in levels of complainants who were very dissatisfied with their experience (where comparisons with 2016 can be made). Co-op is the top performer (34% satisfied, 58% dissatisfied), while complainants to Utilita were least satisfied with how their case was handled, with 70% of them feeling very or quite dissatisfied (and only 21% being very or quite satisfied).

Figure 10b: Overall satisfaction with complaint handling – medium domestic suppliers.



QG1. Taking everything into account, how satisfied are you overall with the way in which your complaint has been handled by [named supplier]?

Bases: **2016 –** Domestic Total (3,049), Largest suppliers Total (2,570), Medium suppliers Total (479), First Utility (247), Utility Warehouse (120), OVO (91). **2018 –** Domestic Total (3,080), Largest suppliers Total (2,077), Medium suppliers Total (1,003), First Utility (380), Utility Warehouse (130), OVO (106), Utilita (245), Co-op Energy (142).

Base sizes don't allow for full comparison of data among micro-business suppliers.

4.3 Satisfaction levels among vulnerable domestic complainants

Vulnerable complainants[15] (domestic market only) were significantly more likely than the market average to be very or quite satisfied with how their complaint was handled (36% vs. 32% respectively)[16]. Around half (48%[17]) of vulnerable complainants to SEE (and a similar proportion of vulnerable complainants to EDF) reported being very or quite satisfied with how their complaint had been handled. Vulnerable complainants who complained to medium-sized suppliers were generally less satisfied with their experience – this is in line with the rest of the market.

The following chapters look at the complaint journey in detail to understand what a typical complainants' experience looks like, and what might sit behind these levels of satisfaction.

[15] See section 3.1.1 for a definition of vulnerable complainants.

[16] Bases: Vulnerable complainants (795); All domestic complainants (3,080).

[17] Base: SSE vulnerable complainants (143).

5 The complaint journey

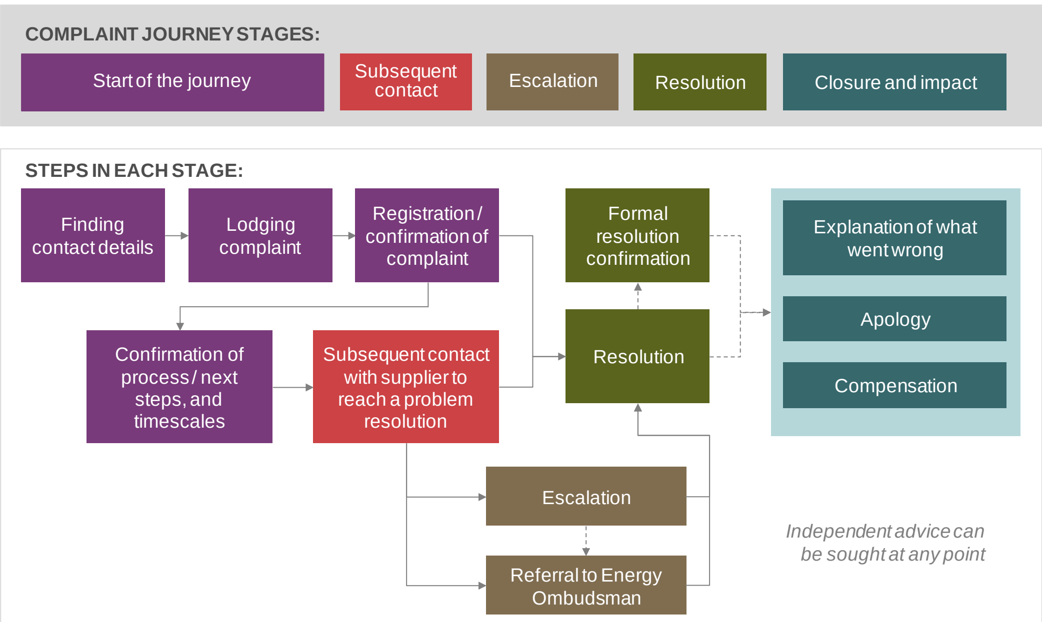
5.1 Introducing the journey

The complaint 'journey' was explored by identifying the core stages in the complaints process, also shown in Figure 11 below:

1. *Start of the journey*
   - Finding contact details
   - Registration and confirmation/ acknowledgement
   - Next steps and timescales
2. *Subsequent contact*
   - Communication following initial contact to reach problem resolution
3. *Escalation and third party involvement*
   - Potential escalation to a more senior member of staff and/or referral to the Energy Ombudsman
4. *Resolution*
   - Including receiving confirmation/ acknowledgement of resolution
5. *Closure*
   - Receiving an explanation of what went wrong or an apology
   - Receiving compensation, if applicable

Each stage was investigated in detail to understand what the process was like from the complainants' perspective, and what impact each element had on overall satisfaction with complaints handling. The questions asked about each stage of the complaint journey reflected the requirements of Ofgem's Complaint Handling Standards (CHS) which suppliers must adhere to.

Figure 11: The complaint journey.



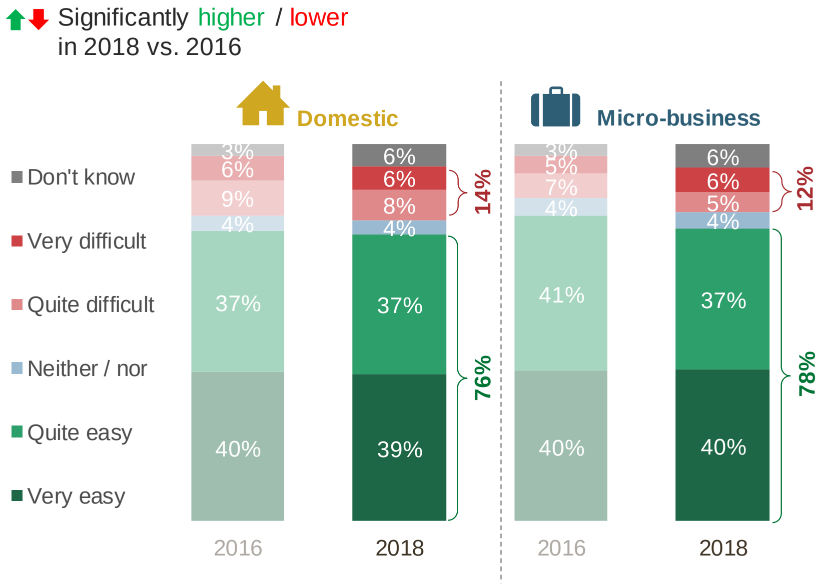
The remaining sections in this chapter address each of the core steps in the complaint journey in detail, starting with the ease of finding the correct contact details to be able to lodge the complaint or express dissatisfaction with the service received.

5.2 Start of the journey

5.2.1 Raising the complaint

Supplier contact details continue to be easily found by most complainants (76% for domestic; 78% for micro-businesses in 2018, with comparable proportions in 2016 among both groups of complainants – see Figure 12 below). Vulnerable complainants found it even easier, with 81% having said that it was easy to find the right contact details to raise the issue with the supplier.

Figure 12: Ease of finding the right contact details to lodge the complaint.



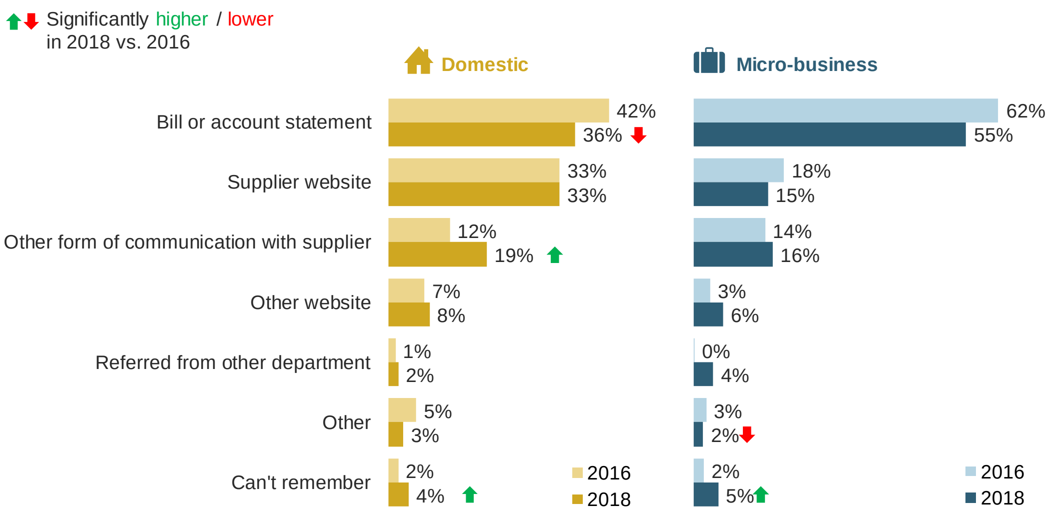
QB2_2. How easy or difficult was it to **find the contact details**?

Bases: Domestic (2018: 3,080; 2016: 3,049), Micro-business (2018: 703; 2016: 468).

Those who found it more difficult to find the contact details didn't have a common characteristic which could contribute to this, which suggested any difficulties were more likely to be related to individual complainant circumstances rather than a failing on the part of the suppliers.

Bills, statements, and the suppliers' websites were the most common sources of information to find supplier contact details to raise a complaint (see Figure 13 over the page). While bills and account statements were the most common source among domestic complainants (36%), it was significantly less commonly used than in 2016 (42%), though still a dominant source of information for vulnerable complainants (44% of vulnerable complainants in 2018). Other forms of communication from suppliers were used more in 2018 (19% vs. 12% in 2016) – these include direct mail or marketing communication, an app provided by the suppliers or previous correspondence, etc.

Figure 13: Source of contact details.



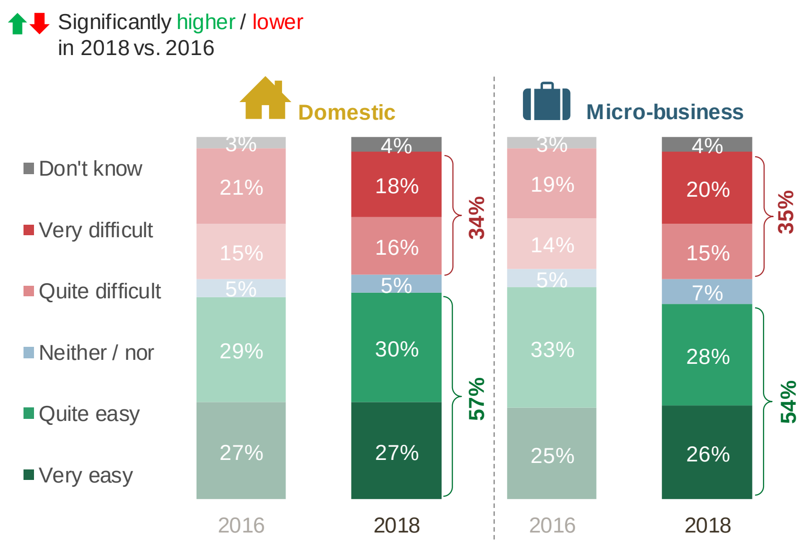
QB1. Thinking about when you contacted [named supplier] in [Complaint month], where did you find the contact information you needed to make the complaint?

Bases: Domestic (2018: 3,080; 2016: 3,049), Micro-business (2018: 703; 2016: 468).

Micro-business complainants typically found the supplier's contact details on their bills or account statements (55% in 2018) – this is fairly consistent with 2016, when other sources of information were used comparatively little.

While registering the complaint was easy for most, 1 in 3 still experienced difficulties – this hasn't changed since 2016 (see Figure 14). The experience of registering a complaint among vulnerable complainants is comparable to the market average.

Figure 14: Ease of registering the complaint.

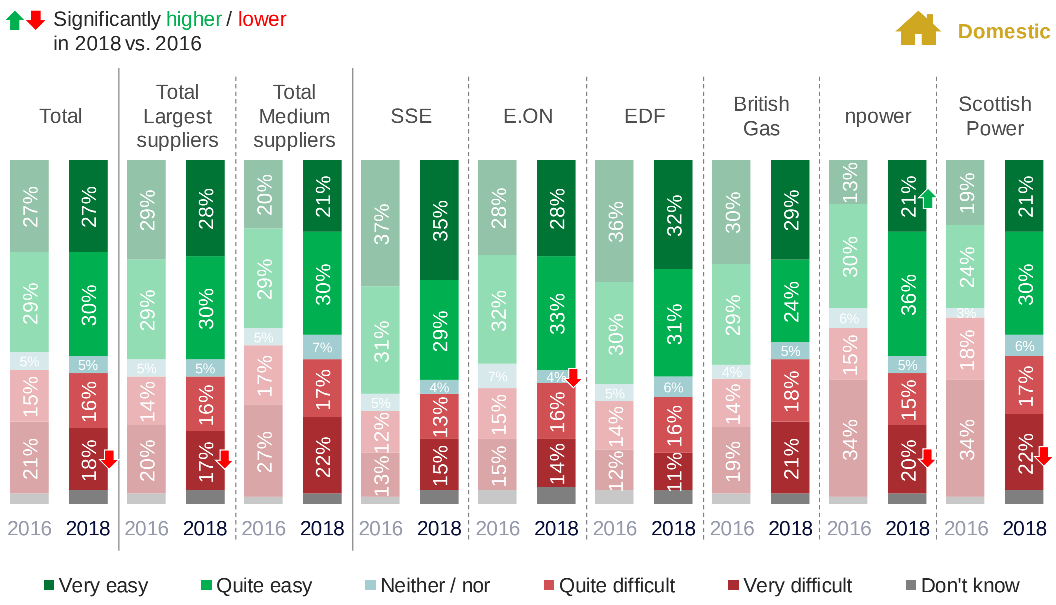


QB2_2. How easy or difficult was it to **register your complaint** with [named supplier]?

Bases: Domestic (2018: 3,080; 2016: 3,049), Micro-business (2018: 703; 2016: 468).

However, there was some variation among suppliers in the domestic energy market. Complainants to npower found it significantly easier to register their complaint in 2018 than in 2016, and fewer ScottishPower complainants found it difficult in 2018 compared to previous years, though ScottishPower's performance was still lower than the other largest suppliers (see Figure 15a). There was little change in the ease of complaint registration with other large suppliers since 2016.

Figure 15a: Ease of registering the complaint – largest domestic suppliers.

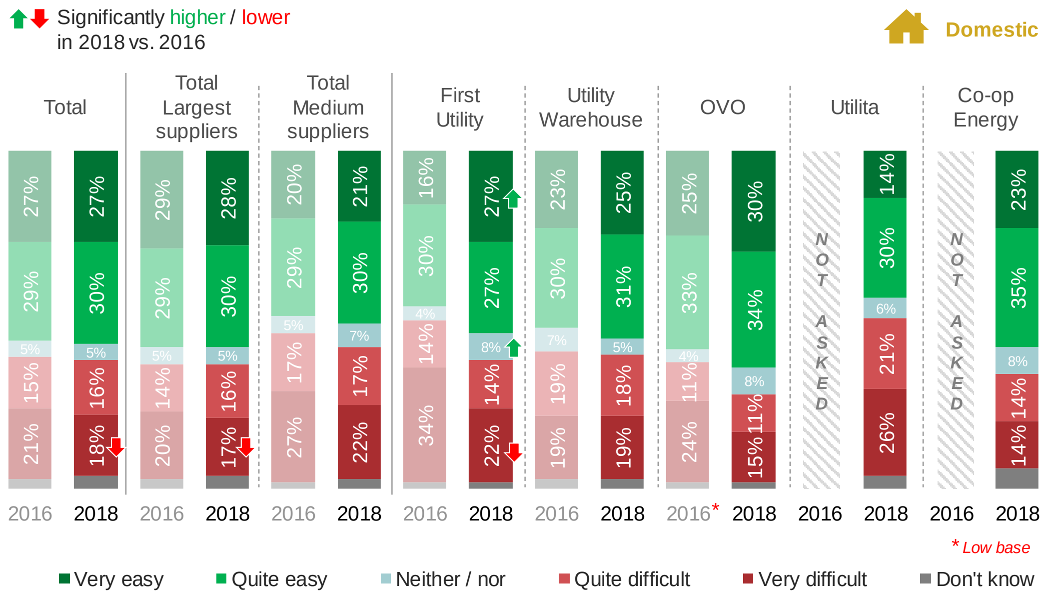


QB2_2. How easy or difficult was it to register your complaint with [named supplier]?

Bases: **2016 –** Domestic Total (3,049), Largest suppliers Total (2,570), Medium suppliers Total (479), British Gas (653), SSE (405), EDF (228), E.ON (500), ScottishPower (332), npower (452). **2018 –** Domestic Total (3,080), Largest suppliers Total (2,077), Medium suppliers Total (1,003), British Gas (334), SSE (356), EDF (325), E.ON (421), ScottishPower (356), npower (285).

Complainants to medium suppliers found it easier to register their complaint in 2018 compared to 2016. This improvement is particularly evident among complainants to First Utility. However, complainants to Utilita found it more difficult to register their complaint than complainants to other medium or largest suppliers – see Figure 15b.

Figure 15b: Ease of registering the complaint – medium domestic suppliers.



QB2_2. How easy or difficult was it to register your complaint with [named supplier]?

Bases: **2016 –** Domestic Total (3,049), Largest suppliers Total (2,570), Medium suppliers Total (479), First Utility (247), Utility Warehouse (120), OVO (91). **2018 –** Domestic Total (3,080), Largest suppliers Total (2,077), Medium suppliers Total (1,003), First Utility (380), Utility Warehouse (130), OVO (106), Utilita (245), Co-op Energy (142).

Among domestic complainants, there were significant differences in the types of complaints that were found easier or more difficult to register (see Figure 16). Consistently with 2016, complaints about debt related issues were among the most difficult to register – and no doubt allied to these were complainants' greater difficulties in sourcing their supplier's contact details in the first place. Registering complaints concerning pre-payment meters was also more problematic. Complaints about smart meters were relatively easy to register for complainants.

Figure 16: Ease of registering specific types of complaints.

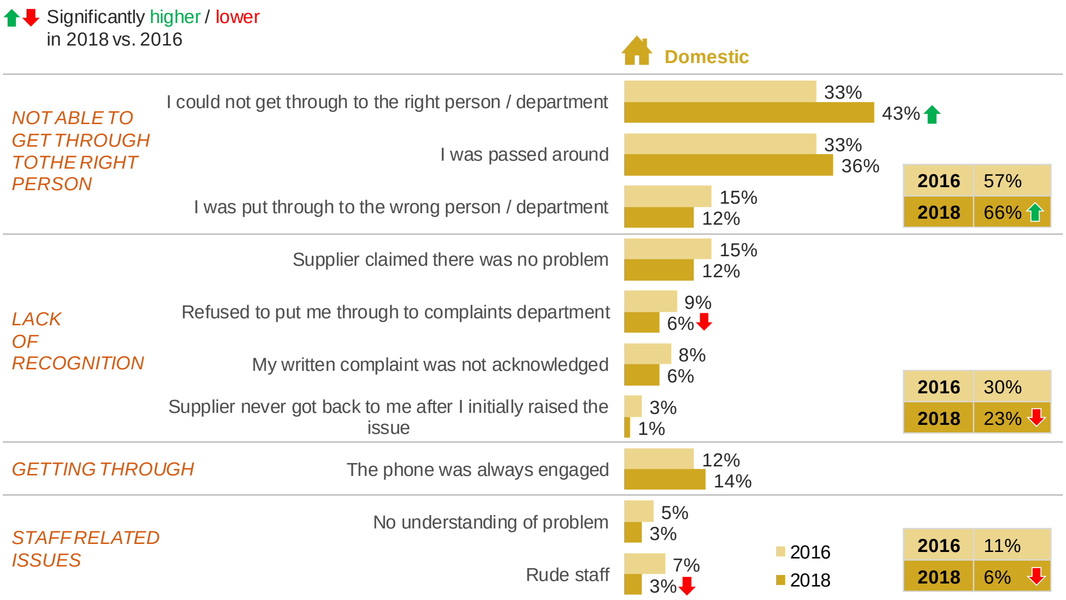
Domestic	Easy % (Very/Quite)	Difficult % (Very/Quite)	Base (n)
Average	*57%*	*34%*	*3,080*
Smart meters	**63%**	26%	422
Billing	52%	**38%**	1,603
Pre-payment meters	44%	**47%**	126
Debt	44%	**47%**	131

QB2_2. How easy or difficult was it to **register your complaint** with [named supplier]?

Bases: See table.

Among the c. third of complainants who found it difficult to have their complaint registered, the most common reasons involved not being able to get through to the right person or department and being passed around (see Figures 17a). Comparison against 2016 showed this is a growing problem for domestic complainants (57% in 2016 vs. 66% in 2018). Problems related to the complaint not being properly acknowledged or understood were less common in 2018 than in 2016. This suggests that once complainants do get through, the level of service they receive is improving. However, domestic suppliers need to address this emerging issue of complainants having difficulties accessing the right staff to address their case. The experience of vulnerable complainants is consistent with this.

Figure 17a: Main reasons it was difficult to register the complaint – domestic complaints.

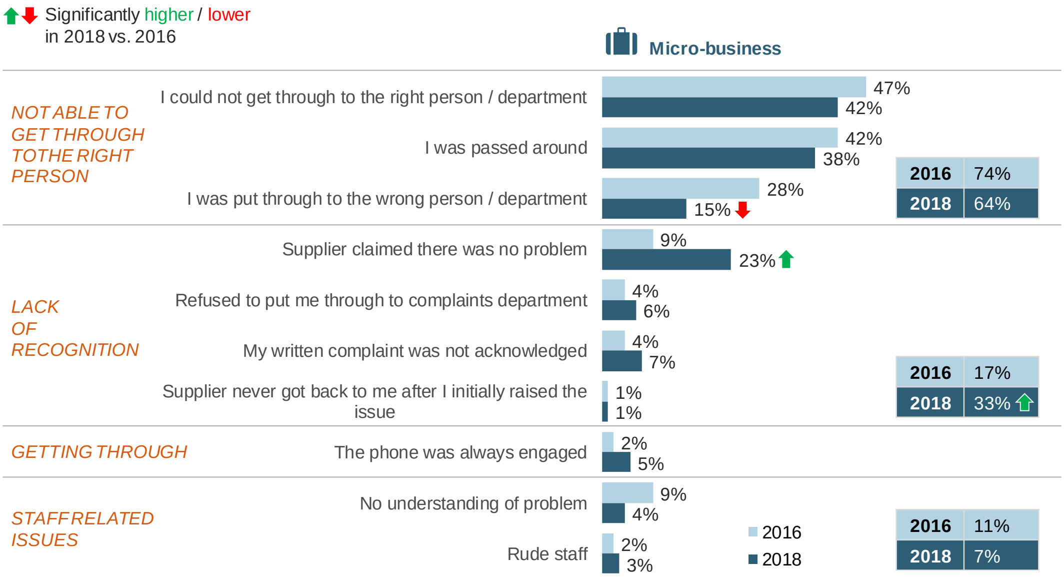


QB3. What would you say was the MAIN reason why you found it difficult to have your complaint registered?

Bases: Domestic complainants who found it difficult to register their complaint (2018: 1,046; 2016: 1,131).

Micro-businesses were more likely to struggle in 2018 with having their complaint acknowledged as a problem than in 2016 (33% in 2018 vs. 17% in 2016). In particular, they found that the supplier claimed the complaint they were raising was not actually an issue (see Figure 17b). From a complainant point of view this can be quite frustrating as it sets a negative tone for the rest of the process.

Figure 17b: Main reasons it was difficult to register the complaint – micro-business complaints.



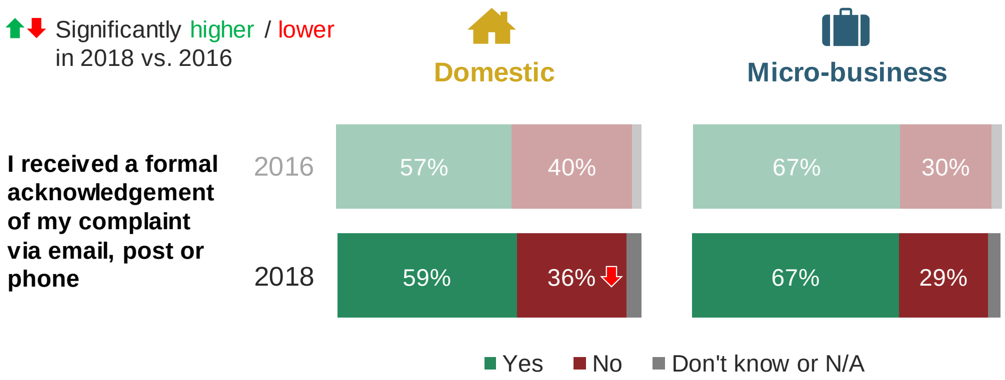
QB3. What would you say was the MAIN reason why you found it difficult to have your complaint registered?

Bases: Micro-business complainants who found it difficult to register their complaint (2018: 255; 2016: 163).

5.2.2 Confirmation of process and next steps

Around 6 in 10 complainants received a formal acknowledgement of their complaint, consistently with 2016. Encouragingly, the proportion of complainants stating they have *not* received a formal confirmation has decreased significantly among domestic complainants – this may be a result of a higher number of complaints being resolved on the same day (18% in 2018 vs.14% in 2016 among resolved cases, see Figure 34 in section 5.2.2), meaning that there is not a need to send out those types of communications.

Figure 18: Formal confirmation/ acknowledgment of the complaint.



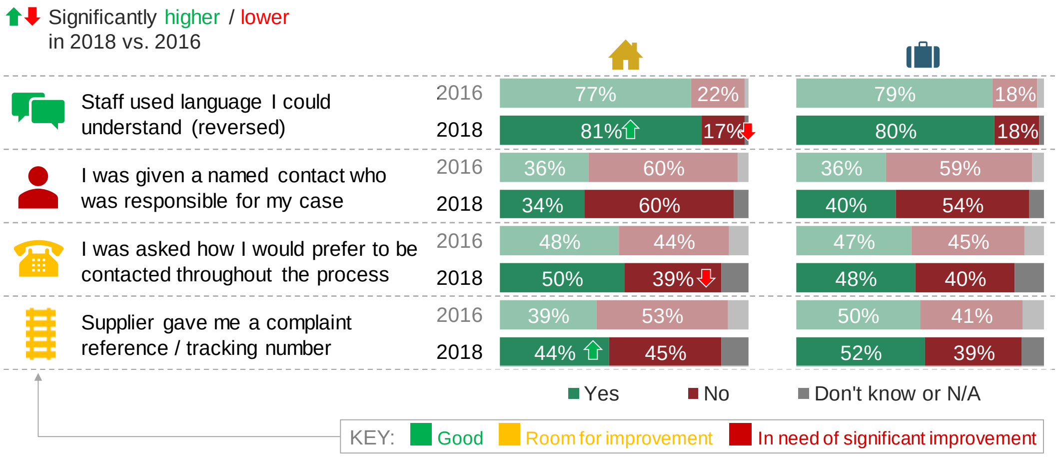
QB4. I will now read out a few statements related to what might or might not have happened when you first contacted [named supplier] about your complaint. As I read each statement out, please say YES or NO to indicate whether or not it happened to you.

Bases: Domestic (2018: 3.080; 2016: 3,049), Micro-business (2018: 703; 2016: 468).

Vulnerable complainants were less likely to receive a formal acknowledgement of their complaint, with just over half (54%) stating they had. One in five (20%) vulnerable complainants with resolved cases said their complaint was resolved on the same day, which could contribute to the lower propensity to receive a formal complaint acknowledgment.

Performance concerning other aspects of initial contact with the supplier was mixed (see Figure 19 below).

Figure 19: What happened at initial contact.



QB4/ QC8_4. I will now read out a few statements related to what might or might not have happened when you first contacted [named supplier] about your complaint. As I read each statement out, please say YES or NO to indicate whether or not it happened to you.

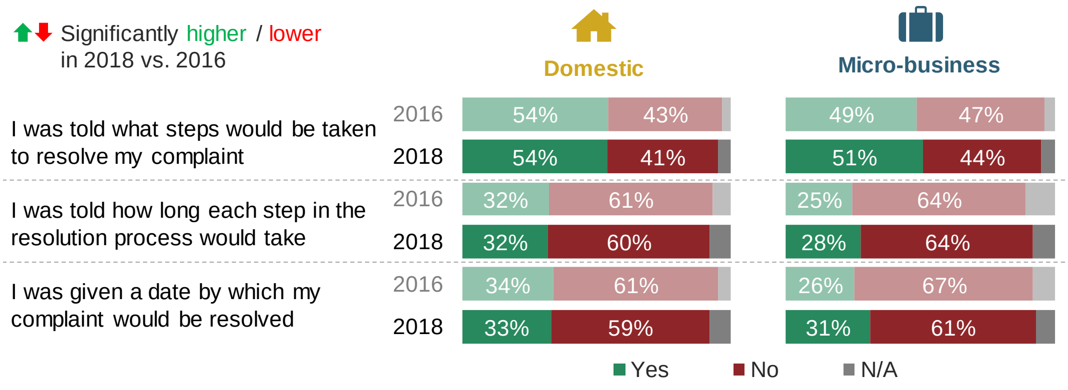
Bases: Domestic (2018: 3.080; 2016: 3,049), Micro-business (2018: 703; 2016: 468).

- ✓ Language used by initial response staff was consistently clear (and more so in 2018 – 81% vs. 77% in 2016 among domestic complainants, and 80% in 2018 among micro-business complainants). Among vulnerable complainants, 78% said language used was easy to understand.
- → Receiving a complaint reference number was increasingly common, though there is still room for improvement with only around 4 in 10 complainants receiving this. Fewer, 34% of vulnerable complainants received this, however, it doesn't seem to have affected their experience significantly given the higher than average levels of satisfaction with complaints handling among this group.
- → Around half of complainants (50% of domestic complainants – including 47% of vulnerable complainants, and 48% of micro-business complainants) were asked how they would prefer to be contacted – while this may seem a small element of the process, it can set a positive tone for the rest of the journey, one of consideration and putting the complainant first.
- × There remains significant room for improvement in consistency of ownership of the complaint (dealing with one person). Around 3 in 10 domestic complainants were given a named contact, as well as 4 in 10 micro-business complainants. Among micro-business complainants, businesses with 5 to 9 employees were more likely to receive

this information – they are larger than other micro-businesses and may have more formal business relationships established with their energy suppliers.

Suppliers still fail to set expectations for the process for complainants in the majority of cases (see Figure 20) – there has been little change since 2016 with only around half being told what steps would be taken to resolve their complaint, and 1 in 3 receiving a complaint resolution date, among both domestic and micro-business complainants.[18]

Figure 20: Setting expectations and provision of resolution timescales.



QB4. I will now read out a few statements related to what might or might not have happened when you first contacted [named supplier] about your complaint. As I read each statement out, please say YES or NO to indicate whether or not it happened to you.

Bases: Domestic (2018: 3.080; 2016: 3,049), Micro-business (2018: 703; 2016: 468).

In 2016, setting expectations at the start of the process was one of the areas flagged as needing significant improvement. Not setting the complainants expectations from the outset can leave them to set their own expectations, which may be far removed from reality. This can lead to disappointments if self-defined expectations are not fulfilled – e.g. if the complainant expects regular updates but the process only accounts for one or two times when the complainant will be contacted with an update, that could leave them feeling disappointed about the lack of clarity with what is happening with their complaint. It remains an area in need of significant improvement.

Among domestic complainants, npower and ScottishPower had both improved in setting expectations for resolution times at the start of the process (npower 40% vs. 33% in 2016; ScottishPower 36% vs. 32% in 2016), to the extent that they performed above the domestic average (33%). SSE's performance, previously top of class, has fallen back in 2018 (30% vs. 42% in 2016). There have been no significant shifts in this area among medium suppliers.

Among those who have received a date by which their complaint would be resolved, the projected resolution periods have shortened slightly, particularly for domestic complainants (see Figure 21). Overall, complaints lodged by micro-businesses were expected to take longer to resolve than domestic complaints, consistently with 2016. Nevertheless, there were signs of improvement, with a decrease in the longer projected

[18] This is consistent with the experience of vulnerable complainants.

resolution times (taking longer than2 months among domestic complainants – 9% in 2018 vs 12% in 2016).

Figure 21: Estimated resolution period.

Significantly higher / lower in 2018 vs. 2016

<table>
<tr><th></th><th colspan="2">Domestic</th><th colspan="2">Micro-business</th></tr>
<tr><th></th><th>2016</th><th>2018</th><th>2016</th><th>2018</th></tr>
<tr><td>Same day</td><td>13%</td><td>15%</td><td>5%</td><td>8%</td></tr>
<tr><td>Within a couple of days</td><td>11%</td><td>8%</td><td>1%</td><td>1%</td></tr>
<tr><td>3 to 7 days / within a week</td><td>12%</td><td>13%</td><td>12%</td><td>16%</td></tr>
<tr><td>8 to 14 days / within a fortnight</td><td>15%</td><td>17%</td><td>24%</td><td>18%</td></tr>
<tr><td>15 to 28 days / within a month</td><td>17%</td><td>15%</td><td>17%</td><td>20%</td></tr>
<tr><td>28 to 56 days / within 2 months</td><td rowspan="2">12%</td><td>7%</td><td rowspan="2">11%</td><td>6%</td></tr>
<tr><td>More than 56 days / longer than 2 months</td><td>2%</td><td>5%</td></tr>
<tr><td>Can't remember</td><td>20%</td><td>23%</td><td>29%</td><td>28%</td></tr>
</table>

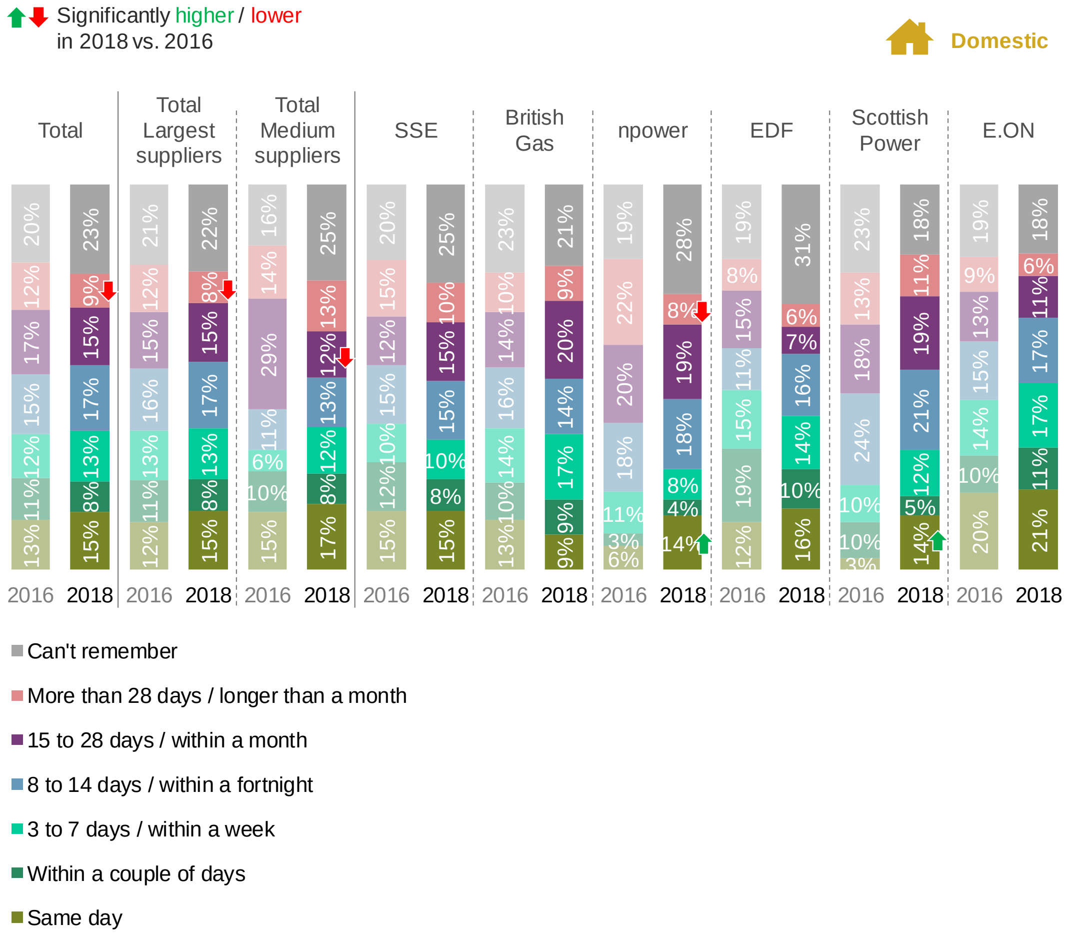
QB5. How long did named supplier tell you it would take to resolve your complaint?

Bases: All given a resolution date: Domestic (2016: 1,034; 2018: 976), Micro-business (2016: 117; 2018: 219).

Projected resolution periods have improved for complaints made to npower and ScottishPower, who had some of the longest specified resolution periods among largest suppliers in 2016 (see Figure 22 over the page).

It is important to ensure that the estimated resolution timescales are realistic, however, and avoid artificially reducing the estimate to satisfy the complainant. This is closely linked with setting the right expectations for the complainants from the outset. As the report will come to discuss complaint closure, it will become clear that complainants don't look for a 'quick and dirty' resolution (though speed does help reduce any anxiety associated with waiting for an outcome), but rather, they want to know that their case is taken seriously and will be dealt with to resolve the matter fully. Thus, if a complaint is predicted to take longer, an explanation as to why should suffice is ensuring the complainant does not feel disenfranchised.

Figure 22: Estimated resolution periods – largest domestic suppliers.



QB5. How long did named supplier tell you it would take to resolve your complaint?

Bases: All who were provided with a resolution date – **2016** Domestic (1,034), Largest (908), Medium (126), British Gas (257), E.ON (155), EDF (73), npower (149), ScottishPower (105), SSE (169). **2018** Domestic (976), Largest suppliers (712), Medium suppliers (264), British Gas (127), E.ON (141), EDF (96), npower (113), ScottishPower (129), SSE (106).

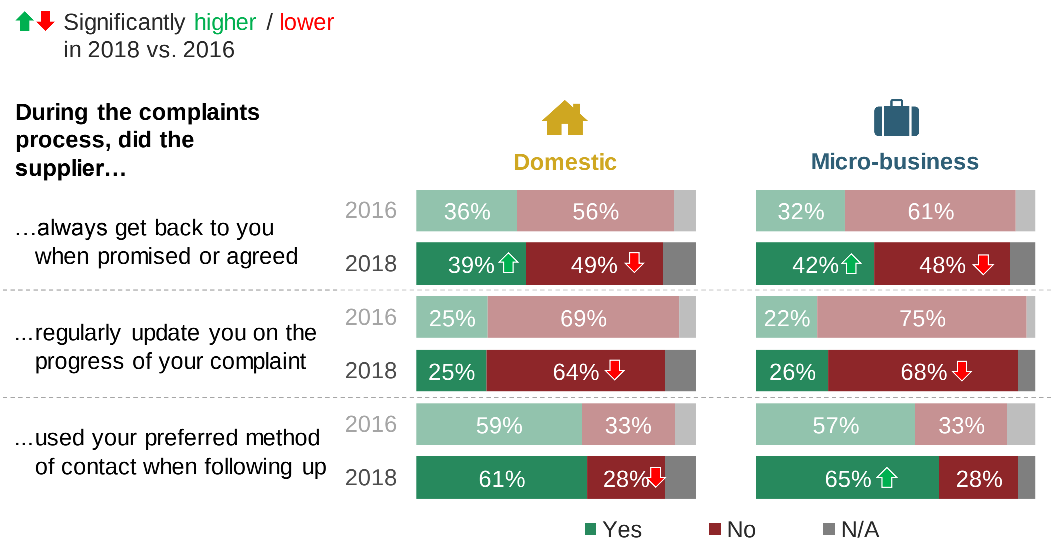
5.3 Ongoing communication

5.3.1 Adhering to agreed follow up

Previous waves of the research have shown that ongoing communication is of paramount importance to the complaints process. Its presence ensures complainants are not in the dark about what's happening with their complaint, and it gives the supplier the opportunity to drive the process and ensure the complainant knows what to expect when. This chapter will explore the importance of ongoing communications for handling complaints and suppliers' performance in this area.

Suppliers improved significantly in getting back to complainants when promised or agreed since 2016 (see Figure 23 over the page). In 2016, around a third of complainants said their supplier got back to them when promised or agreed, and this increased significantly to 39% among domestic complainants and 42% among micro-business complainants. However, suppliers still weren't regularly updating complainants on the progress of their case, with only around 1 in 4 (25% among domestic complainants and 26% among micro-business complainants) having said their supplier proactively got in touch with them.

Figure 23: Follow up contact.



QC8/ QB4. During the complaints process, did [named supplier]..?

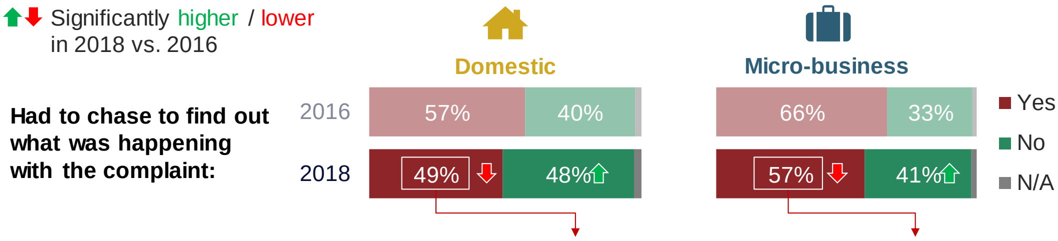
Bases: All domestic complainants (2016:3,049; 2018: 3,080), All micro-business complainants (2016: 468; 2018: 703).

This is an important element of the journey for complainants and a potentially costly one for suppliers – regularly updating all complainants could overload staff and render them unable to deal with new complaints. This is why setting expectations is so important. If expectations are correctly managed from the beginning of the process, proactively updating complainants about their case will only be necessary if anything changes e.g. the complaint will take longer to resolve.

5.3.2 Re-contacting the supplier

Improvements in getting back to complainants when agreed had a positive impact in significantly reducing the number of complainants who said they had to chase for updates. In 2016 57% of domestic complainants, and 66% of micro-business complainants re-contacted their supplier. This has reduced significantly to 49% and 57% respectively in 2018. Furthermore, the number of calls to the supplier has reduced significantly, which also seems to have contributed to a reduction in stress levels associated with the complaints process (see Figure 24 over the page).

Figure 24: Chasing suppliers.



	Domestic 2016	Domestic 2018	Micro-business 2016	Micro-business 2018
No. of times re-contacted supplier	7.2	5.2 ↓	10.8	7.8 ↓
No. of people dealt with	3+ people (79%)	3+ people (84%) ↑	3+ people (81%)	3+ people (90%) ↑
Found the process stressful	77%	75%	84%	75% ↓

QC9. During the complaints process, did you…? QC1d. Approximately how many times did you YOU contact, or attempt to contact them? QC5. And approximately how many people at have you dealt with in total throughout the complaint process? QG3a. Thinking about the way have handled your complaint /so far, to what extent do you agree or disagree that the complaints process was strassful?

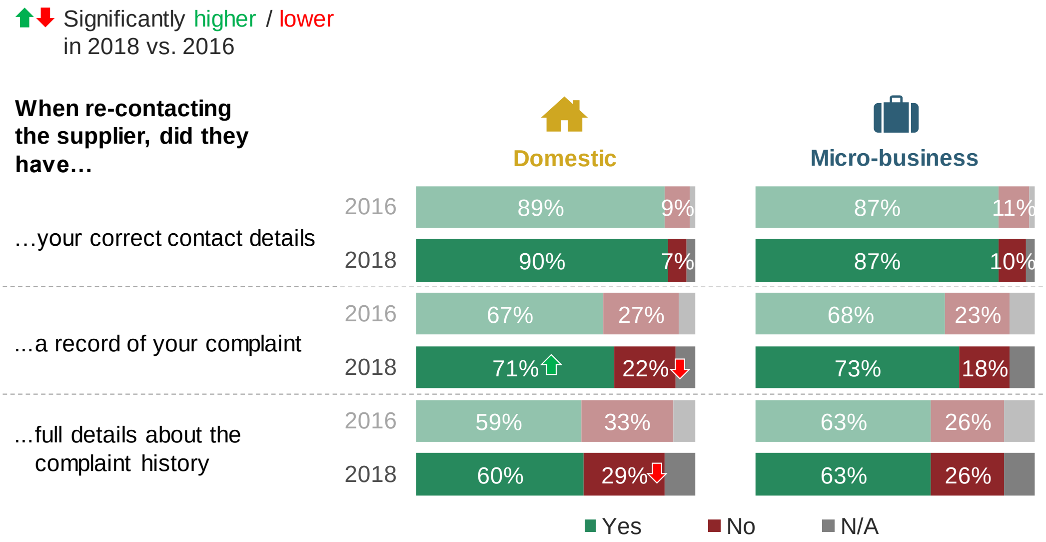
Bases: QC9 – All domestic complaints (2016: 3,049; 2018: 3,080), All micro-business complainants (2016: 468: 2018:703). QC1d/ QC5/ QG3a – All who chased; Domestic complainants (2016: 1,784; 2018: 1,555), All micro-business complainants (2016: 297: 2018: 414).

Despite fewer complainants chasing for information and calling the supplier fewer times, the number of people the complainants dealt with has increased significantly. However, as mentioned, it has not caused more stress, potentially because other elements of the journey are working better, e.g. suppliers getting back to complainants when agreed.

Marginally fewer vulnerable complainants have had to chase for updates (45%). The difference in their experience is that among those who chased, they chased fewer times on average (4.2 times) and spoke to fewer staff when they did chase. Nevertheless, their stress levels were comparable (73% agreed the process was stressful).

Suppliers were getting better at keeping a record of a complaint being raised and had the right contact details for the complainants in the majority of cases. However, there remains a problem with the full details of the complaint history being kept on record. While this was relevant to around a third of complainants, particularly for those who spoke to 3 or more people when chasing for information, it could have had a detrimental effect on the experience if, e.g. the complainants had to re-iterate the complaint history to the supplier each time they spoke to a different member of staff (see Figure 25 over the page).

Figure 25: Record keeping upon re-contact.



QC2b_3 When you re-contacted them in relation to your complaint, did they have the following details?

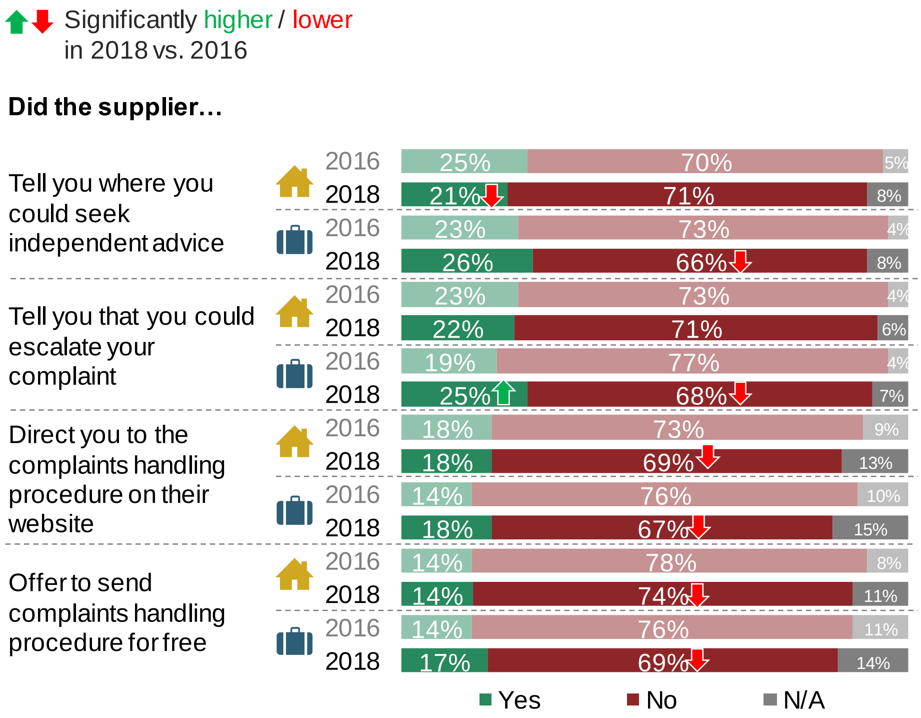
Bases: Those who re-contacted supplier; Domestic (2016: 2,064; 2018: 1,803); Micro-business (2016: 342; 2018: 476).

5.4 Complaint escalation and third parties

5.4.1 Provision of information

While there have been many improvements in how complaints were handled in 2018, complainants were still given very little information about third party solutions and alternative redress routes. At best, there have only been some marginal improvements in supplier information provision, except fewer domestic complainants recalled being told that they can seek independent advice in relation to their complaint. More micro-business complainants were told that they could escalate their complaint (25% vs. 19% in 2016). Generally speaking, micro-business complainants seem to have been better informed than domestic complainants. And among domestic complainants, those who complained to largest suppliers were better informed than those who complained to medium-sized suppliers.

Figure 26: Information given from supplier by domestic and micro-business.



QC4_2 and QC4_3. I'll now read out statements relating to how you were dealt with by [named supplier] when handling your complaint. This relates to any contact you had with them, whether by telephone, email or any other format. QC8_1 and QC8_2. During the complaints process, did the supplier…?

Bases: Domestic (2018: 3,080; 2016: 3,049), Micro-business (2018: 703; 2016: 468).

While not many use these options (see Section 5.5 on Resolution), those who have not received this information, found the complaints process to be significantly more stressful than those who have (avg. 76% strongly or somewhat agree process was stressful vs. 67% in 2016). Feeling that there was no other way out of the situation should the complaint not be resolved to a complainant's satisfaction can cause this.

There has been a subtle increase in complainants saying that providing this type of information in not applicable/ not relevant to them. They were most likely to be complainants to E.ON or SSE, and in some cases EDF (the suppliers who have more satisfied complainants). This suggests that the complaints process worked well enough for those few complainants, and with shorter than average resolution periods, they didn't feel they needed that information.

5.4.2 Escalating the complaint with the supplier

Around a third of complainants said they escalated their complaint to a more senior member of staff (35% among domestic complainants and 36% among micro business complainants). This has remained constant since 2016. Among vulnerable complainants, slightly fewer, 32%, escalated their complaint.

Slow and poor-quality response from staff was the main driving factor behind this, and has remained to be since 2016, though significantly fewer feel this way (see Figure 27 below). Among domestic complainants, lack of understanding of the problem was less of an issue overall in 2018, as was the staff attitude – there were subtle increase in other reasons for escalation among domestic complainants, but overall, they remained in line with 2016.

Figure 27: Main reason for escalating complaint.

Significantly higher / lower in 2018 vs. 2016

	Domestic 2016	Domestic 2018	Micro-business 2016	Micro-business 2018
It was taking too long to get the complaint resolved	39%	31%↓	68%	34%↓
Staff I spoke to did not understand my complaint / didn't understand what the problem was	29%	22%↓	13%	19%
I found it difficult to find the right person to handle my complaint	26%	29%	37%	28%↓
I just wanted things to move along quicker	19%	20%	17%	26%↑
Every time I called I had to speak to someone different	12%	9%↓	12%	10%
Complaint was not logged properly	11%	10%	2%	22%↑
Staff attitude	10%	7%↓	5%	5%
I wanted to deal with one person	8%	8%	4%	9%↑
I hadn't heard anything for a long time	7%	5%↓	4%	5%

QC6. You said that you escalated your complaint to a senior member of staff, why is that?

Bases: Those who escalated their complaint; Domestic (2016: 1,118, 2018: 1,114); Micro-business (2016: 166; 2018: 261).

Micro-business complainants were more likely to struggle with their complaint not being logged properly which would impede its effective resolution, as well as wanting to deal with a single person. The inference is twofold: the quality of contact staff was impeding complaint resolution; and that a more senior member of staff was perceived to have the abilities and skills to resolve the problem more effectively than the prior contacted staff. Furthermore, many complainants not having their expectations set by the supplier at the start of the process, made them more likely to feel dissatisfied with how their case was progressing – they wanted their own expectations to be fulfilled.

5.5 Resolution

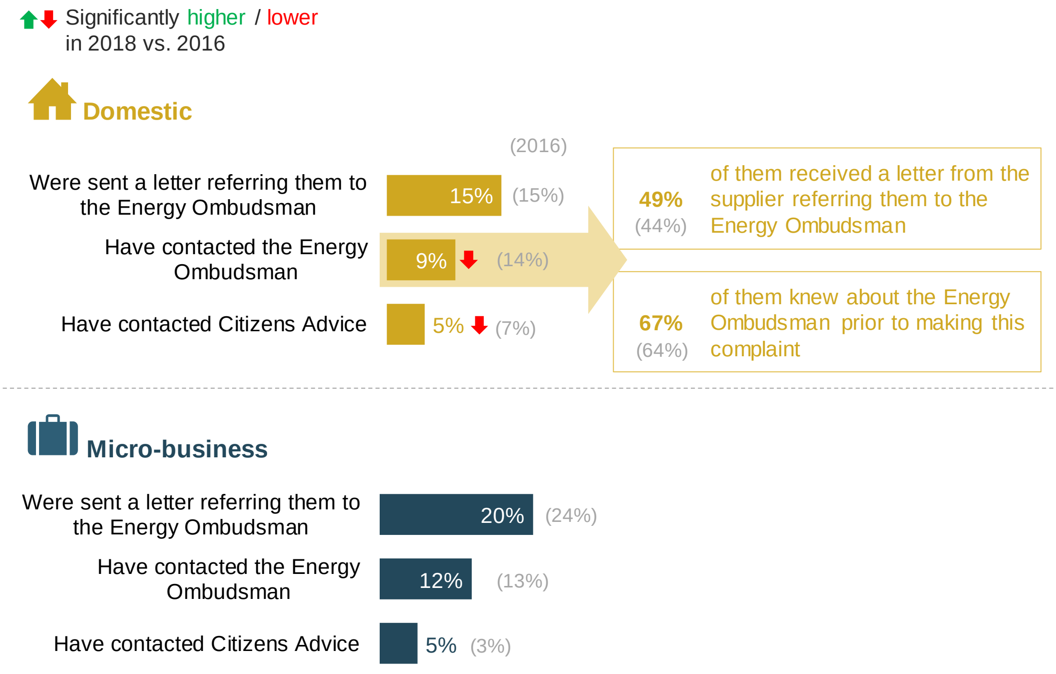
5.5.1 Unresolved complaints

The situation remains as it was in 2016. Just under half of complainants identified their complaint as unresolved or they were not sure if it was resolved at the time of their interview (42% of domestic and 47% of micro-business complainants).[19] Of these unresolved

[19] QD2. Would you say your complaint is…? Bases: All domestic (2018: 3,080; 2016: 3,049), All micro-business (2018: 703; 2016: 468).

complainants, few engaged with third parties for support during the complaints process - usage levels in the case of domestic complainants were lower than in 2016.

Figure 28: Unresolved complaints – third party contact.



QF1. Thinking about what's been happening so far in relation to your complaint, has [named supplier]…? QF2. And have you…Contacted the Energy Ombudsman? QF3. Were you aware of the Energy Ombudsman prior to making a complaint with [named supplier]?

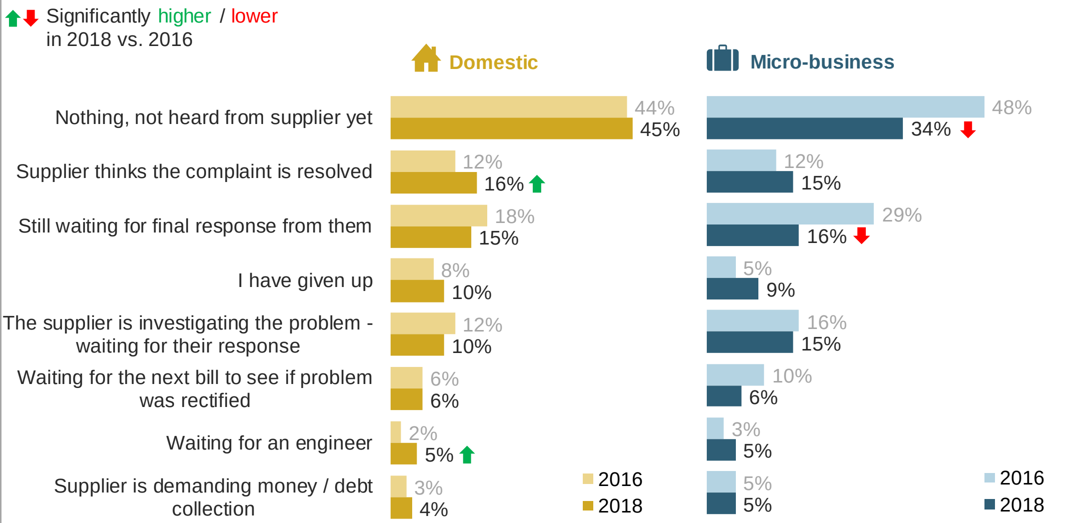
Bases: QF1/QF2 - Unresolved complaints: (Domestic: 2018: 1,302; 2016: 1,351; Micro-business: 2018: 333; 2016: 218). QF3 - Those who contacted the ombudsman - Domestic (2018: 123; 2016: 215).

***NB**. Bases include all unresolved complaints as at the time of interview, projected resolution period will have been longer than 8 weeks.*

Nevertheless, complainants found that a lack of communication from suppliers was the main reason why their complaints were still ongoing. Most of them were held in 'limbo', not knowing what was happening next – 45% of domestic complainants and 34% of micro-business complainants felt that nothing was being done, having not heard from their supplier. This was in line with 2016 (see Figure 29 over the page).

Among vulnerable complainants, lack of communication from suppliers was also the main problem (53%).

Figure 29: Unresolved complainants – perceived complaint situation.



QF4. As far as you're aware, what's currently happening with your complaint?

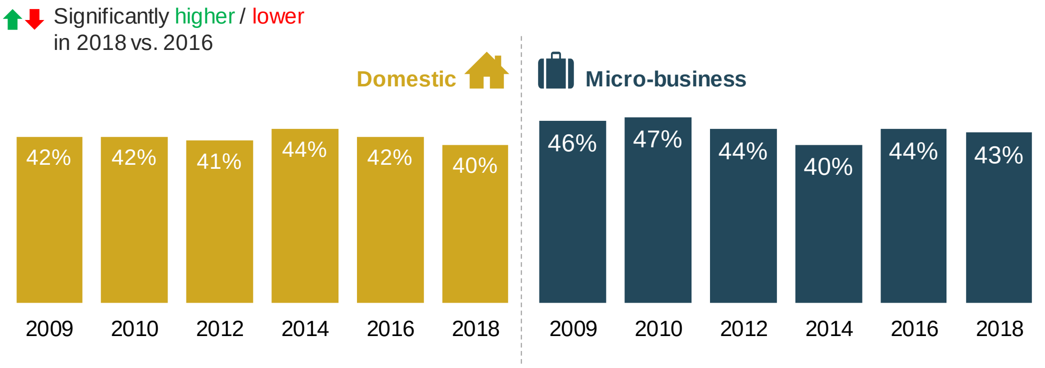
Bases: Unresolved complaints: (Domestic: 2018: 1,302; 2016: 1,351; Micro-business: 2018: 333; 2016: 218)

However, data suggested that the impact of having their complaints unresolved was less severe than in 2016, with significantly fewer domestic complainants having complained again about the same issue (28% vs. 32% in 2016). However, complainants to ScottishPower (consistently with 2016), British Gas and Utility Warehouse in the domestic market were more likely than other complainants to make a further complaint about the same issue. This was least likely to be the case for SSE and EDF (consistently with 2016) as well as Co-op Energy. In the micro-business market, 30% of complainants with unresolved cases complained about the same issue again (compared to 37% in 2016 – this decrease was not significant).

5.5.2 Resolution Gap

The 'resolution gap' is a measure of complaints that are flagged as resolved (or closed) by the supplier, but the complainants consider them unresolved or still ongoing. It is expressed as a percentage of all complaints flagged as resolved by the supplier. **Overall, the resolution gap has remained fairly consistent since 2009** – around 4 in 10 resolved cases are deemed unresolved by the complainants, but an underlying trend suggests a narrowing of the resolution gap over time, albeit very slowly (see Figure 30 over the page).

Figure 30: Resolution gap.

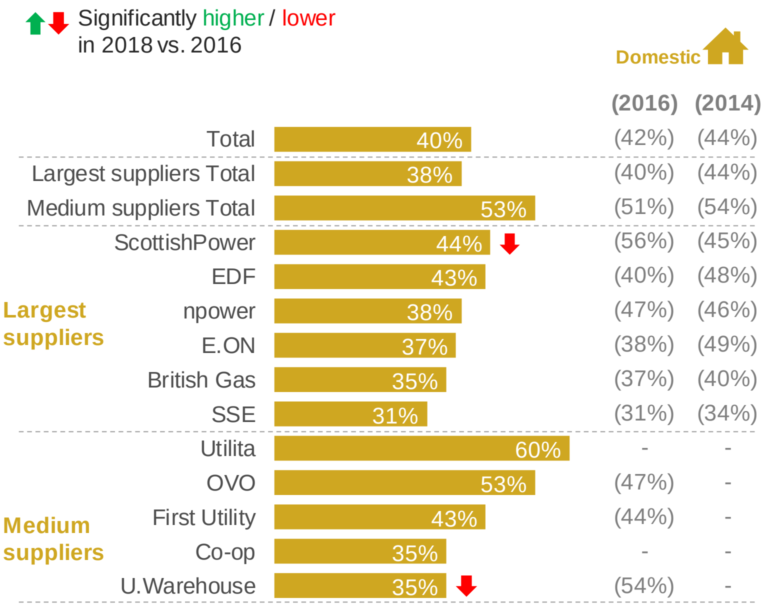


QD2. Would you say your complaint is…? Supplier status supplied in the sample. Resolution gap calculation is the number of complaints considered to be resolved by the supplier but open by the complainants, expressed as a percentage of all complaints considered resolved by the supplier. **NB.** Sample source has not always matched with supplier stated by respondent; therefore, there may be some discrepancies from the actual %s.

Bases: Complaints considered as resolved by the supplier; Domestic (2018: 2,359; 2016: 2,078; 2014: 2,457; 2012: 2,769; 2010: 2,734; 2009: 2,762), Micro-business (2018: 512; 2016: 320, 2014: 288; 2012: 256; 2010: 274; 2009: 254).

The resolution gap has narrowed marginally since 2016 among most suppliers, particularly for ScottishPower (44% in 2018 vs. 56% in 2016) and Utility Warehouse (35% in 2018 vs. 54% in 2016). It remains the case that on average the Medium suppliers have a larger resolution gap (53%) than the largest suppliers (38%). This is mostly due to Utilita (60%) and OVO (53%), with their records on complaints status being most at odds with their complainants' views. See Figure 31 over the page for details.

Figure 31: Resolution gap – domestic supplier breakdown.



<u>QD2. Would you say your complaint is…? Supplier status supplied in the sample. Resolution gap calculation is the number of complaints considered to be resolved by the supplier but open by the complainants, expressed as a percentage of all complaints considered resolved by the supplier.</u>

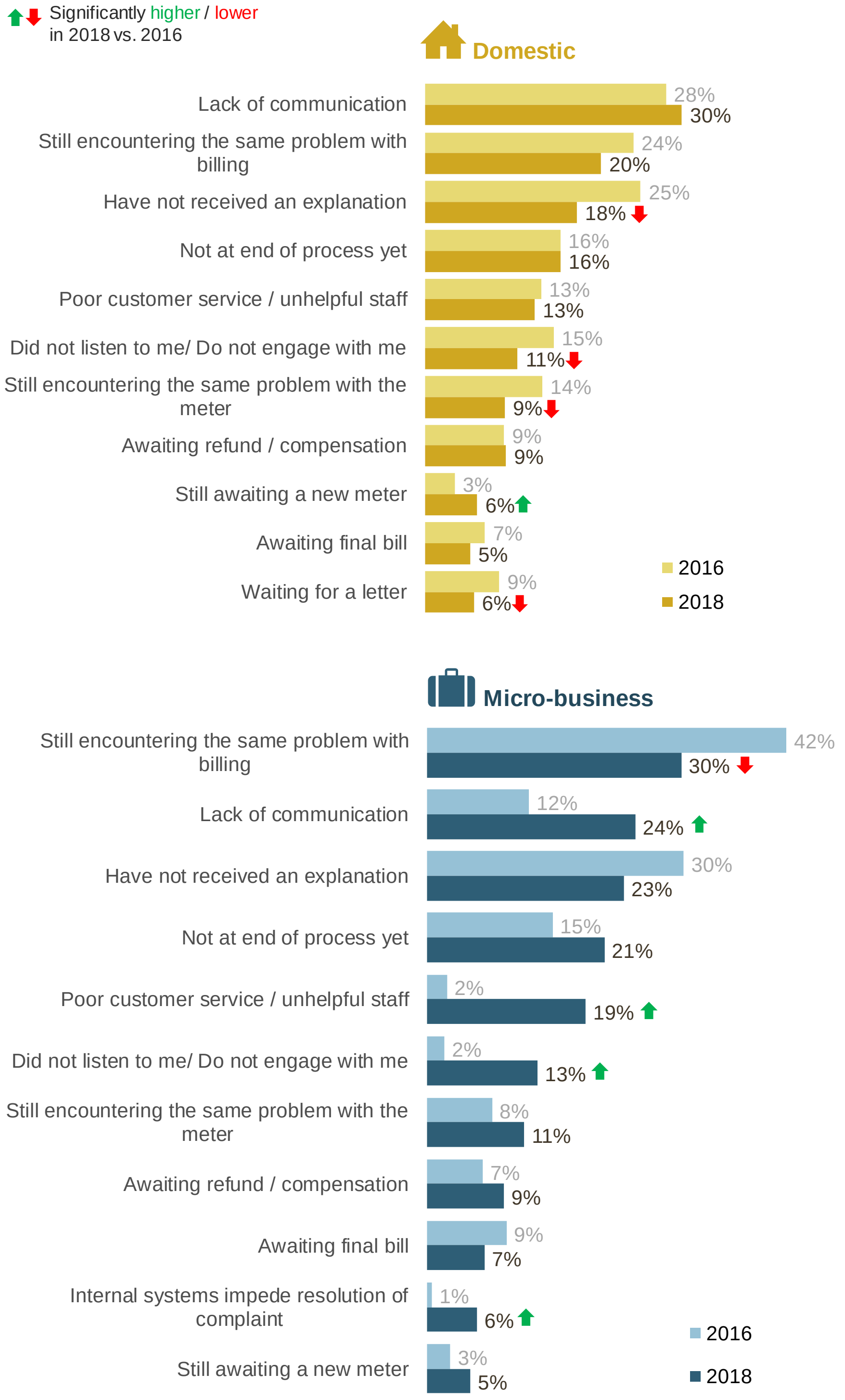
NB. Sample source has not always matched with supplier provided by respondent; therefore, there may be some discrepancies from the actual %s.

Bases: Complaints considered resolved by the supplier; Domestic (2018: 2,359; 2016: 2,078, 2014: 1,853), Largest (2018: 1,510; 2016: 1,739, 2014: 1,661), Medium (2018: 849; 2016: 339, 2014: 162), British Gas (2018: 204; 2016: 401, 2014: 298), E.ON (2018: 336; 2016: 387, 2014: 292), EDF (2018: 240; 2016: 181, 2014: 275), nPower (2018: 150; 2016: 219, 2014: 272), ScottishPower (2018: 295; 2016: 241, 2014: 298), SSE (2018: 285; 2016: 310, 2014: 256), First Utility (2018: 300; 2016: 128), OVO (2018: 94; 2016: 81), Utility Warehouse (2018: 100; 2016: 113), Utilita (2018: 230), Co-op Energy (2018: 125).

For domestic complainants, lack of communication remained the main barrier to closing the resolution gap; while for micro-business complainants, lack of clear and <u>effective</u> communication was the main issue. Figure 32 over the page presents the range of reasons given by complainants.

Domestic complainants whose cases weren't resolved yet were typically waiting for further communication from the supplier or in some cases, still encountering the same issue. For micro-business complainants, the lack of communication and lack of engagement from staff are increasingly more of a problem in causing the resolution gap.

Figure 32: Reasons for resolution gap.



QF5. We understand that [named supplier] thinks that the complaint has been resolved. Please can you tell me the MAIN reason why YOU think it has NOT been resolved?

Bases: Complaints considered as resolved by the supplier; but considered unresolved by the complainant; Domestic (2018: 969; 2016: 870), Micro-business (2018: 227; 2016: 137).

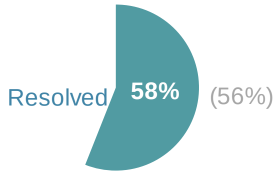
5.5.3 Resolved complaints and resolution periods

Similarly to 2016, just over half (58% of domestic complainants and 53% of micro-business complainants) identified their complaint status as resolved. Of all resolved complaints in both the domestic and micro-business markets, the vast majority (over 90%) were resolved by the supplier – consistently with previous years, few complaints were resolved by third parties.

Figure 33: Resolved complaints – third parties.

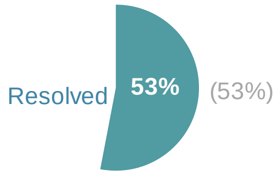
↑↓ Significantly higher / lower in 2018 vs. 2016

Domestic



	2016	2018
Resolved by the supplier	92%	94% ↑
Resolved by the Energy Ombudsman	3%	1% ↓
Not sure	5%	4%

Micro-business



	2016	2018
Resolved by the supplier	96%	92% ↓
Resolved by the Energy Ombudsman	1%	4% ↑
Not sure	3%	5%

QD2. Would you say your complaint is…? QE4 And has the complaint been resolved by [named supplier] or the Energy Ombudsman?

Bases: QD2 – All domestic (2018: 3080; 2016:3,049), All micro-business (2018:703; 2016:468). QE4 – Resolved complaints: (Domestic: 2018: 1,778; 2016: 1,698; Micro-business: 2018: 370; 2016: 250).

A particularly important improvement observed in 2018 was the reduction in complaint resolution periods – a welcome change. However, suppliers continued to be inconsistent in giving complainants accurate resolution timescales, which were typically longer than initially estimated. With 43% of domestic and 40% of micro-business complainants that were given a resolution timescale, fewer than half of them were given accurate resolution timings (18% of domestic complainants with resolved cases; 16% of micro-businesses complainants with resolved cases – see Figure 34 over the page).

Figure 34: Resolution timescales.

↑↓ Significantly higher / lower in 2018 vs. 2016

Domestic resolved complaints

	Actual resolution time		% given resolution timescales		% given accurate resolution timescales*	
	2018	**2016**	**2018**	**2016**	**2018**	**2016**
Same day	18%↑	14%	8%	7%	6%	6%
Within a couple of days	7%	8%	4%	5%	2%	3%
3-7 days / within a week	10%	9%	6%	5%	3%	2%
8-14 days / within a fortnight	11%	9%	5%	4%	2%	1%
15-28 days / within a month	17%↑	14%	8%↑	6%	3%	2%
29-56 days / within 2 months	13%	14%	5%	6%	1%	3%
Longer than 56 days / than 2 months	20%↓	30%	6%↓	10%	1%	
Can't remember the time period	3%	3%	1%	0%	1%	-
TOTAL	**100%**	**100%**	**43%**	**44%**	**18%**	**17%**

Micro-business resolved complaints

	Actual resolution time		% given resolution timescales		% given accurate resolution timescales*	
	2018	**2016**	**2018**	**2016**	**2018**	**2016**
Same day	9%	5%	5%	4%	4%	2%
Within a couple of days	3%	1%	2%	0%	0%	0%
3-7 days / within a week	7%	6%	4%	2%	3%	1%
8-14 days / within a fortnight	12%	11%	6%	6%	3%	3%
15-28 days / within a month	17%	14%	8%↑	4%	4%	2%
29-56 days / within 2 months	13%	14%	4%	4%	1%	2%
Longer than 56 days / than 2 months	36%↓	46%	10%	13%	1%	
Can't remember the time period	4%	2%	1%	0%	1%	-
TOTAL	**100%**	**100%**	**40%**	**33%**	**16%**↑	**11%**

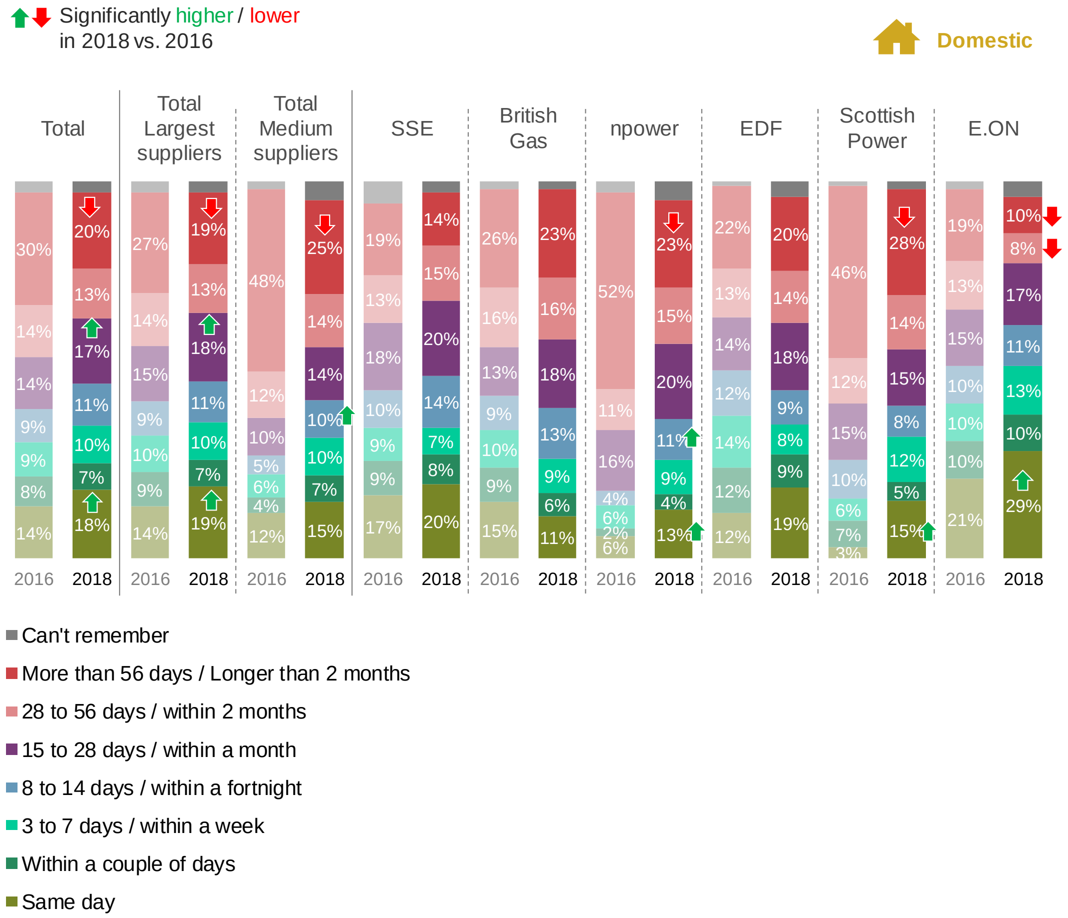
QB4_12 Please indicate whether or not it happened to you: I was given a date by which my complaint would be resolved. QE1 How long did it take for your complaint to be resolved? QB5 How long did [named supplier] tell you it would take to resolve your complaint?

Bases: Resolved complaints: (Domestic: 2018: 1,778; 2016: 1,698; Micro-business: 2018: 370; 2016: 250)

Ultimately, this again related back to the problems with ongoing communication, or lack thereof. Complaints taking longer to resolve, compounded with a lack of regular communication or updates on what's happening with the complaint, meant that complainants were completely in the dark until resolution was reached. This could negatively impact satisfaction with how the complaint has been handled overall.

Resolution times in the domestic market have improved for most suppliers since 2016 (see Figures 35a and 35b). npower and ScottishPower complaints were taking significantly less time to resolve (on average) than in 2016 – this is a welcome change after the 2016 results revealing that around half of complainants to those two suppliers waited longer than 2 months for resolution. E.ON has also seen significant improvements.

Figure 35a: Complaint resolution times – largest domestic suppliers.

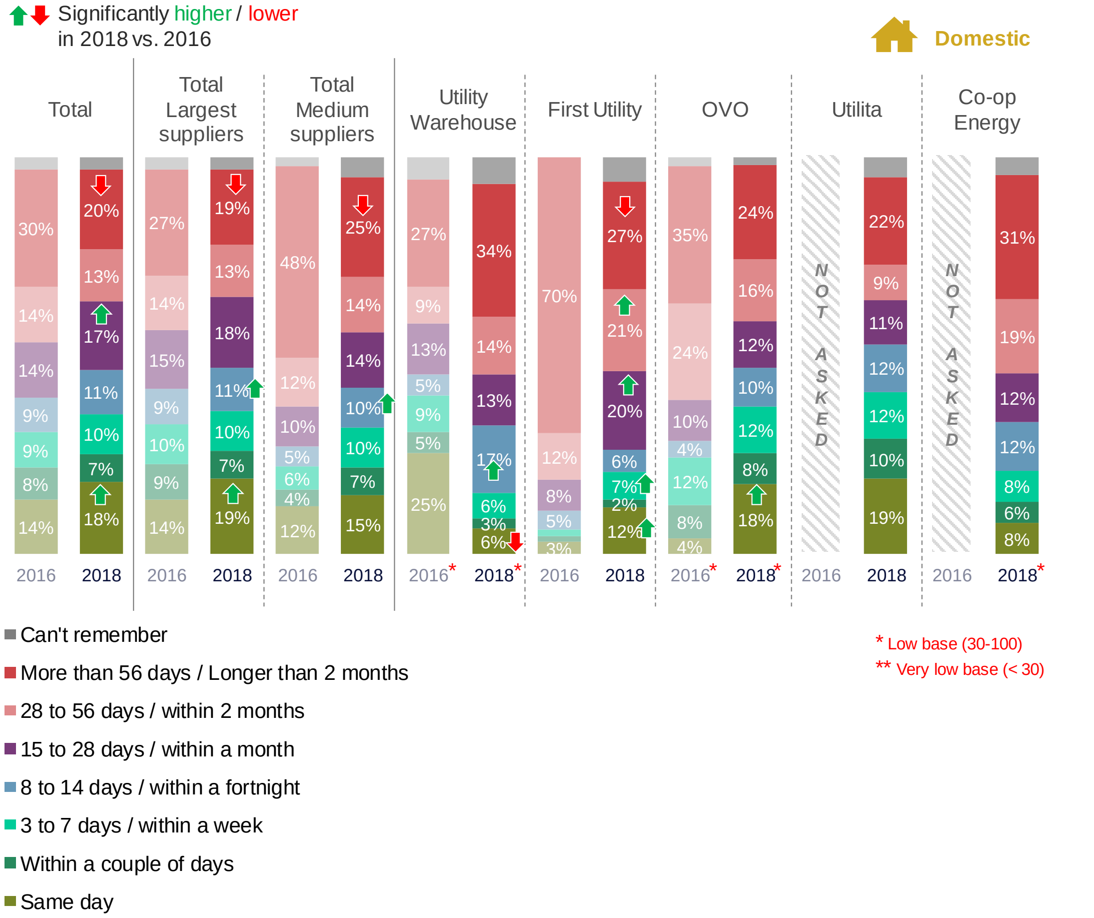


QE1. How long did it take for your complaint to be resolved?

Bases: All resolved; **2016** Domestic (1,698), Largest suppliers (1,460), Medium suppliers (238), British Gas (390), E.ON (297), EDF (139), npower (219), ScottishPower (138), SSE (277). **2018** Domestic (1,778), Largest suppliers (1,248), Medium suppliers (530), British Gas (201), E.ON (252), EDF (186), npower (171), ScottishPower (190), SSE (248).

Among medium suppliers, First Utility and OVO have significantly reduced resolution times. Complainants to Utilita were also enjoying (relatively) fast resolution, while Utility Warehouse has fallen behind.

Figure 35b: Complaint resolution times – medium domestic suppliers.

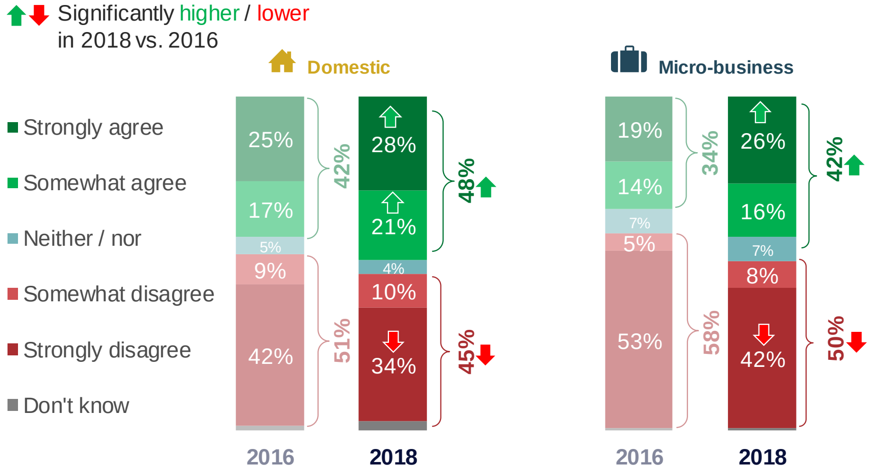


QE1. How long did it take for your complaint to be resolved?

Bases: All resolved; **2016** Domestic (1,698), Largest suppliers (1,460), Medium suppliers (238), First Utility (128), OVO (49), U. Warehouse (55). **2018** Domestic (1,778), Largest suppliers (1,248), Medium suppliers (530), First Utility (212), OVO (51), U. Warehouse (77), Utilita (100), Co-op (90).

Just under half of those who said their complaint was resolved felt that the time it took for their supplier to resolve their complaint was acceptable – this is a significant improvement since 2016 (see Figure 36 over the page) and is well aligned with the shortening resolution periods.

Figure 36: Acceptability of complaint resolution time.



QE2 To what extent do you agree or disagree that the time it took to resolve your complaint was acceptable?

Bases: Resolved complaints – Domestic (2018: 1,778; 2016: 1,698); Micro-business (2018: 370; 2016: 250).

Acceptability of the time it took to resolve the complaint was correlated with overall satisfaction with complaints handling. This reinforced the need to address timescales to ensure they more closely match customer expectations. For domestic complainants there was a 6pp[20] increase in acceptability (42% in 2016; 48% in 2018). For micro-businesses the increase was even greater at 8pp (34% in 2016; 42% in 2018). This is a positive step towards driving overall complaint handling satisfaction upwards by tangibly reducing resolution times.

5.6 Impact of resolution status on overall satisfaction with handling

Overall satisfaction with complaint handling was significantly lower among those with unresolved rather than resolved complaints. This is an important result as it shows that placing focus on ensuring complaints are resolved (to the complainants' satisfaction) can increase overall satisfaction with handling. However, as discussed in section 5.2.2 (Confirmation of the process and next steps) it is important not to artificially reduce resolution times but ensure that the complaint is dealt with fully. Simply confirming resolution with the complainant before formally flagging it as resolved can positively influence their perception of the overall experience.

5.7 Closure and meeting expectations

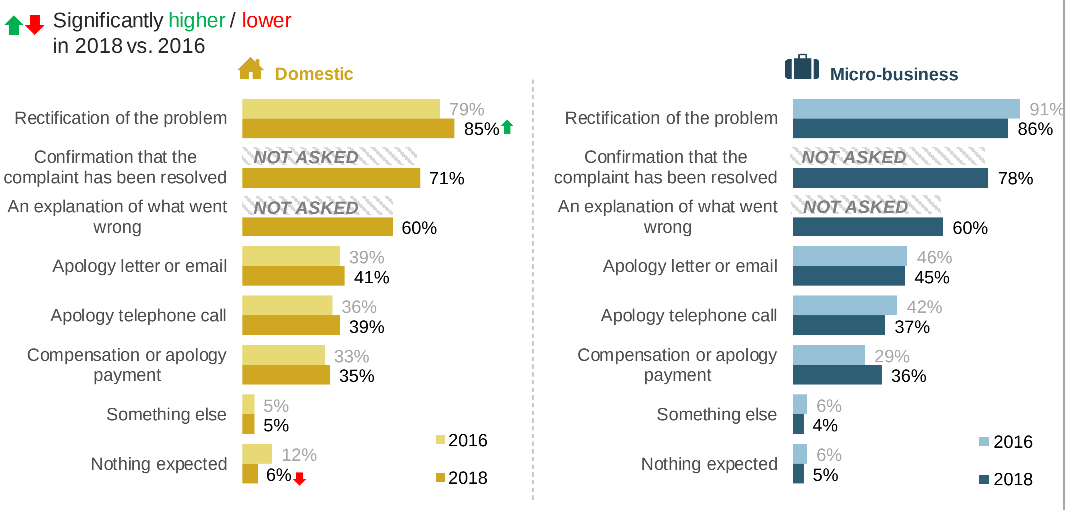
5.7.1 Expectations following complaint resolution

Most complainants expected to receive 'something' from their supplier following the complaint resolution (94% of domestic complainants with resolved cases and 95% of micro-business complainants). They were increasingly looking to have the issue rectified (85% of domestic complainants with resolved cases in 2018 vs. 79% in 2016; 86% among micro-

[20] Percentage point – denoting the arithmetic difference between two percentage figures.

business complainants vs. 91% in 2016), but they also expected suppliers to engage with them further. They wanted confirmation that the complaint had been resolved (71% domestic; 78% micro-business) and more importantly, an explanation of what went wrong (60% domestic; 60% micro-business). See Figure 37 for details.

Figure 37: Expectations following resolution.



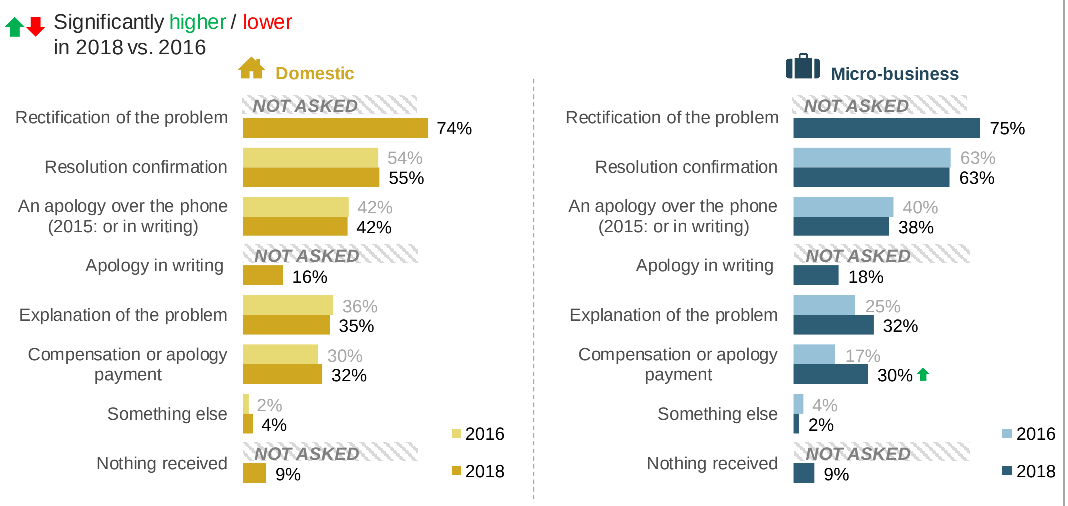
QD1 After making your complaint, did you EXPECT TO receive any of the following?

Bases: Resolved complaints – Domestic (2018: 1,778; 2016: 1,698); Micro-business (2018: 370; 2016: 250).

5.7.2 What complainants actually received following resolution

Expectations were largely met concerning rectification of the problem, a verbal apology and receiving compensation. However, expectations were not well aligned to reality when it came to suppliers giving complainants resolution confirmation, a full explanation of what went wrong, or an apology in writing (see Figure 38 below).

Figure 38: Formal complaint closure in more detail – resolved complaints .

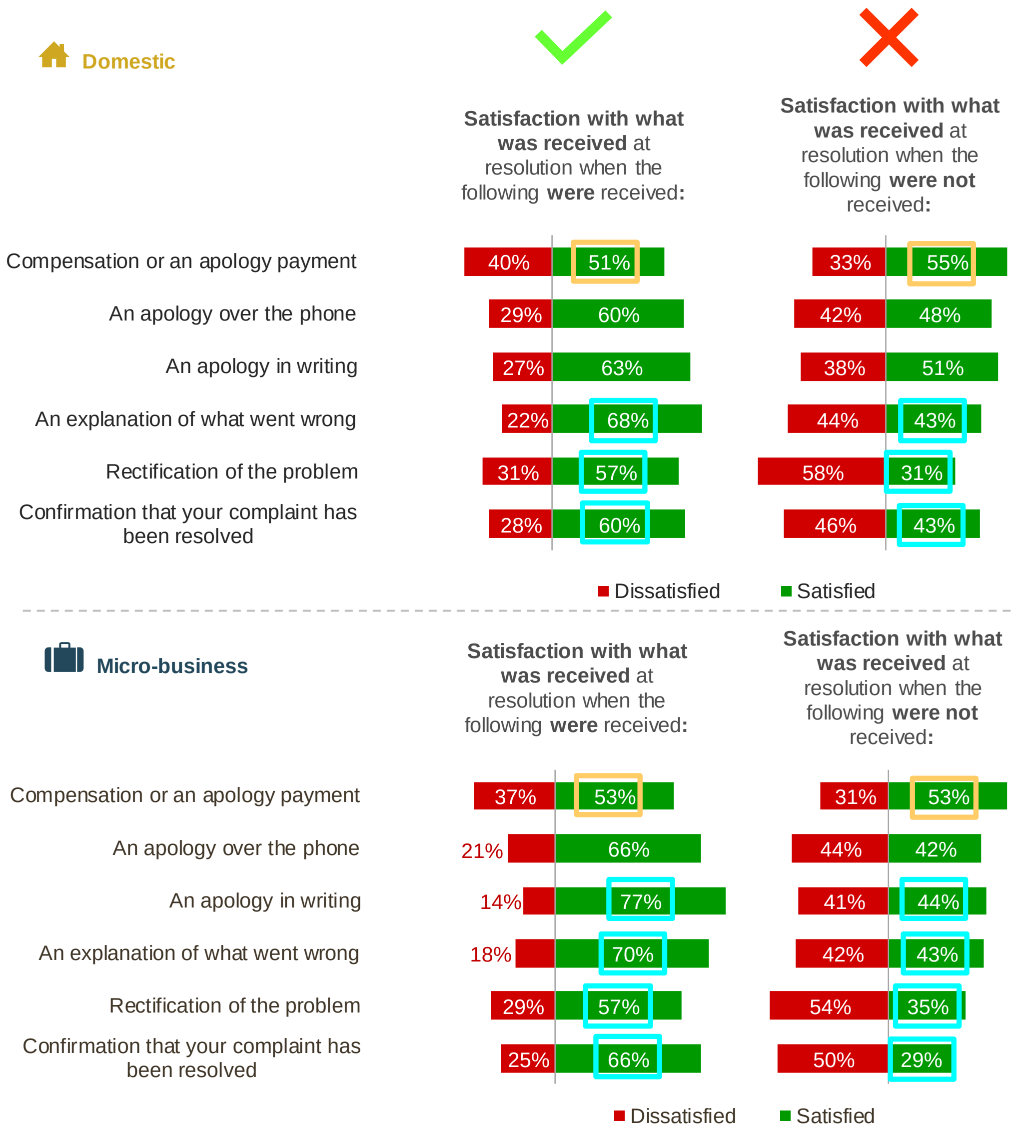


QE5.Have you received…?

Bases: Resolved complaints – Domestic (2018: 1,778; 2016: 1,698); Micro-business (2018: 370; 2016: 250).

These unmet expectations had a clear bearing on complainant satisfaction. For both, domestic and micro-business complainants, perhaps counter-intuitively, compensation as such was not seen as essential – it made little difference to satisfaction with what was received upon resolution, at the end of the complaints process. What did make a difference was an explanation of the problem, particularly for micro-business complainants who looked for a full paper trail of this, including a written apology for the issue (see Figure 39 below).

Figure 39: Satisfaction with what was received following resolution.



QE5. Have you received…? QE7 Overall, how satisfied or dissatisfied are you, that what you received adequately reflects the problems that you'd encountered?

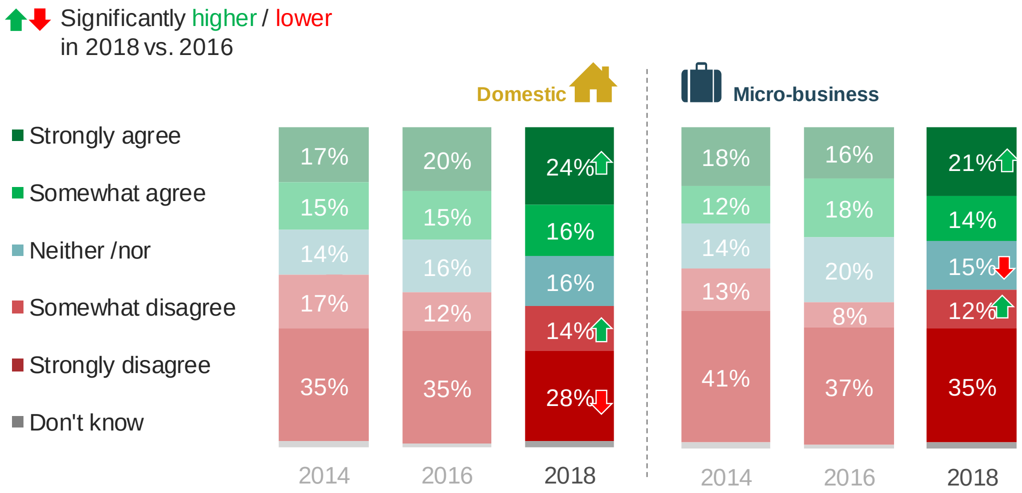
Bases: Complainants who had their complaint resolved and received (Y)/ didn't receive (N) the following: **Domestic**: Confirmation (Y=930, N=551), Rectification (Y=1327, N=192), Explanation (Y=616, N=897), Apology in writing (Y=299, N=1,164), Apology over the phone (Y=742, N=752), Compensation (Y=558, N=967). **Micro-business**: Confirmation (Y=216, N=92), Rectification (Y=274, N=42), Explanation (Y=116, N=195), Apology in writing (Y=68, N=230), Apology over the phone (Y=141, N=170), Compensation (Y=116, N=198).

6 Impact of complaint handling

6.1 Fair treatment

There was a stronger sense of fair treatment among domestic complainants in 2018 (40% agreed vs 35% in 2016). However, micro-business complainants polarised on this sentiment. Whist there was an increase in those who strongly agreed they have been treated fairly (21% vs 16% in 2016), levels also slipped from the 'neutral' into the 'somewhat disagree' rating – see Figure 40 below.

Figure 40: Fair treatment.



QG3a_1 Thinking about the way [named supplier] have handled your complaint, to what extent do you agree or disagree that…?

Bases: All domestic (2014: 2,457; 2016: 3,049; 2018: 3,080), All micro-business (2014: 287; 2016: 468; 2018: 703).

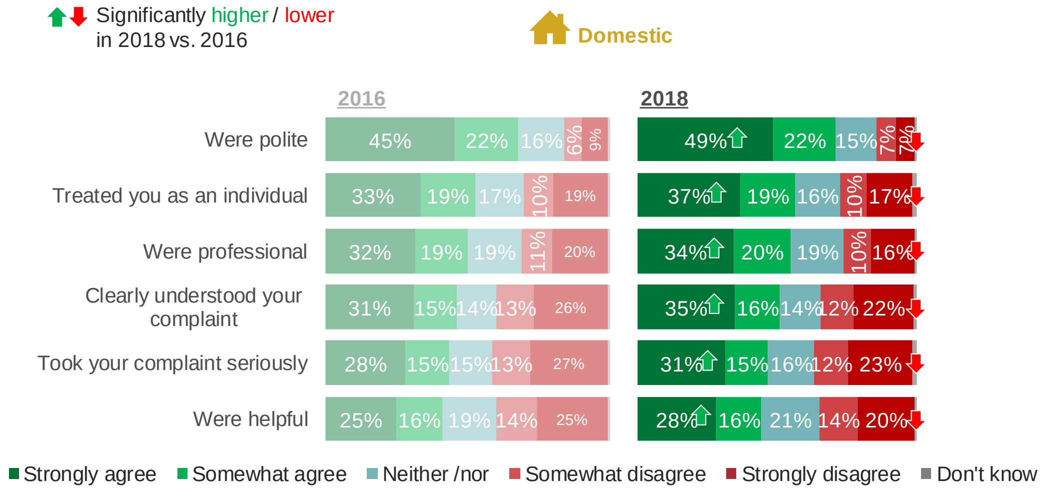
The significant increase in the proportion of micro-business complainants who 'somewhat disagreed' that they have been treated fairly by their supplier was driven by the higher levels of dissatisfaction with British Gas, who also experienced an increase in the number of customers who were dissatisfied with how their complaint had been handled.

6.2 Complainants' perceptions of supplier staff

Consistently with 2016, staff 'manner' was viewed positively, but their perceived grasp of the complainant's problem and general helpfulness scored less well.

Domestic complainants were generally positive about staff attributes. While perceptions of staff improved across all attributes, the take out remains the same as in 2016: staff 'manner' was viewed more positively for politeness, treating complainants as individuals, and professionalism, but their grasp of the problem, taking the complaint seriously and helpfulness, were less positively regarded (see Figure 41a over the page).

Figure 41a: Perceptions of staff – domestic complainants.

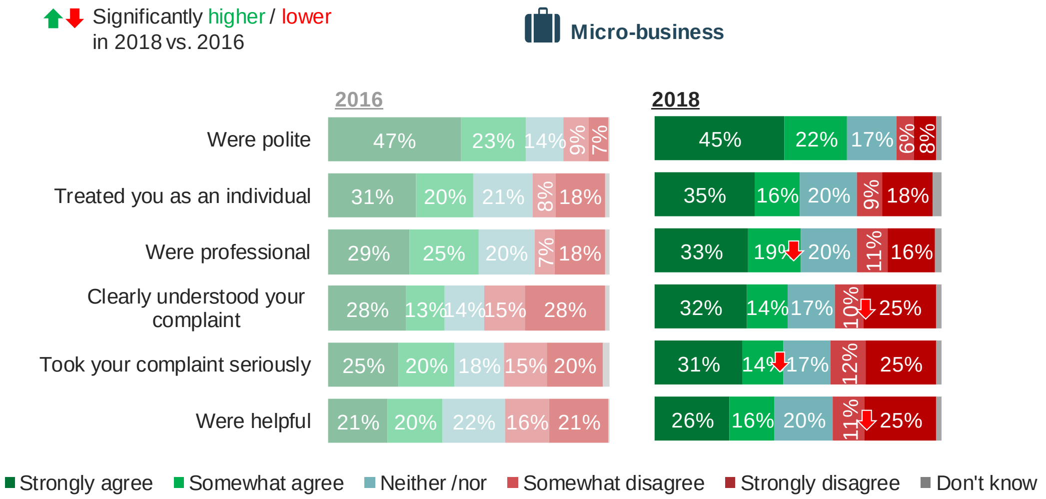


QG2a. To what extent would you say you agree that the [named supplier] staff that you dealt with throughout the complaints process…?

Bases: All domestic (2018: 3,080; 2016: 3,049).

Among micro-business complainants, staff 'manner' was viewed as positively as in 2016 – and particularly for politeness. However, staff understanding of the issue, taking the complaint seriously, and helpfulness, leave room for improvement (see Figure 41b below). This is in part related to the resolution gap, where reasons for why it exists are closely related to how staff treat the complainant and staff's attitude.

Figure 41b: Perceptions of staff – micro-business complainants.



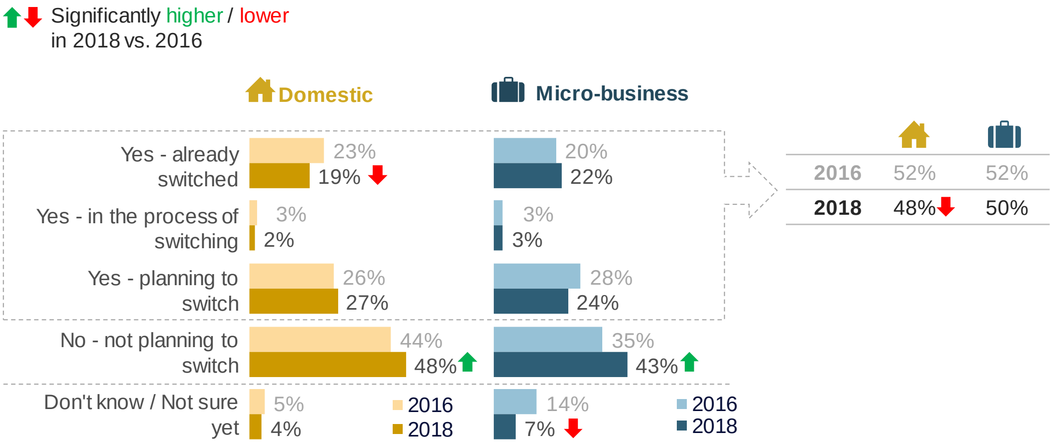
QG2a. To what extent would you say you agree that the [named supplier] staff that you dealt with throughout the complaints process…?

Bases: All micro business (2018: 703; 2016: 468).

6.3 Switching supplier

As a result of their experience, just under half of complainants have already, are in the process of, or are planning to switch supplier (this is a significant decrease since 2016 among domestic complainants). Among domestic and micro-business complainants, 48% and 50% respectively have already switched, are in the process, or are planning to switch. This is a significant improvement since 2016 when these proportions were higher, 52% among both. Nevertheless, this is still some way behind 2014 results when 44% among domestic and 47% among micro-business complainants said they have already, or were planning to, switch.

Figure 42: Switching supplier.



QG4 Do you plan to switch energy suppliers, or have you already switched, as a result of your experience with this complaint? QG3a_2 Thinking about the way [named supplier] have handled your complaint, to what extent do you agree or disagree that…?

Bases: All domestic (2018: 3080; 2016: 3,049), All micro business (2018: 703; 2016: 468).

In the domestic market, actual switching and the intention to do so were higher for some medium-sized suppliers (55%) than for largest suppliers (47%). Complainants to npower are less likely to switch in 2018 (54% vs. 71% in 2016) as are ScottishPower complainants (52% in 2018 vs. 59% in 2016). This is a welcome change following the negative results in 2016.

7 Key drivers of satisfaction/dissatisfaction with complaints handling

7.1 Overview of the approach

Two types of Key Drivers Analysis (KDA) were used to identify what drives (has the greatest influence on) satisfaction or dissatisfaction with the complaints handling process. The use of **tactical** and **perceptual** KDAs is important as they reveal understanding of *where* the journey fails for complainants (tactical), and *how* the perceptions emotionally impact upon them (perceptual). Both tactical and perceptual factors influence satisfaction levels, so their relative interplay is critical to fully understand what's driving satisfaction with the complaint handling journey.

The two KDA approaches use different analytical techniques and require different inputs (in this case, it means different types of questions used in the analysis):

- The **tactical** KDA approach looks at the influence of the *absence* or *presence* of particular events in the complaints journey on satisfaction (based on 'Yes'/ 'No'/ 'Not applicable' questions, such as:

  - ✓ Did the supplier update you on the progress of your complaint?
  - ✓ Did the supplier provide you with a date by which your complaint would be resolved?
  - ✓ Did you receive an explanation of what went wrong?

  It uses the difference in mean complaint handling satisfaction scores among complainants who have experienced particular aspects of the complaints journey (said 'Yes') vs. those who have not (said 'No'). The larger the difference in mean satisfaction scores among the two groups, the stronger the influence of that event on satisfaction with complaint handling. Direct action can be taken to address the elements which are shown to drive satisfaction downwards or upwards by more systematically introducing them into the complaint journey, or limiting complainants' exposure to them, depending of the event in question. The full list of events/ elements included in this analysis can be found in the Technical Appendix, it includes 30 distinct elements, all of which form the complaint journey as shown in Figure 11.

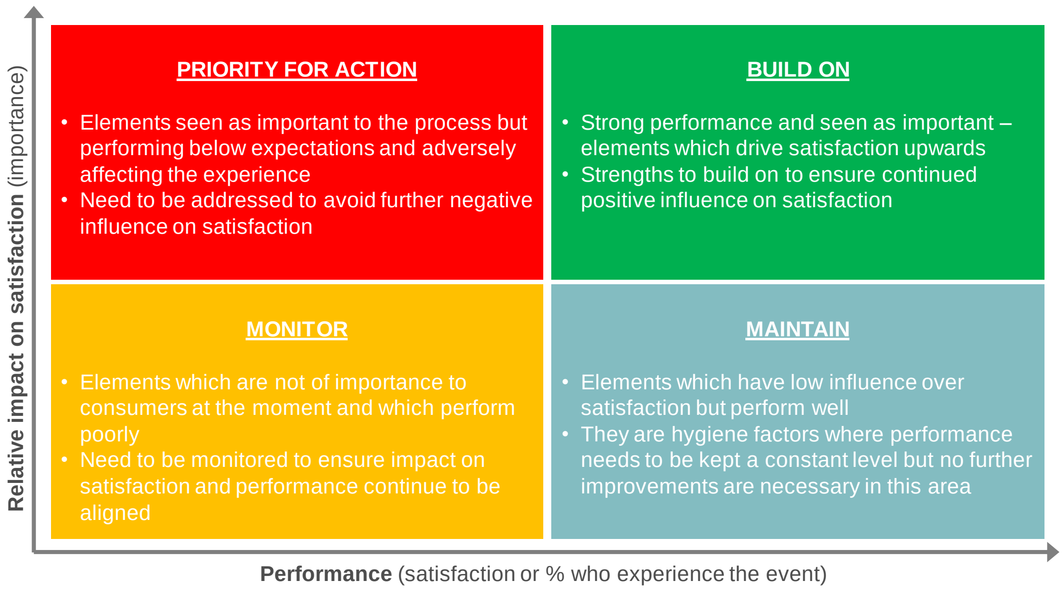
- The **perceptual** KDA approach looks at the influence of *perceptions* on satisfaction with the way the complaint has been handled (e.g. scale rated statements) such as:

  - ✓ Agreement that the time it took to resolve the complaint was acceptable
  - ✓ Agreement that the staff they dealt with were polite.

  This approach uses a traditional Key Drivers Analysis method, linear regression, to estimate whether changes in how the scale rated statements are answered would result in changes in satisfaction with complaint handling. It produces an importance measure for each of the investigated statements/ elements to act as an indicator of strength of impact on satisfaction. Nine statements were investigated. The low number of statements (in comparison to the number of tactical elements) is a function of research design – i.e. upon investigation, those 9 statements were found to be most relevant to the complaints journey. While attitudes reflected by these statements still require attention, due to their subjective nature and level of difficulty to address directly, steps can be taken to positively influence them (rather than tactically change them).

The two KDA approaches are therefore *not directly* comparable; however, they produce similar outputs that enable the identification of four types of outcomes as presented in Figure 43 below. The relative positioning of the tactical and perceptual elements in the four quadrants allows us to understand *which* tactical journey elements and perceptions have a similar effect on satisfaction, and how they may be therefore interlinked. The observations drawn from the outcomes of the KDAs described on the following pages illustrate these connections.

Figure 43: Tactical and perceptual KDA analysis framework.



In this chapter, the key drivers of satisfaction and dissatisfaction with the complaints handling process are presented and discussed. Comparisons are also drawn with 2016 analysis to investigate where improvements have been made and which elements require further attention. Drivers analyses are conducted separately for domestic and micro-business complainants.

Care has been taken to overlay the drivers analyses with the complaint journey so as to give clear direction on which stage(s) of the journey fails the complainants.

7.2 Domestic: Drivers of satisfaction and dissatisfaction with complaint handling

The outcomes from the Key Driver Analyses for domestic complainants are presented in Figures 44 and 45. Overall, outcomes support data presented in Chapters 5 and 6.

*Figure 44: **Tactical** drivers for domestic complainants.*[21]

PRIORITY FOR ACTION

- Being given a resolution date
- Being told how long each step will take
- Dealing with one person
- Supplier getting back when agreed
- Supplier updating regularly
- Offering to send procedures for free
- Receiving an explanation of the problem

- Informing complaint can be escalated (A)
- Receiving an apology (A)
- Having a named contact (A)

BUILD ON

- Telling me the steps that will be taken
- Using my preferred contact method

- Not having to chase to get an update (R)
- Being asked for contact preferences (R)
- Receiving a formal acknowledgement (B)

MONITOR

- Providing a complaint reference number
- Being told where to seek independent advice
- Receiving compensation

- Making decisions there and then (R)
- Directing to complaints procedure on website (R)

MAINTAIN

- Staff not using jargon
- Supplier having correct contact details
- Supplier having record of complaint
- Supplier having full complaint history
- Not having to escalate
- Not having to make a further complaint
- Not having to contact Ombudsman
- Not having to contact Citizens Advice
- Supplier not sending letter referring to Ombudsman
- Receiving resolution confirmation

Bases: All domestic complainants (3,080).

*Figure 45: **Perceptual** drivers for domestic complainants.*[11]

PRIORITY FOR ACTION

- Staff helpfulness
- Staff taking the complaint seriously
- Acceptability of the time it took to resolve the complaint

BUILD ON

- Staff professionalism

- Staff treating me as an individual (B)

MONITOR

- Staff understanding my complaint

- Ease of registering the complaint with the supplier (B)

MAINTAIN

- Staff politeness
- Ease of finding initial contact details

Bases: All domestic complainants (3,080).

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[21] Elements at the bottom of each list in 2018 (with a letter in brackets next to it) indicates a movement. The letter in brackets indicates the colour of the quadrant the element moved from e.g. (G) from green, (B) from blue, (A) from amber and (R) from red.

7.2.1 Domestic: Drivers of satisfaction – summary observations

The drivers of satisfaction are broadly consistent with 2016, focusing primarily on the experiences early on in the process. Being able to easily find the right contact details, being greeted by polite and professional staff who told them what steps would be taken to get the complaint resolved (experienced consistently by just over half of domestic complainants) in a clear and understandable language, set the right tone for the rest of the process for most complainants. It is the smoothness of the early interactions that helped uplift overall satisfaction with how the complaint has been handled.

Formal complaint acknowledgement by the supplier helps complainants understand where they are in the journey and that their case is being looked at. Lack thereof can signal to the complainant a lack of acceptance that the issue exists and automatically set a negative tone for the rest of the journey, setting other negative elements in motion, e.g. chasing for an update/ confirmation, thus its presence is a soothing step forward. The same applies to receiving a confirmation of the resolution. While seemingly simple, formally agreeing with the complainant that the complaint has been resolved serves as a form of closure and an acknowledgement that the issue existed and that it has been fixed to the complainants' satisfaction. Without that, both, the issue being fixed, and to the complainants' satisfaction, can be questioned by the complainant.

Similarly, acknowledging complainants' preferences for contact and adhering to them when re-contacting them demonstrate the appreciation of the individual and the willingness to make their experience more agreeable. It is a fairly simple element of the process but can go a long way as it shows that the supplier is putting some effort in to satisfy the customer.

Reducing effort the complainant has to make also contributes to increasing overall satisfaction with complaint handling. This partly relates to not having to escalate the complaint further (e.g. to a more senior member of staff or externally – some of which can be avoided by providing the complainant with a resolution confirmation). Reduction of effort also means providing the complainants with enough information about what is happening with their complaint to reduce their need to chase for updates, and this appears to have been the case, to an extent, in 2018.

Other factors, such as the supplier having the correct information about the complainant and the complaint itself upon recontact are hygiene factors – they appear unimportant when present, but their absence could gradually drive satisfaction down.

7.2.2 Domestic: Drivers of dissatisfaction – summary observations

There are many more drivers of dissatisfaction than there are drivers of satisfaction, owing to more complainants being quite or very dissatisfied with the handling process despite the significant uplift in overall satisfaction.

The main themes contributing to high levels of dissatisfaction with complaint handling concentrated around resolution periods and being informed of the resolution progress on an ongoing basis. Complainants felt that the time it took to resolve their complaint was unacceptably long (though less so than in 2016), despite a reduction in overall resolution periods, which was exacerbated by the aforementioned lack of ongoing (unprompted) communication from the supplier.

A problem still exists with providing complainants with a clear view of how long the process will take. A lack of knowledge can cause anxiety and leads complainants to start setting their own expectations, which can often be unrealistic and far from reality.

This is not helped by the fact that most don't receive information about alternative resolution routes or what the complaint resolution process looks like (that they could refer to later down the line), leaving them uncertain about what should be happening and when (though the need for this has decreased in importance in 2018).

While fewer complainants had to chase for updates (and not having to chase is a driver of satisfaction in 2018), many still felt that the supplier did not update them on the progress of their case enough for the complainant to know what was happening. And while there have been significant improvements in suppliers getting back to complainants when agreed, still fewer than half experienced this. Thus, there is considerable room for improvement in keeping complainants in the loop about the progress of their case. This may be in part exacerbated by not having a named contact they can refer to when they have a question about the progress of their complaint – the effort of having to speak to someone new every time makes the process more onerous. This is felt more strongly when there is a perception that some staff are not taking the complaint seriously enough and are therefore not helpful in getting it resolved – this may be related to some staff not understanding the problem fully as there seems to be no issues with politeness and treating the complainants as an individual.

Closure is also a problem area for many complainants. The main issue was not receiving an explanation of the problem as well as an apology for the issue occurring in the first place. Both help to reassure the complainant that the issue has been dealt with and is unlikely to happen again. Lack of an explanation may leave the complainant feeling that the problem could very easily come back as they have no reassurance that it has been fixed.

7.2.3 Domestic: How the results compare to 2016 outcomes

Improvements and maintained performance

Professional and polite staff who at the start of the journey continues to be a strength among domestic suppliers and drives satisfaction upwards. There have been significant improvements in fewer complainants having to chase for updates, which helped uplift overall satisfaction levels – this was one of the key areas for improvement highlighted in 2016.

Staff making decisions there and then was one of the key areas in need for improvement in 2016 – while there has been little movement in this, this particular element of the journey has decreased in importance for complainants suggesting that they'd rather have their complaint resolved effectively and definitively than rush it, and potentially have the problem re-surface later down the line.

Areas requiring further attention

Staff taking ownership of the complaint and taking a proactive approach to resolve it were the key areas for improvement since 2014, and at an overall level, this has not changed since then. Taking the complainant seriously remains to be one of the key areas for improvement, as does taking a proactive approach to resolving the complaint (staff helpfulness).

Being informed that the complaint can be escalated is a new area in need of attention in 2018 – in line with the improvements seen this year, complainants want to be reassured that the complaint will be resolved adequately by someone who understands the complaint. Among those who escalated their complaint, there was some concern about staff being able to understand the issues raised.

In line with previous years, being provided with resolution timescales, and suppliers regularly updating the complainants about the progress of their case remain as key areas in need of improvement.

7.3 Micro-business: Drivers of satisfaction and dissatisfaction with complaint handling

Figures 46 and 47 provide the drivers outcomes for micro-business complainants. The key drivers of satisfaction and dissatisfaction align closely to the findings in the domestic market.

*Figure 46: **Tactical** drivers for micro-business complainants.*[22]

PRIORITY FOR ACTION

- Being given a resolution date
- Being told how long each step will take
- Dealing with one person
- Supplier getting back when agreed
- Not having to chase for updates
- Supplier updating regularly
- Receiving an explanation
- Being asked contact preferences (B)
- Directing to complaints procedures (A)
- Offering to send procedures for free (A)
- Informing complaint can be escalated (A)
- Receiving an apology (A)

BUILD ON

- Staff not using jargon
- Telling me the steps that will be taken
- Using my preferred contact method
- Supplier having record of complaint
- Receiving a resolution confirmation

MONITOR

- Making decisions there and then
- Receiving compensation
- Having a named contact (R)
- Being told where to seek independent advice (R)

MAINTAIN

- Receiving a formal acknowledgement of complaint
- Providing a complaint reference number
- Supplier having correct contact details
- Supplier having full complaint history
- Not having to escalate
- Not having to make a further complaint
- Not having to contact Ombudsman
- Not having to contact Citizens Advice
- Supplier not sending letter referring to Ombudsman

Bases: All micro-business complainants (703).

*Figure 47: **Perceptual** drivers for micro-business complainants.*[17]

PRIORITY FOR ACTION

- Staff helpfulness
- Acceptability of the time it took to resolve the complaint
- Staff taking my complaint seriously (G)

BUILD ON

- Staff professionalism
- Staff treating me as an individual (B)

MONITOR

- Staff understanding my complaint
- Ease of registering the complaint (B)

MAINTAIN

- Staff politeness
- Ease of finding contact details

Bases: All micro-business complainants (703).

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[22] Elements at the bottom of each list in 2018 (with a letter in brackets next to it) indicates a movement. The letter in brackets indicates the colour of the quadrant the element moved from e.g. (G) from green, (B) from blue, (A) from amber and (R) from red.

7.3.1 Micro-business: Drivers of satisfaction – summary observations

As with domestic complainants, being provided with information on the steps that will be taken to resolve their complaint in clear language is one of the key areas that need to be built on to increase satisfaction. Receiving a resolution confirmation at the end of the process has a similarly positive effect. There has been no change in this since 2016.

Micro-business complainants are also positive about follow up contact with the supplier. If their preferred channel of communication is used (typically telephone), and staff have access to their complaint information, that provides a structure to the process – this is underpinned by staff professionalism and drives satisfaction upwards.

7.3.2 Micro-business: Drivers of dissatisfaction – summary observations

The key drivers of dissatisfaction among micro-business complainants are similar to those within the domestic market. They focus around what complainants consider to be unacceptably long resolution periods and a lack of ongoing communication or communication about likely timescales. This creates an information gap that micro-business complainants fill by repeatedly chasing the supplier for information (though significantly fewer micro-business complainants did this in 2018 than in previous years, the impact of having to do it at all is still strong and drives dissatisfaction with the complaint handling process).

This becomes particularly problematic when they are dealing with multiple members of staff, who often appear unhelpful and to not take the complaint seriously enough. The issue with staff seems to be permeating the entire journey as increasingly, micro-business complainants are finding it more difficult to register their complaint because it is not being acknowledged or understood when it is first raised.

7.3.3 Micro-business: How the results compare to 2016 outcomes

Improvements and maintained performance

Perceptions of staff treating the complainants as individuals has improved since 2016 and is a strong driver of satisfaction. This suggests that the complainants appreciate their willingness to engage with them but clearly see a gap in their ability to actually resolve the issue (based on perceptions of lack of understanding). In line with 2016, this suggests that micro-business complainants are more concerned with effectiveness of resolution than they are with the emotional impact of how they are dealt with.

Areas requiring further attention

In 2018, the key change from 2016 focuses on staff. While initial response staff seem polite, there is a clear issue with micro-business complainants finding it more difficult to register their complaint and finding that staff are not taking their complaint seriously enough. It was previously an area of strength and has since become an area that needs urgent attention.

Providing complainants with information about the complaints process that they can refer to, and informing them that their complaint can be escalated, are also of greater importance to complainants in 2018 highlighting the need to have the formal process locked down and followed, particularly when it comes to micro-business complainants who seem to seek better organisation and formality of the process.

8 Conclusions and recommendations

8.1 Summary of findings – domestic and micro-business markets

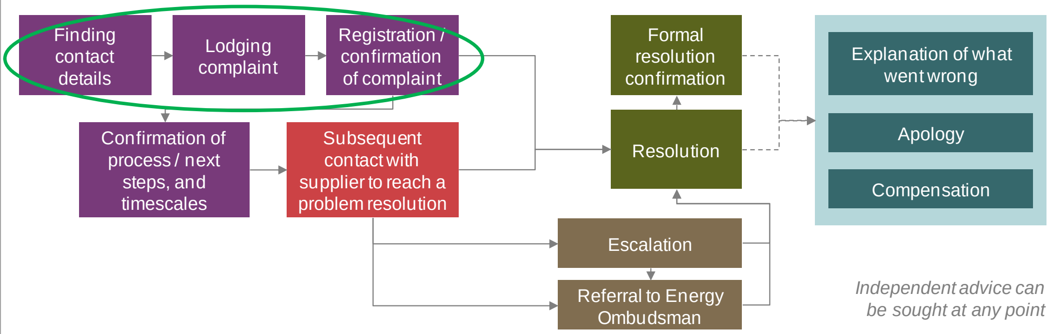
- Overall satisfaction with complaint handling has improved significantly among domestic and micro-business complainants alike. Encouragingly, worst performers from 2016 have shown significant uplifts in overall satisfaction, though there remains significant room for improvement.
- The start of the journey works well for most complainants, with significant improvements reported in 2018 in setting expectations at the start of the process (e.g. providing complainants with a resolution date). However, at an overall level, customer expectations are still not well managed as only around a third receive this information. This can negatively impact how the rest of the complaints journey is experienced.
- Micro-business complainants are experiencing some issues, particularly early on in the process, with staff seemingly unable to fully grasp the issue and thus deal with it appropriately. This is one of the key areas for improvement among micro-business suppliers.
- Suppliers are becoming more reliable and getting back to complainants when agreed (though there is still room for improvement), which means fewer have to chase for information. For those that do re-contact the supplier, the experience is fairly smooth, with some improvements needed around the full complaint history being kept on record. This is needed particularly in the absence of a single point of contact.
- Suppliers still don't provide enough information about alternative resolution routes. Lack of awareness of alternatives makes the process feel more stressful (if closure is not reached relatively quickly). Some escalate the complaint to more senior staff as they feel that quality of response from staff they were dealing with was inadequate, which in some cases was driven by the lack of understating of the issue by initial response staff.
- A minority of unresolved complaints are referred to third parties and the resolution gap has narrowed marginally, however, the lack of ongoing communication (and thus complainants being in the dark about their situation) continues to prevent formal complaint closure.
- Resolution times have shortened overall, which has had a positive impact on the overall experience, however, there is still a disconnect between initial timescales provided to complainants (if at all) and the actual resolution period. This is particularly an issue for complaints that take longer to resolve, where cases may be more complex. It is those cases that a more structured management system would be beneficial to reassure the complainant that the supplier is dealing with the issue.
- Closure is important, and complainants look for an explanation of what went wrong – compensation is less important.
- Complainants face a polite but often unhelpful response from staff who don't seem to be taking their complaint seriously enough (particularly among micro-businesses). This can cause stress and may lead complainants to switch, though significantly fewer have done

so compared to 2016 – this is likely to be related to increased overall satisfaction with handling, helped by shorter resolution times and other improvements.

8.2 Evidence of good practice in domestic and micro-business markets

Satisfaction was driven by professional staff encountered at the start of the journey, and more consistency with getting back to complainants when agreed. Staff played an important role in the complaints handling process. While there are still many improvements to be made in this area, professionalism with which complaints were dealt with was a key driver of satisfaction, together with staff being more reliable than in 2016 and getting back to complainants when agreed. This helped reduce the information vacuum, and effort complainants needed to make, to get their complaint resolved. This treatment needs to be injected further into the process more consistently to drive satisfaction with complaint handling upwards.

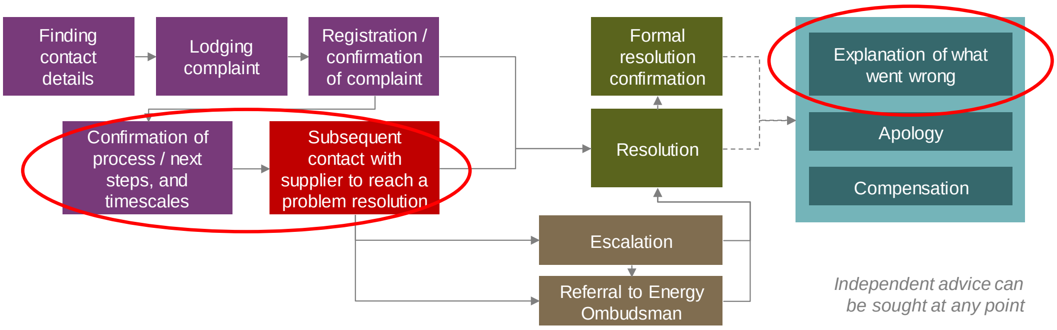
Figure 48: Journey elements driving satisfaction with complaints handling.



8.3 Evidence of areas for improvement in domestic and micro-business markets

Dissatisfaction was driven by a lack of ongoing communication, made worse by lack of clarity around resolution timescales. There have been some significant improvements in how complaints were handled, however, the areas for improvement remain consistent with 2016. There is still an issue with a lack of ongoing (and proactive) communication from suppliers. This was the main driver or the resolution gap and is exacerbated by lack of clarity around resolution timescales. This was not helped by some staff seeming unhelpful and unconcerned by the complainants' cases when contacted. Furthermore, upon resolution, complainants expected to receive an explanation of the problem, and a lack thereof further contributed to an information vacuum potentially created earlier in the process, when ongoing communication was lacking. The lack of 'proper' closure gave the complainants little or no confidence that the complaint had been fully resolved and the issue won't happen again.

Figure 49: Journey elements driving dissatisfaction with complaints handling.



8.4 Some recommendations

- **Automating provision of complaint handling procedure information/ making it more accessible.**

  If asked, the complainant may refuse the Complaint Handling Procedures as they don't necessarily know what information they contain. Having the Procedures would increase the likelihood that complainants are clear(er) on what to expect and feel a sense of transparency about the process (this booklet/ webpage could also include information about third party advisers and redress schemes). Suppliers should inform complaints, at the start of the process, that Complaint Handling Procedures are available, where they are, and what information they contain. Thus, if needed, the complainant might refer to them. Automating that process, rather than having initial contact staff send it out, could make this process smoother.

- **A more structured approach to keeping complainants updated.**

  Either an online system, an update in writing or via SMS, or a scheduled call, depending on contact preferences, would ensure the complainant does not feel 'in the dark' about the progress of their complaint and feels reassured it is being dealt with. Even if there is no update, proactive (i.e. scheduled) communications from the supplier can ease the frustration with the process by reducing the number of times complainants have to chase for information. This would also decrease suppliers' handling costs per complaint.

- **Formalising complaint closure by logging it only if the complainant gives their explicit permission to do so.**

  This could help reduce the resolution gap, however, it could mean that resolution periods increase further as complainants may feel that their problem has not been adequately addressed. Here, closer and more rigorous adherence to CHS would help, and ensuring the supplier seeks to resolve the issue fully the first time. This will in turn avoid future complaints about the same problem and increase efficiency on the suppliers' side.

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