

A background network diagram consisting of thin teal lines connecting various circular nodes of different sizes. The nodes are scattered across the page, with a larger, solid teal circle in the center containing the main title.

Energy Consumer Sentiment Survey Findings

Tasmania

December 2016

Energy
Consumers
Australia

Energy Consumer Sentiment Survey, December 2016

Tasmania

Energy Consumers Australia tracks consumer and small business sentiment to inform energy market and policy development.

Background

The Energy Consumer Sentiment Survey is a long term project for Energy Consumers Australia. It is designed to provide information on household and small business consumer sentiment with a focus on three key areas of satisfaction, confidence and activity. As the survey will be undertaken every six months it will track changes in sentiment over time and detect trends which can inform energy market and policy development in the long term interests of consumers.

This is the second national survey. It took place between 25 August 2016 and 5 September 2016. Respondents to this survey and the previous survey may have been influenced by the failure of the Basslink undersea power cable which lasted almost six months before being restored in June 2016. Retail price increases in Tasmania of 3.4 per cent from 1 July 2016 were more moderate than in jurisdictions in which retail prices are not regulated.

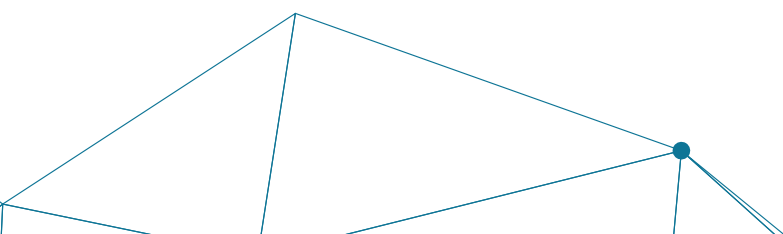
Unless otherwise indicated, comparisons of results are to the previous survey.

Consumer satisfaction in Tasmania

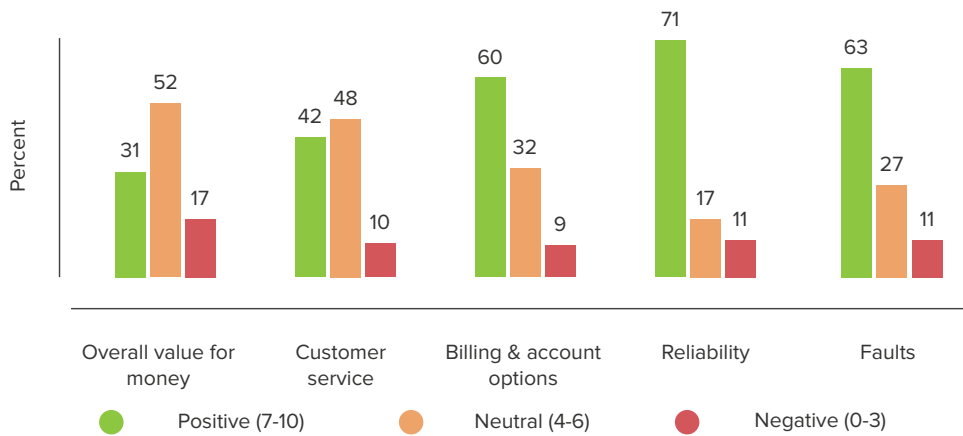
Consumers are telling us that overall they are satisfied with energy services. Households report the lowest levels of satisfaction with energy services in Tasmania compared with all other states and territories, with 58 per cent rating services 7 out of 10 or higher (a positive rating, but down 6 per cent from the previous survey).

In Tasmania, 31 per cent of households positively rate the value for money of their electricity service. This is up 2 per cent from the previous survey.

Household satisfaction with the reliability of electricity services and faults decreased by 7 per cent and 6 per cent respectively company to the previous survey. At the same time, satisfaction with customer service and billing of electricity services rose by 4 and 6 per cent respectively.



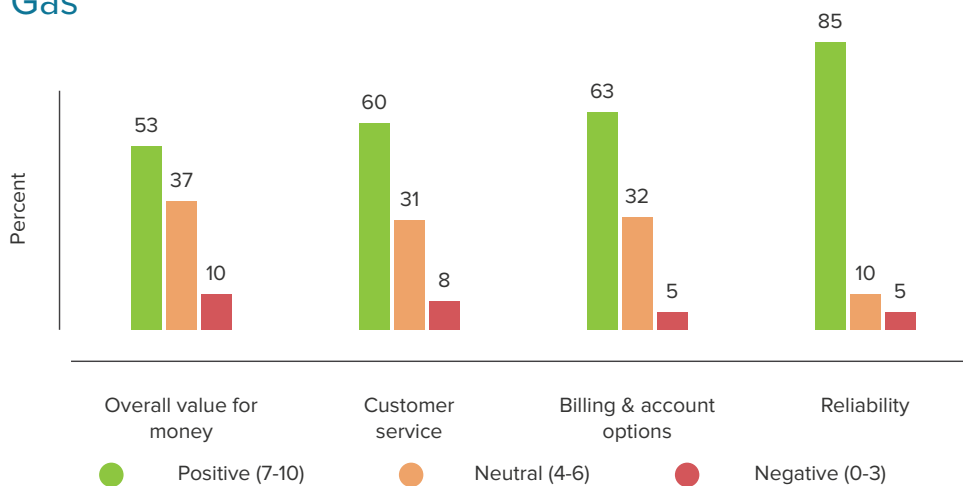
Electricity



How would you rate the [attribute]? 0-10 scale, 0 = 'very poor', 10 = 'excellent'

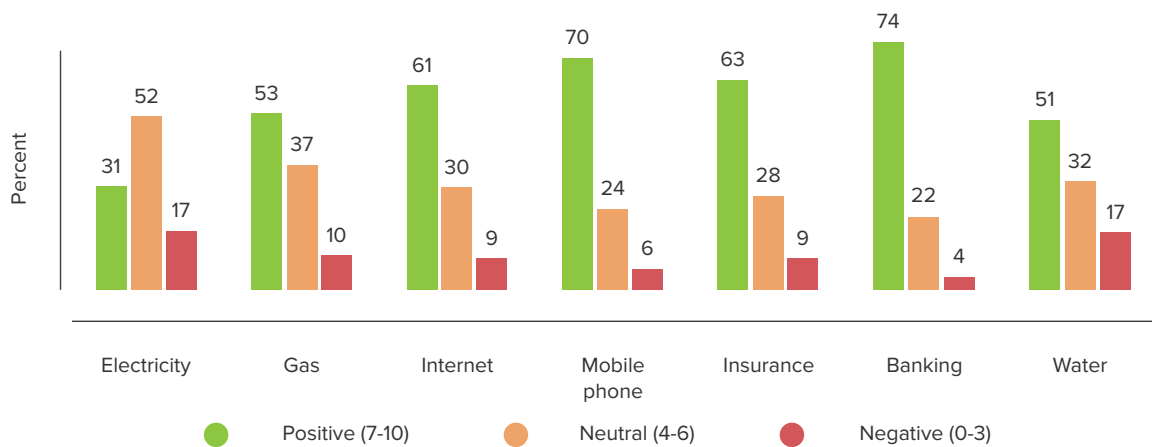
Tasmanian households are more satisfied with their gas services than electricity services. Satisfaction with the value for money and reliability of gas services rose compared with the previous survey (up 4 per cent and 8 per cent respectively). Satisfaction with customer service is down 6 percent, while satisfaction with billing was largely unchanged.

Gas



How would you rate the [attribute]? 0-10 scale, 0 = 'very poor', 10 = 'excellent'

Households in Tasmania rank their satisfaction with the value for money of their electricity services behind their banking, mobile phone, insurance, internet, gas and water services.



How would you rate the overall value for money of the products and services provided by your service provider in the following areas, in the past 6 months? 0-10 scale, 0 = 'very poor', 10 = 'excellent'

Recommending retailers to others

Less than half of households (46 per cent) in Tasmania are likely to recommend their current electricity retailer to a friend or colleague (a positive ranking of 7 out of 10 or more). This is down 2 per cent from the previous survey. A higher proportion of households (61 per cent) are likely to rank their current gas retailer positively, largely unchanged from the previous survey.

Competition

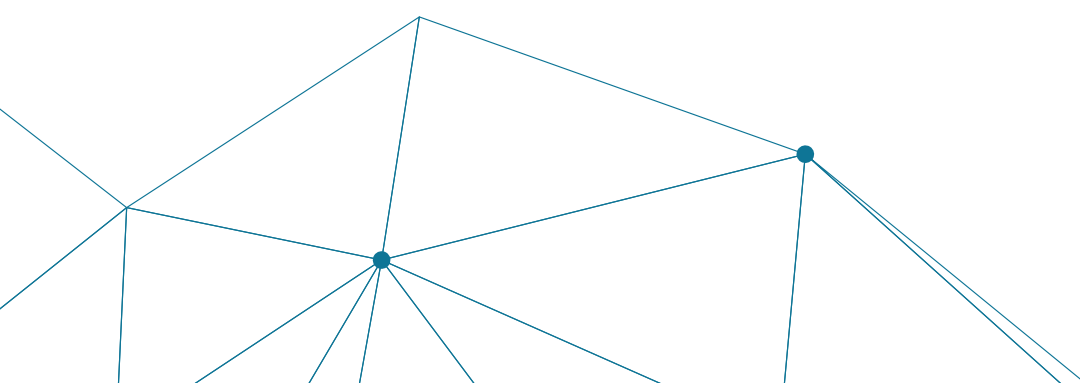
Customer satisfaction with the level of competition varies significantly between jurisdictions, with the differences aligning with the nature of their retail markets.

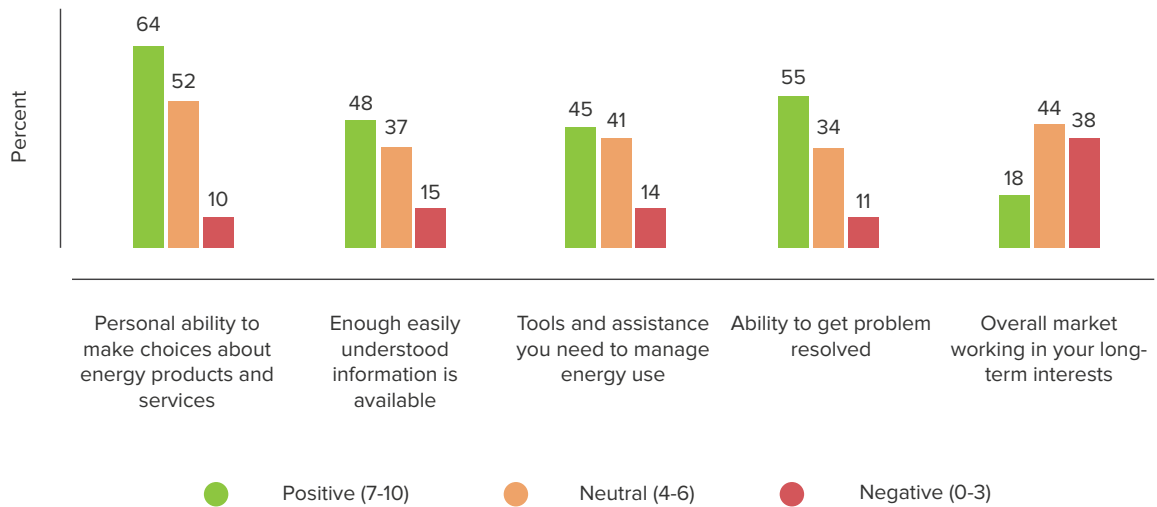
In Tasmania, 15 per cent of households are positive about the level of competition. This is largely unchanged from the previous survey. This compares with a positive satisfaction rating in Victoria of 56 per cent (up from 4 per cent), the highest nationally for this measure.



Consumer confidence in Tasmania

Consumers tell us that they are confident in their own abilities to choose the energy products and services that are right for them. In Tasmania, 64 per cent of consumers have confidence in their ability to make choices about energy productions and services, up 9 per cent from the previous survey. Households are less confident that information is available to assist them to make good decisions, or that the necessary tools and assistance are available to help them manage their use, although these levels are up by two per cent, respectively, on the previous survey.





How would you rate the [attribute]? 0-10 scale, 0 = 'very poor', 10 = 'excellent'

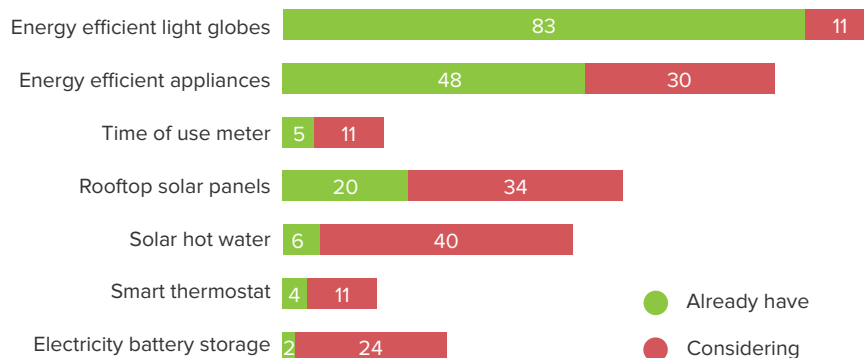
Households' confidence that the overall market is working in their interest is down 2 per cent compared to the previous survey, to 18 per cent. Few Tasmanian households (14 per cent) are confident that they will see better value for money outcomes in the future (unchanged from the previous survey). Overall 41 per cent of households are confident that the reliability of their electricity services will be improved in the next five years, and 36 per cent believe that technology will assist them to manage their energy costs. Both of these satisfaction levels remain largely unchanged from the previous survey.



Consumer activity in Tasmania

Uptake of energy management technologies

Consumers are looking to energy management technologies to manage their electricity costs. A substantial majority of households in Tasmania have invested in energy efficient lighting, while around half have invested in energy efficient appliances. More than half of households in Tasmania say they have either purchased solar panels or intend to do so in the next 5 years. One quarter of households (24 per cent) say they are considering purchasing electricity battery storage.



Do you already have, or are you considering purchasing or using any of the following technologies to manage the cost of electricity in your household?

Have you looked into switching energy companies or energy plans in the last 3 years?

1% YES and I switched

13% YES and I didn't switch

86% NO and I didn't look into it

Switching energy providers or plans

The lack of effective competition in the Tasmanian energy market is reflected in the low proportion of households who have considered switching energy providers or plans in the past three years (14 per cent, up 3 per cent on the previous survey), and the low proportion that have made a decision to switch (1 per cent).

The proportion of households in Tasmania that did not consider switching in the last three years (86 per cent, down 4 per cent on the previous survey), compares with 56 per cent of households in the Australian Capital Territory and 63 per cent in Western Australia.

Consumers in Tasmania that did not consider switching energy providers or plans say that the reasons were that there were no real alternatives or that it made no difference (75 per cent, up 5 per cent on the previous survey).

Energy Consumers Australia

What's next?

Energy Consumers Australia will next report on energy consumer sentiment in July 2017.

The survey data, together with a detailed final report (and questionnaire) are available from the ECA website www.energyconsumersaustralia.com.au

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