

A Future Energy Vision Consumer Expectations Research

Energy Consumers Australia
Household Findings

Forethought Report – 2019

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Background: Why we are here

Understanding consumers expectations to unlock a better energy future

Consumers have experienced ten unrelenting years of rising energy bills, in the context of complex, highly contested political discussions about the long term vision for Australia's energy future.

Consumers are experiencing technological changes in other industries, and are now seeing the same occur in energy. These include more accessible household technologies which are cheaper to install and promise lower/zero priced energy, as well as technology utilising energy storage such as electric cars and hot water systems.

While the sector has been asking consumers many questions – trying to understand current transactions and the sector's current uncertainties, no one has yet asked them how they see energy through their individual perspective, and through the context of their lives...

Research Objectives



Energy Consumers Australia and Forethought set out to explore consumers' lives and how energy fits into it now, what the future of energy should look like, and what consumers want from the sector. The key question was *what does better look like in their eyes?*

1

Provide an overall **view of the life journey for users of energy** and understand how **attitudes and behaviours toward energy**, shift as consumers transition through different life stages and events;

2

Uncover **needs, motivations, pain points as well as questions and attitudes** consumers may have on the use and consumption of energy;

3

Capture any differences **across life-stages and key life moments**, with corresponding implications on needs and attitudes;

4

Explore what the concept of '**better**' in **energy supply, consumption and behaviour looks like** for the future;

5

Identify the **expectations** consumers place on the energy industry and the **role of different stakeholders** in driving a better energy future.

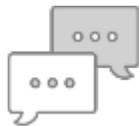


Overview of Methodology

How did we design the research?

Introduction to the Methodology

Forethought conducted extensive qualitative research through both in-depth interviews and focus groups. Qualitative research was used as a first step due to the exploratory nature of the research and the need to understand the detail of consumers' lives.



In-depth interviews
A mix of face-to-face and over the phone with household consumers in Metro and Regional areas



Focus Groups
Discussions with household consumers, typically with between 6-8 participants



Speaking with a widespread mix of household consumers
and adopting a 'life stage' approach for recruitment and conversation

Life Stages Approach

While all consumers live a unique lifestyle, we experience shifting context, goals and priorities as we move through different stages of life.

To understand the ideal future of energy from a consumer perspective, it is necessary to consider the consumer life journey and how energy fits in now, before we can truly attempt to bring about positive change in lives in the future.

For this reason, Forethought and Energy Consumers Australia recruited consumers across four different and broad life stages and/or transitions as a framework for uncovering the research objectives.

We spoke to:

n=20 'Leaving the Nest'

n=20 'Early Adulthood'

n=20 'Midlife'

n=20 'Mature'



How did we define these groups of consumers?

It is acknowledged there are no clear, definitive life stages for consumers. Participants were therefore designated into a life stage based on a combination of their age, stage of their career, living situation and whether they had children and of what age. Meeting a threshold of quotas around the aforementioned considerations ensured that we designated consumers based on the totality of their life circumstances, rather than on a single measure.

Leaving the Nest	Early Adulthood	Midlife	Mature
Fit 2/3 of the following: <ul style="list-style-type: none"> • Studying or in first 2 years of professional career • Living at home with parents or moved out recently • Under age of 30 	Fit 3/4 of the following: <ul style="list-style-type: none"> • Under age of 40 • Define themselves as early or mid-career • Moved out of home at least 5 years ago • Children (if any) are under 12 	Fit 2/3 of the following: <ul style="list-style-type: none"> • Aged between 35-59 • Define themselves as mid or late career • Children (if any) are above 12 and living at home 	Fit 3/4 of the following: <ul style="list-style-type: none"> • Aged 55 or above • Semi or fully retired or considering retirement in the next 5 years • Children are out of home (if they had any)

Speaking to households across Australia

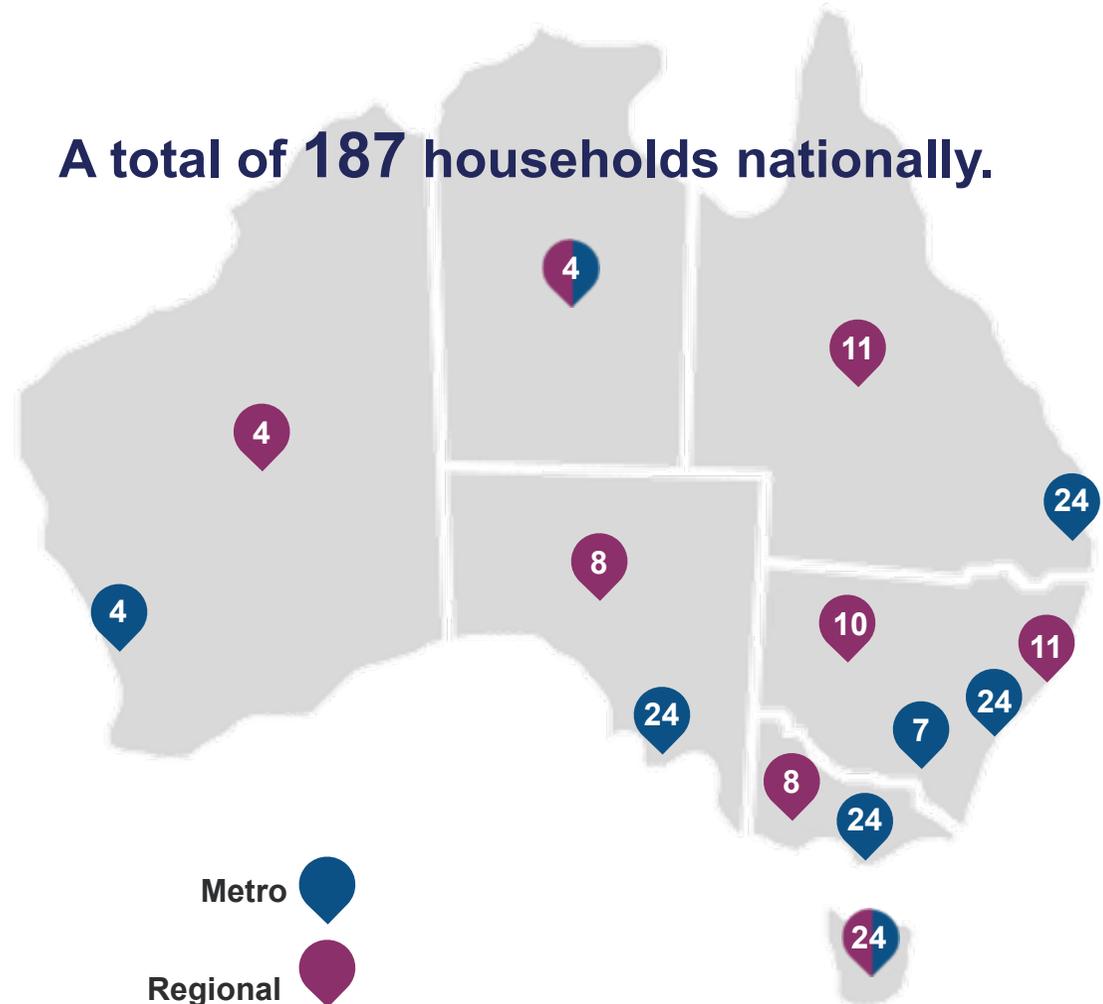
Understanding Australians: A widespread and all-inclusive view

In total, **14 x focus groups** and **80 x in-depth consumer interviews** were conducted to ensure we were covering a broad array of consumers, without compromising the depth of understanding and deep-dive potential within particular groups.

The in-depth interviews and focus groups included conversations with people from each of the four life stages from every state. Within this, we also spoke to a mix of:

- Metro and Regional
- Age – Ranging from 18 to 80.
- Gender
- Income / Financial situation
- Australian and non-Australian born consumers and English as first or second language
- Decision makers / influencers on energy
- Renters and home owners

A total of **187** households nationally.



Further detail on participants

Forethought spoke to 187 Australians covering all states and covered a range of demographic and lifestyle factors:

State 		Home ownership 		Country of Birth 		Household 	
QLD	35	Own	103	Australia	156	Couple with children at home	52
NSW	45	Rent	72	Outside of Australia	31	Couple with no children	30
SA	32	Other	12	Total	187	Living in a shared accommodation	27
VIC	32	Total	187			Couple with children that left home	23
TAS	24					Single Person	23
WA	8	Age 		Segment 		Living with parents	16
ACT	7	50+	65	Green	126	Single parent with children	11
NT	4	18-29	64	Amber	50	Single parent with children that left home	5
Total	187	30-49	58	Red	11	Total	187
		Total	187	Total	187		

Integrating differing levels of financial health

Because of the inherent impact of economic status on consumers' needs and behaviour, it was important to ensure we had conversations with people from a range of financial circumstances.

Based on segments previously identified by ECA, consumers were allocated into one of three different segments: Green, Amber or Red.

What did we find?

The findings in this research were common across consumers, regardless of financial situation, particularly in terms of expectations for the future. However, there were consumers whose situation, financial or otherwise, influenced their energy attitudes and beliefs and who therefore had differing views or needs to the majority – examples have been referred to throughout the research.

Consumers were classified into the following three groupings in recruitment stage:

Green: You do not currently have a payment arrangement in place and you will almost certainly be able to pay your next bill in full and on time.	Amber: You have a payment arrangement in place and will be able to pay your next instalment on time, or you do not have a payment arrangement in place and you might not be able to pay your next bill in full and on time.	Red: Whether or not you have a payment arrangement in place, you will almost certainly not be able to pay your next bill in full and on time.
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We spoke to:

Number of Interviews

50

20

10

Number of Focus Groups

7

7

Consumer comments throughout this report are coded as either Red, Green or Orange to represent their financial situation.



Executive Summary Report

Household consumers were focused on their everyday lives and often had so much happening, that energy was not top of mind.

When energy was thought about, associations were often negative. For example, as previously researched and known, frustrations with the energy sector were predominately the high cost of energy bills and complexity in understanding the market.

“
Since moving in with my partner, I am less careful about energy and don't even think about it that much. I'm too busy now.
- 31, Early Adulthood, QLD
”

“
I didn't think about energy at all back when I was living at home. Even now I don't think about energy unless the bill comes in.
- 40, Midlife, ACT
”



Household consumer interest



Household consumer frustration



Consumers had their own priorities and were busy in their everyday lives.

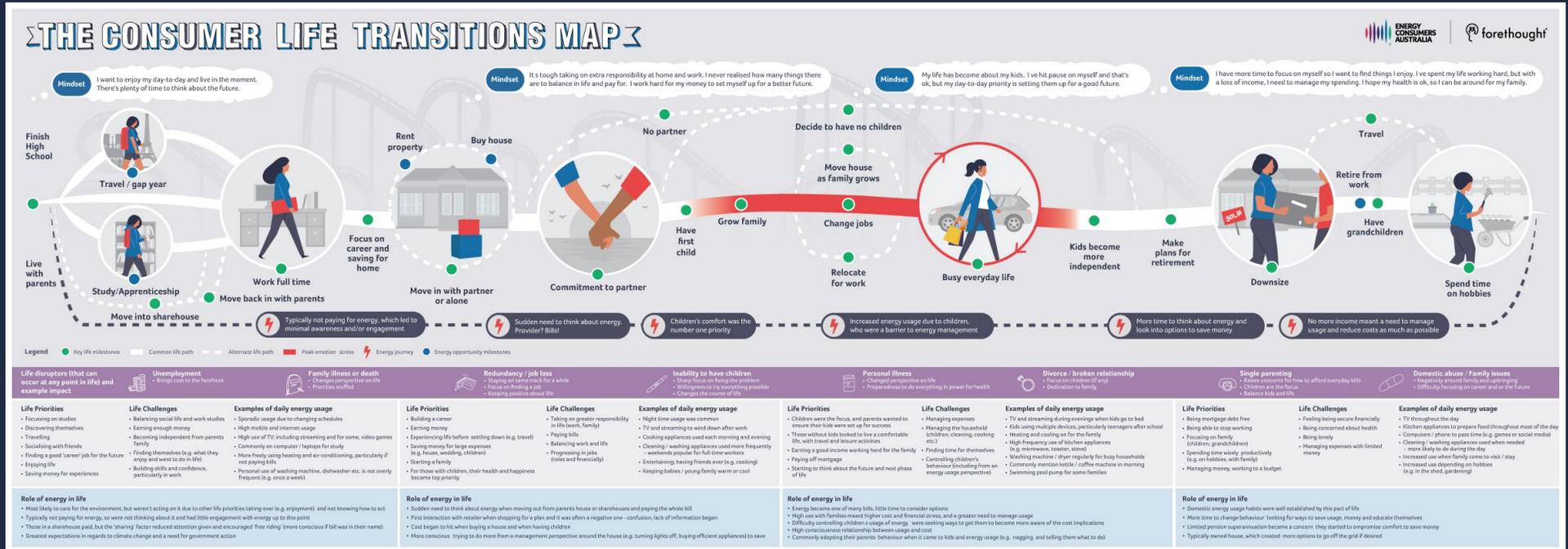
However, regardless of stage of life, family or financial situation, there were common life goals, priorities and challenges and energy was an important enabler.



INTRODUCING THE...

THE CONSUMER LIFE TRANSITIONS MAP

A ZOOMED OUT VIEW:



READING THE MAP...



Key life milestones



Common life path



Alternate life path



Peak emotion / stress



Energy journey



Energy opportunity milestones

ZOOMING IN ACROSS LIFE STAGES

Shared mindsets, priorities and challenges in life

Leaving the Nest: Life was about the short-term – studying, socialising, and enjoying life

Common Life Transition #1: Leaving the Nest



Mindset

“I want to enjoy my day-to-day and live in the moment...there’s plenty of time to think about the future.”

Priorities

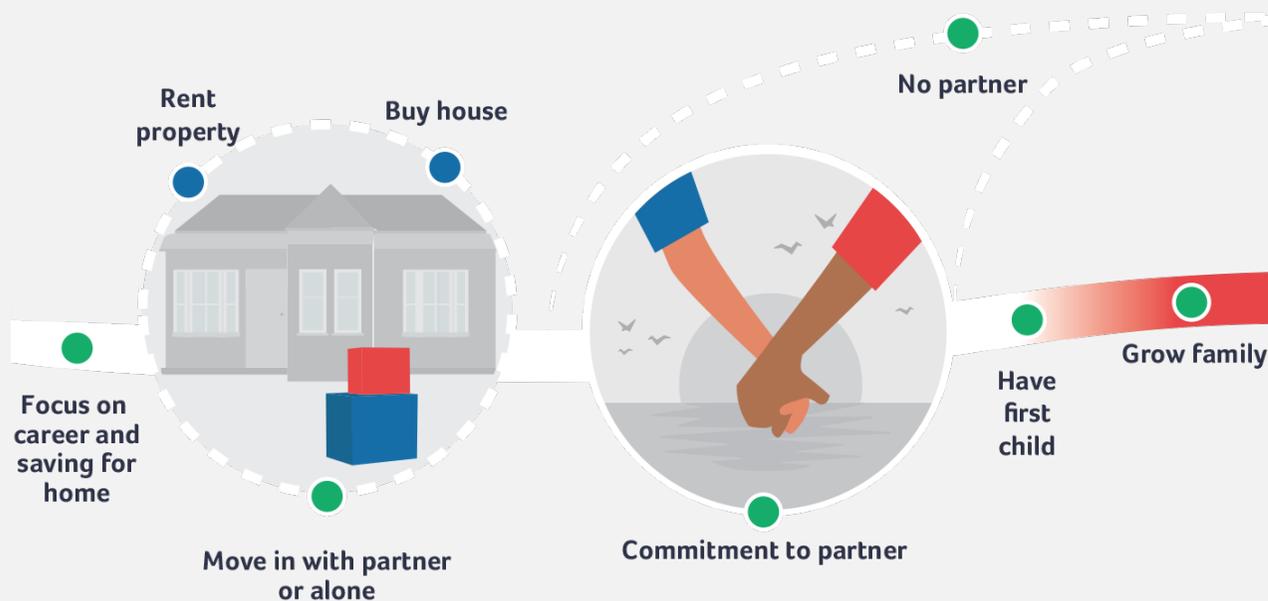
- Studying
- Personal discovery
- Travelling
- Socialising with friends
- Finding a good ‘career’
- Enjoying life.

Challenges

- Balancing social life and work / study
- Earning enough money
- Becoming independent from parent
- Building skills and confidence to apply for jobs.

Early Adulthood: Starting to think about the long term – moving into their first home and taking on greater responsibility

Common Life Transition #2: Early Adulthood



Mindset

"It's tough taking on extra responsibility at home and work. I never realised how many things there are to balance in life and pay for. I work hard for my money to set myself up for a better future..."

Priorities

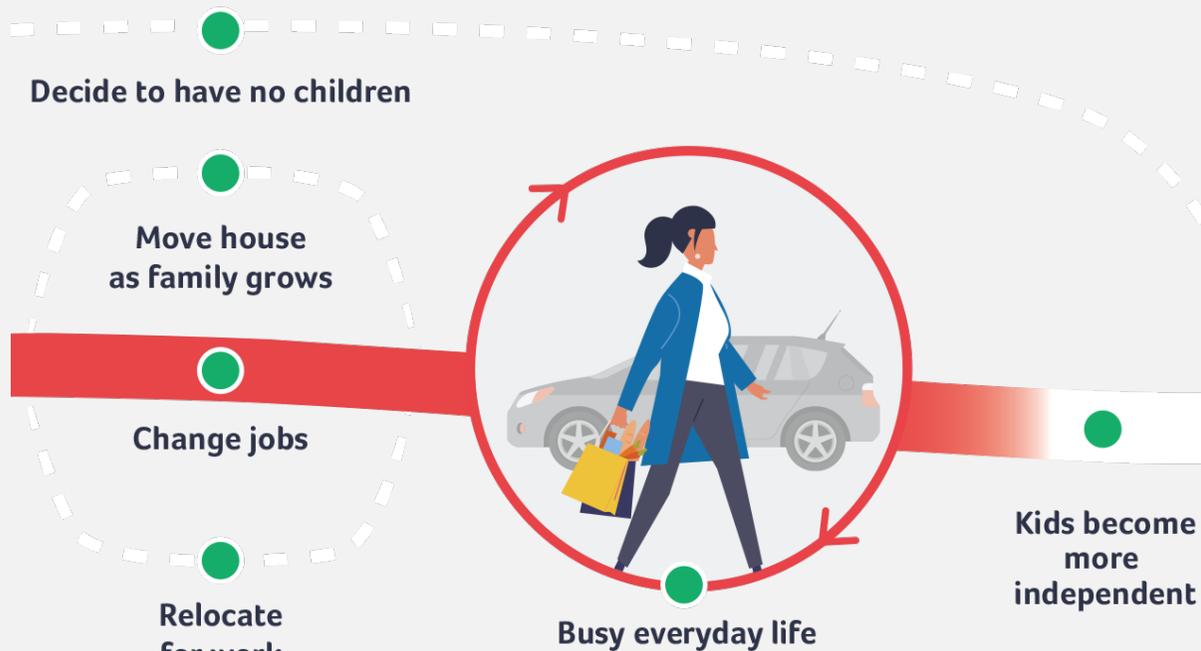
- Building a career
- Focusing on close relationships
- Experiencing life before settling down
- Saving money for large expenses
- Starting a family.

Challenges

- Taking on more responsibilities in life
- Paying bills
- Balancing work and life
- Progressing in jobs (roles and financially).

Midlife: Finances and life became more stressful. For those with a family, children became the priority

Common Life Transition #3: Midlife



Mindset

“My life has become about my kids. I’ve hit pause on myself and that’s OK, but my day-to-day priority is setting them up for a good future.”

Priorities

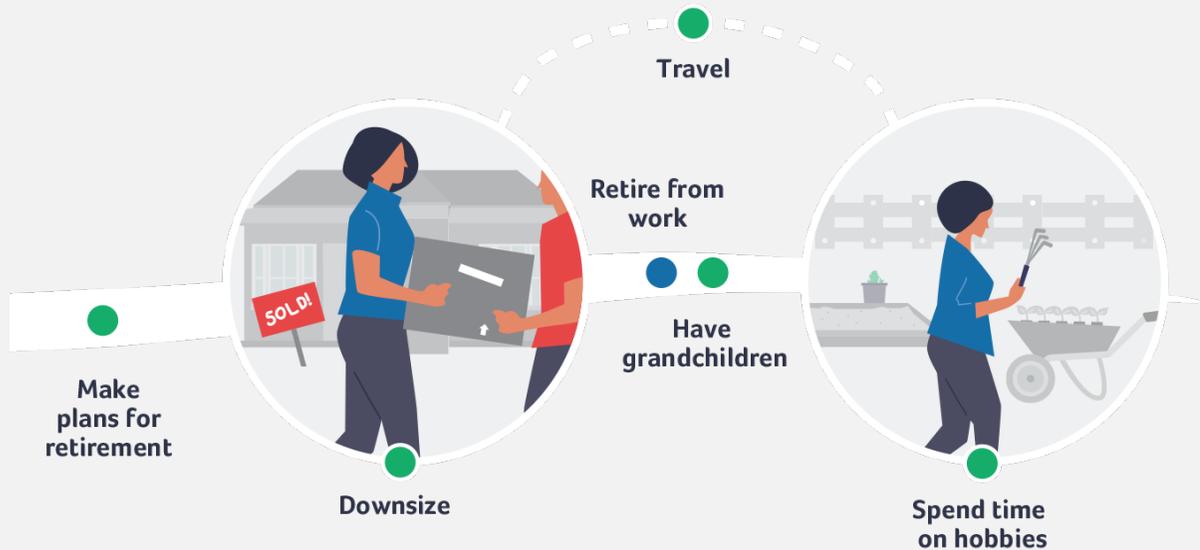
- Ensuring kids were happy and healthy (for those with kids)
- Live a comfortable life (for those without kids)
- Earning a good income
- Paying off the mortgage
- Thinking about next life phase.

Challenges

- Managing household and family expenses
- Managing the household
- Finding time for themselves
- Controlling children’s behaviour (including for energy use).

Mature: Household consumers at this stage had time to think about themselves, and prioritised their health and lifestyle

Common Life Transition #4: Mature



Mindset

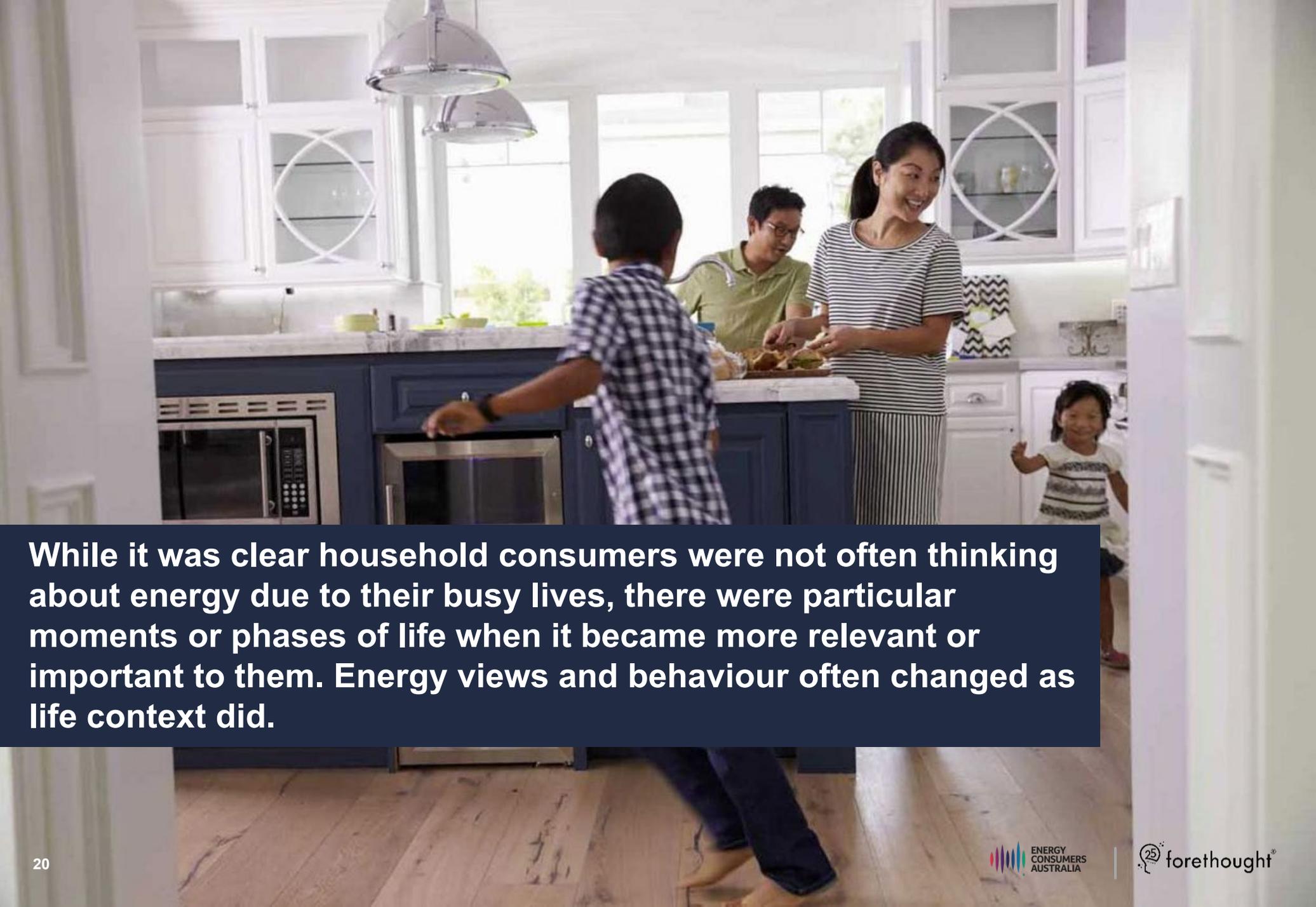
“I have more time to focus on myself and want to find things I enjoy. I’ve spent my life working hard, but with an income stopping, I need to manage my spending.”

Priorities

- Being mortgage / debt free
- Being able to stop working
- Enjoying hobbies
- Spending quality time with children and grandchildren
- Managing money and working to a budget.

Challenges

- Being financially secure
- Being concerned about health
- Being lonely
- Managing expenses with limited money.



While it was clear household consumers were not often thinking about energy due to their busy lives, there were particular moments or phases of life when it became more relevant or important to them. Energy views and behaviour often changed as life context did.

The changing role of energy across life stages

Role of energy: Leaving the Nest

Consumers were typically not paying for energy which led to minimal awareness and engagement

- Those in a sharehouse paid but the 'sharing' factor reduced attention paid and encouraged 'free riding'
- Most likely to care for the environment, but weren't acting on it due to other life priorities taking over (e.g. enjoyment) and not knowing how to act

Typical energy usage

Sporadic usage based on changing work, study and social schedules, high mobile and internet usage, including TV and streaming.



Role of energy: Midlife

Increasing energy usage and children became a barrier to energy management

- Energy became one of many bills and there was little time to consider options
- Higher use with family meant higher financial stress
- Difficulty controlling children's energy usage
- Higher consciousness of the relationship between usage and cost
- Greater need to manage usage

Typical energy usage

TV and streaming at night time, children using multiple devices, heating and cooling on (particularly for kids), cleaning appliances regularly, high frequency of use of kitchen appliances, swimming pool pumps for some families.



Role of energy: Early Adulthood

Consumers had a sudden need to think about energy when they had moved out of the family home or share houses

- Cost begins to hit when buying a house and having children
- Commonly the first interaction with a retailer when buying a house or getting bill shock, and it was often negative (confusing, lack of information).

Typical energy usage

Night-time usage was common, TV and streaming to wind down, cooking morning and night, cleaning appliances more frequent – weekends popular for workers, keeping babies / young family warm or cool.



Role of energy: Mature

Consumers had more time to think about energy and how to save...

- Domestic energy usage habits were well-established by this point
- More time to change behaviour and look for ways to save on usage
- Limited pension / super became a concern; they started to compromise comfort to save money
- Typically owned a house so more options to go off the grid if desired

Typical energy usage

TV and streaming throughout the day, kitchen appliances all day, computers and phones to pass time (e.g. playing games), cleaning when needed – more likely to do in the day than night, increased usage when family come to visit.





It has been seen that there were similarities with household consumers throughout life, but this was often when consumers were on a more common and planned life journey. We observed that this wasn't the case for everyone – there were moments when life events changed the course in a way.

Case studies of Consumers with less common life trajectories



Meet Johann.

Johann had been diagnosed with medical conditions which made him susceptible to heat and severely limited his ability to live a normal lifestyle. It predominantly impacted his ability to work, and he was looking for a job which accommodated his ailments.

How did this impact his attitudes and behaviour towards energy?

Being susceptible to heat, Johann required constant moderation of his body temperature, and did so by keeping the air conditioner running most days of the year. This, in addition to his struggle to find continuing work meant that Johann was aware of his high energy consumption, but didn't feel there was much he could do about it. He tried to minimise his use of the air conditioner by opening windows or closing the blinds to regulate the temperature.



Meet Jennifer.

After building a family with three children, Jennifer ended up getting a divorce, leaving her as a single parent of three children. Having to pay rent and raise three children proved a significant challenge for Jennifer.

How did this impact her attitudes and behaviour towards energy?

The financial burden of children was felt for most parents, but caring for three children put a significant strain on Jennifer. Despite constantly juggling her priorities, convenience became critical and using appliances, such as the dryer and dishwasher, to save herself time was more important than the impact on both the environment and her bills. She was aware of her high usage but had too much on her plate to sacrifice convenience.

In the peaks and troughs and chaos of life, energy was seen as a box that had to be ticked. However, there is opportunity to make a change.

Household consumers:





There is opportunity for the sector to help overcome this and together facilitate change with households.

There was an overarching agreement amongst household consumers that energy can and should be better...

INTRODUCING THE...

THE CONSUMER VISION OF THE FUTURE

A ZOOMED OUT VIEW:

THE CONSUMER VISION OF THE FUTURE

Consumers had fear and anxiety about what the future could look like...

Concerns about the way the world was heading highlights the opportunity to engage consumers in change...





What do consumers see happening in the future?

- Increased temperature
- Destroyed forests
- Pollution



- Greater density living
- Smaller houses
- Busy roads and transport
- High cost of living and lack of affordable housing



- Automated everything
- Electric and driverless cars
- Artificial Intelligence
- Less human interaction
- New big businesses

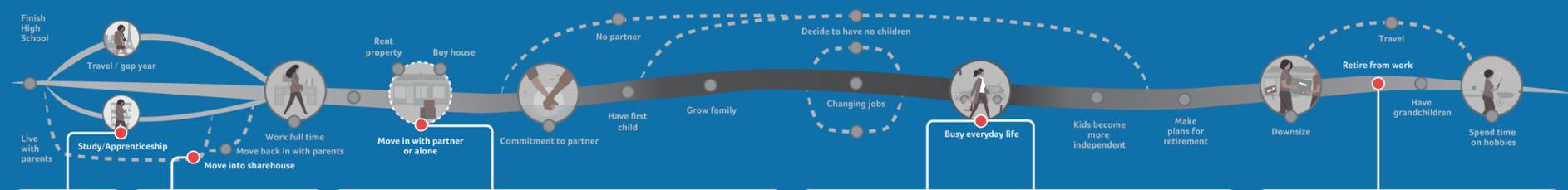
WHAT DOES A BETTER ENERGY FUTURE LOOK LIKE?

The Energy sector can play a significant part in making the consumers' future world better....

The consumer vision of a better energy future consisted of five elements:

- Affordable**
- Simple**
- Easy to manage**
- Clean**
- Inclusive**

These were consistent across life stages and experiences, and provide a universal goal for the energy sector. There are also more specific examples and opportunities to link initiatives to life context...



- Information on and options to participate in energy and climate change initiatives while I am at university / TAFE.

- I want ways to split bills in a share house so it's not all my responsibility when my name is on the bill (e.g. a platform or shared bills).
- I don't want to be limited by inefficient appliances simply because I am a renter.

- To know how efficient a property is when buying and what can be done to improve it (e.g. options for solar, information on appliances).
- It would be helpful to have more information than the energy star rating when shopping for appliances (e.g. what does the energy star rating mean in dollars?).

- I want energy providers to have cheaper plans.
- I want to be able to easily understand my bill and compare plans across companies.
- I want to be able to choose sustainable sources of energy at a cheaper price.

- I wish my kids were more aware of their usage so they wouldn't be as wasteful with how they use energy at home.
- I want to be able to monitor my energy usage in real-time so I know how much I'm spending and can change behaviour before the bill comes.

- I like the idea of technology in my home to automate turning things on and off to save energy and money.
- I want to understand how I can impact my bill by changing how I use energy. For example, by understanding which appliances are driving up cost.

- I want cheaper energy plans – retirees shouldn't have to pay the same as everyone else since we have a limited income.
- I'm not as confident as young kids with technology, so I'd like someone to explain energy to me in simple terms, so I can reduce waste and save money.





What does a better energy future look like across life stages and circumstances?



Affordable

Consumers disliked rising energy prices and felt they were being overcharged by energy companies. Lower prices was a key desire and fundamental to a better energy future.



Simple

Energy bills and plans consistently confused and overwhelmed consumers, who struggled to understand the breakdown of costs and found comparing providers near impossible. A better future meant simplified, more comprehensible information. This extended to the source of energy and what options exist.



Easy to manage

Apps, real-time information and smart homes were examples of technology to assist energy management, which would improve the lives of individuals into the future. This did not mean technology that took control of everything, but gave consumers options and automated energy saving behavior.



Clean

An overwhelming number of consumers believed that renewables were the future, and wanted Australia to be a country that moved towards a smaller carbon footprint.

The ideal future involved adoption of more sustainable energy sources and an eventual shift to renewables.



Inclusive

Most consumers felt they didn't know much about the energy sector, and felt powerless. Further, some consumers wanted to have a say regarding the future of energy but felt they didn't have an information base to do so. Empowering consumers through information and a platform to have a say if desired, was seen to contribute to a better future.

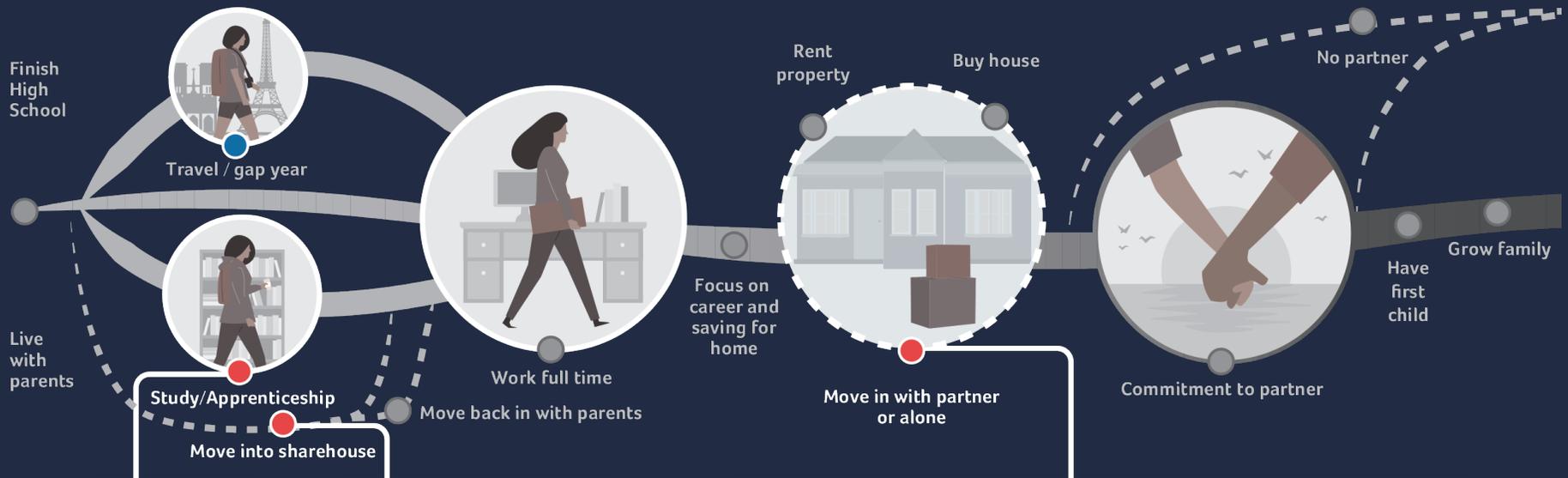
More service related, but have a direct impact on everyday life

Bigger picture and have an impact on community

**In line with the five elements of better,
household consumers had ideas around
what better looked like across different
moments and transitions in life...**

Energy opportunity milestones and example initiatives:

Common Life Transitions #1 and #2



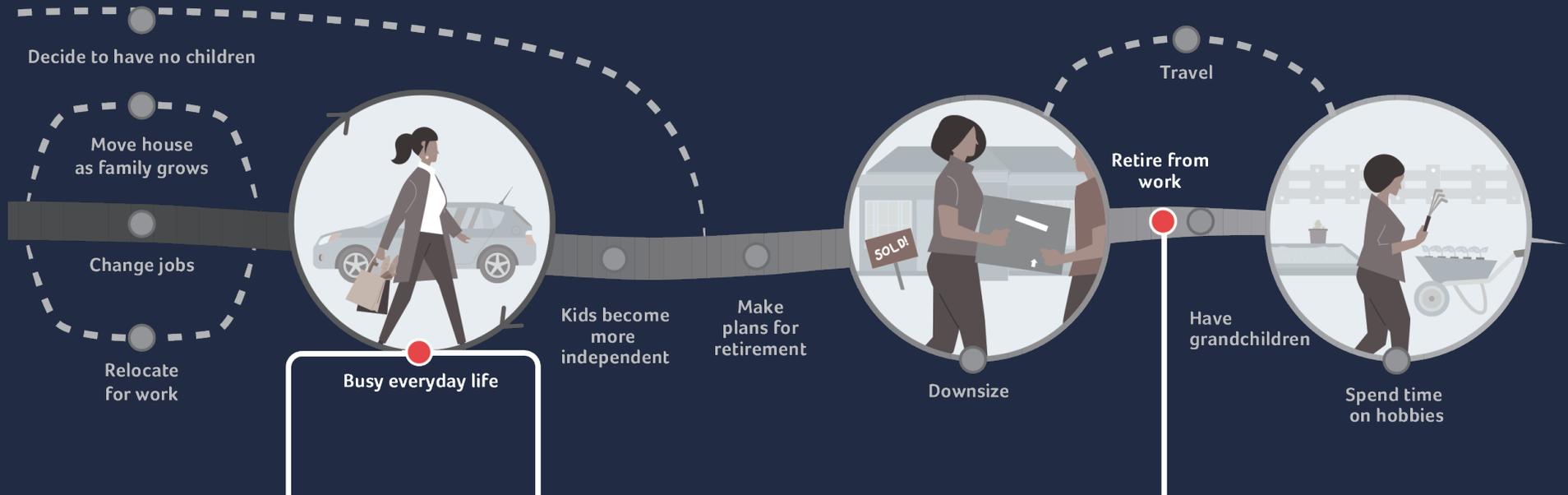
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- I want energy providers to have cheaper plans.
- I want to be able to easily understand by bill and compare plans across companies.
- I want to be able to choose sustainable sources of energy at a cheaper price.

Energy opportunity milestones and example initiatives:

Common Life Transitions #3 and #4



- I wish my kids were more aware of their usage so they wouldn't be as wasteful with how they use energy at home.
- I want to be able to monitor my energy usage in real-time so I know how much I'm spending and can change behavior before the bill comes.

- I like the idea of technology in my home to automate turning things on and off to save energy and money
- I want to understand how I can impact my bill by changing how I use energy. For example, by understanding which appliances are driving up cost

- I want cheaper energy plans – retirees shouldn't have to pay the same as everyone else since we have a limited income.
- I'm not as confident as young kids with technology, so I'd like someone to explain energy to me in simple terms, so I can reduce waste and save money.

How do households think we get to *better*?

The ideal future was a considerable shift from the current state and household consumers looked to Government as key to enacting tangible change.

Specifically, households were looking to Government for a long-term plan, with action starting immediately.



In their words...

Government

I think government policy plays a very important role and it should be governed by the federal government. I would like to see the same rules and regulations Australia wide, rather than state by state.

- 64, Mature, QLD

Hopefully the government will drive change. Pretty much just forcing the industry to say, "look you know about renewables so you better start using them. We'll give you a tax break or an incentive to go and do that."

- 44, Midlife, SA

The government need to set out a long term sustainable energy plan that we can use and trust. As a government, they need to be looking out for us first: making sure that there is going to be enough electricity moving forward and that there is the means to make electricity in sustainable and renewable ways.

- 31, Early Adulthood, NSW

The government is responsible for making energy better, and it's been part of the conversation from what I recall.

- 52, Midlife, VIC

The federal government is in charge of making a better energy future for Australia because they are in charge of running the country. I expect them to make policy decisions regarding energy that will affect our future. My hope is that they go towards a sustainable energy future for Australia and that they put the policies in place to do that.

- 27, Leaving the Nest, NT

I think that the government have to get behind it. It is whatever they promote and push forward that will decide what everyone else gets behind. As much as we all say we get a vote about energy, I think the buck still stops with the government. They need to be the one to drive a change.

- 27, Early Adulthood, QLD

We all need to do it together, everyone is responsible. I also believe that the government could come together, like a big think tank, in order to get everyone's say so we have alignment. They have the biggest responsibility.

- 34, Early Adulthood, TAS

Household consumers also believed that energy companies had a role to play, particularly regarding more clarity and transparency.



In their words...

Energy companies

I think retailers are responsible. I would want transparency from them by providing understandable pricing rules for the end consumer. I would look at each company's individual messaging and see the reasons behind their messaging.

- 26, Leaving the Nest, TAS

Retailers need to make sure they are honest and upfront. They need to be transparent with prices and stop bullsh**ting people. The Telco's have had to be more transparent and it has made for a better Telco experience for everyone. Energy providers need to follow suit so that people can compare apples with apples.

- 31, Early Adulthood, NSW

If energy companies were a little more open and transparent with the people - it would be easier to make a decision on who I'm going to use for power to save more money. Energy companies are making it harder for people to make a decision.

- 62, Mature, SA

Transparency is one of the big things that need to change. When I went to leave my provider, they offered me 60% off, and I wondered why it wasn't offered to me before. I don't think they're very clear about putting out the best deal.

- 28, Early Adulthood, VIC

A better relation with [my energy company] would be for them to be competitive with other companies in the market, rather than charging whatever they feel like charging me. I find it very convoluted and it is really hard to understand what the best deal is because they confuse you with usage rates and other things on purpose. They need to be more transparent and do a proper breakdown.

- 54, Midlife, VIC

A better relationship with my provider involves more transparency.

- 40, Midlife, QLD

There was expectation on Government and Energy companies to drive change, but a lack of trust currently existed. This highlights a need to restore trust, to achieve a better future.

Government

Household consumers believed that past behaviour demonstrated a short-term focus, despite a longer-term focus desperately being needed.

Energy companies

There was a perception that energy companies were purely revenue driven, leading to a lack of faith in energy companies being able to put consumers first and make significant changes for the better.



Lack of trust

Consumers did believe they also had a role to play...

There were two common positions that consumers took in describing their role in the change:

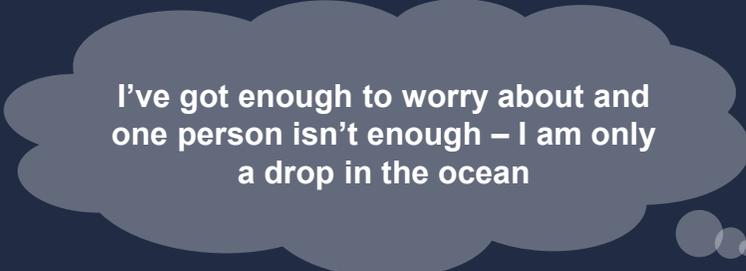
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We want a say



I'm interested in participating in the change, I'm just not sure how to go about it

But there was a group who believed that households had a significant role to play. This included voicing their opinions to make policymakers aware of their needs and desires and adapting behaviour themselves. However, most were unsure how to make change happen.



I've got enough to worry about and one person isn't enough – I am only a drop in the ocean

2

Busy managing life priorities

A group of household consumers **did not currently believe they had a role to play** beyond being 'mindful' and not 'wasteful' of their own energy consumption.

They felt they either didn't know enough to make decisions, or were focused on navigating their busy lives.

Bringing it together

Implications for the sector

There is opportunity to utilise all of the household thoughts and feedback about their expectations for a better energy future, to develop a framework that the sector can use to inform and guide future decision-making....



Detailed Report



The Consumer Life Journey

Understanding consumers and the role of energy in life

Introduction

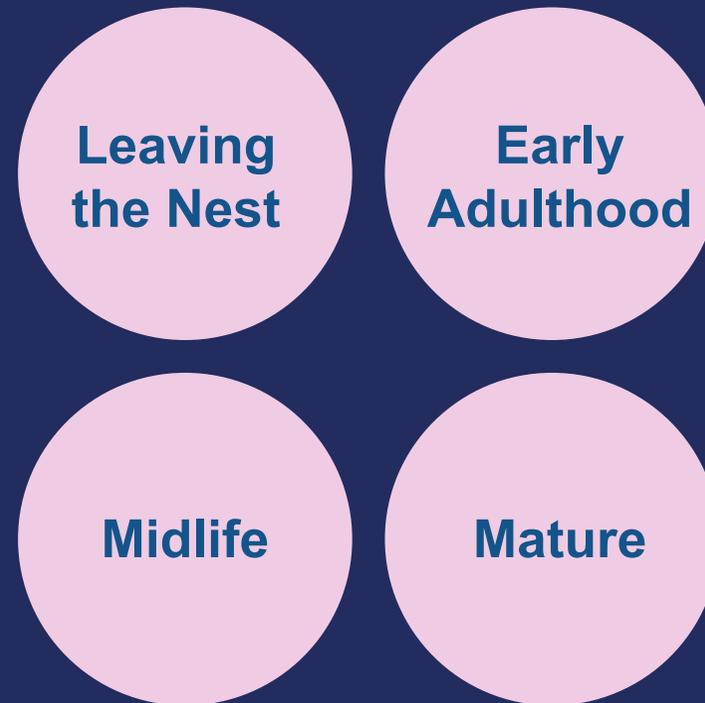
As consumers, we all come in different shapes and sizes and lead unique lives, with varying experiences, challenges, values, beliefs and priorities.

This research has been conducted to not only understand these differences but importantly, to **extract commonalities** and bring a **unified, consumer perspective** to the energy conversation.

The following report will take you through the journey of life and **most common pathways** individuals take, across four broad transitions / stages of life.

Throughout each section, the stories of consumers who swayed off the 'typical' pathway are shared, as life 'disruptors' such as health or work issues, often caused a significant impact on life priorities and consequently attitudes and behaviour towards energy.

We spoke to consumers across the following life stage groupings, with a mix of consumers within these....



Leaving the Nest

Who were Leaving the Nesters?

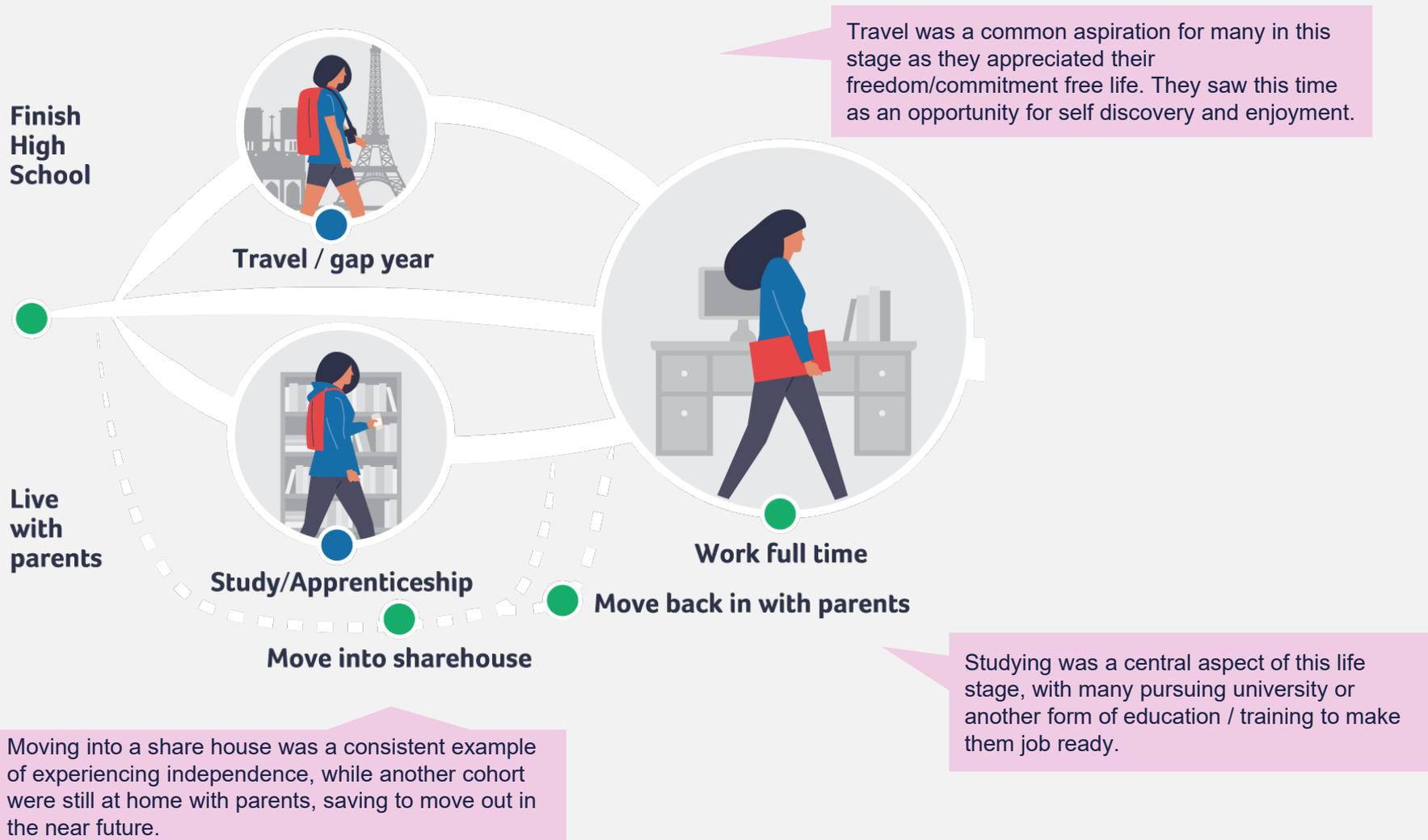
Ranging from individuals who are fresh out of school, to those finishing university studies and early in their working career.

There was a mixed spread of consumers who had recently moved out of home in the last few years and those living at home with parents.

These consumers were just beginning their adult life and starting to make decisions that would set the trajectory of their life.



Overview of the *Leaving the Nest* Life Journey...



Most consumers in an early life stage were balancing studies and part-time work, with a healthy amount of ‘free’ time in the week

“

I’m finding who I am and exploring myself and my passions at university.

- 21, *Leaving the Nest, Green, NSW*

”

Common life experiences



Consumers commonly considered the first ‘adult’ part of their life as when they finished high school. From here, it was a time to make big life decisions such as whether to study and in what field.



Not everyone chose the option of study, with others working part or full-time in fields that did not require any further education. For some, this was a choice, for others, there was a need to work due to family or individual responsibilities. For most, there were minimal commitments in life at this point.



A key point of difference for those in this early life stage was where they were living. Whether they had moved out of home or were still living with parents often dictated their lifestyle and level of responsibility. There was often greater pressure on those out of home, where they’d recently experienced a shift in financial situation and were independent from their parents.



Travel was common at this point and many cited travel as one of their priorities. These consumers had an aspiration to see the world, be with friends and make the most of their low commitment lifestyle.

Life at this point was about the short-term, with consumers focused on getting through studies, socialising, and enjoying life

“

Money [is a challenge], because it just goes up and down too much...I think money has been the biggest struggle, but everything else has been pretty smooth actually.

- 28, *Leaving the Nest, Green, TAS*

”

Priorities in life

At this point in their lives, consumers were driven by short-term desires and prioritised themselves and their preferred lifestyle. A key priority for those who were studying was **completing their qualification**.

Earning money was important to enable life experiences such as socialising, travelling, and buying goods that contributed to a fun and full lifestyle. As such, having a job, even if only part-time was a priority.

Consequently, **finding a balance of work, study, and fun** was key, which meant they often worked enough to facilitate their lifestyle, but not so much that they didn't have time to actually 'live' it.

Challenges

One of the few challenges at this stage was starting to become **financially independent**, and for those living out of home, starting to pay for bills and other expenses. In the absence of full-time work, an unstable income meant it was harder to manage unexpected or larger expenses.

Maintaining balance in life was another area which was challenging, particularly with the change from high school to university/TAFE with self-driven education.

Overall, these consumers were **largely carefree**, embracing the challenges that came with greater independence, by focusing on the benefits and freedom it brought.

Energy was rarely thought about, primarily due to a lack of sole financial accountability for bills.

Those *Leaving the Nest* were often unphased by the cost of energy bills due to commonly splitting the bill amongst a household, or not paying at all if living with parents.

Those who had their name on the bill in a share house situation were more conscious, but relative to other points in life, energy was not top-of-mind.

“

I guess living with my parents I was fortunate that I didn't have to pay for anything and I wasn't concerned about consuming energy at all. Then it was the same for when I was living in uni student accommodation, as power was included, regardless how much you used. I had really long showers and run the heater just because. I wouldn't do anything to try and control my consumption.

- 26, *Leaving the Nest, Green, TAS*

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The Role of Energy in Life

- Low awareness and consciousness due to lack of financial accountability.
- More conscious of the environment than energy specifically, due to media, education and political landscape.

Attitudes and Perceptions of Energy in General

Environmentally conscious, but not necessarily taking action

Leaving the Nesters were particularly conscious about the environment and many were concerned with climate issues. This was predominately due to what they had heard and learnt at school, university or via media/social media outlets. However, commonly living at home, or in share houses meant that they were either not paying for energy, or were splitting the bill between peers. This led to higher ignorance (and a lack of care) as to the cost of energy. Being less accountable for bills led to other priorities to take place, such as living in comfort and not needing to change behaviour.

Consumption Behaviour

High dependency on energy due to home-based lifestyle

Consumers were predominately using energy for leisure, with more free time enabling them to watch TV and play video games etc. at a high frequency. Computer usage was also high, largely driven by study requirements. Not bound by the structure of full-time work, *Leaving the Nesters* were more inconsistent and sporadic with their consumption.

Management Behaviour

Not managing energy usage and typically disliked compromising in life unless required

Despite a desire to take care of the environment, management of energy largely didn't exist. Those not paying for bills used energy at a whim, due to a desire for comfort. Beyond simple things like turning light switches off, they were not likely to compromise convenience or comfort (e.g. quick to turn on heaters or air-conditioning). There was a cohort more restricted by finances and who felt the squeeze of energy and who would minimise use where possible, but the financial pressure was not often at a level experienced by older consumers. Those living in share houses often felt more free to be wasteful if their housemates were displaying this behaviour, as they did not want to sacrifice comfort if they were paying for a bigger bill regardless (due to high usage by housemates). This group also felt restricted, as they could not significantly change management behaviour due to a lack of ownership of the property (e.g. buy better appliances, consider solar).

Relationship with Retailers

Non-existent or minimal relationships with retailers at this point

Most never had any contact unless their name was on the bill in a renting scenario, and these select individuals predominately saw this as a 'tick box'.



Meet Thomas.

Thomas was completing his final year of university while living in a share house. His priority was managing to find life balance. He wanted to have time to socialise and participate in sport and extracurricular activities around his work and study commitments.

A typical day involved going to the gym first thing in the morning before class or work. On days when he had classes, Thomas worked until lunchtime then went to university. On other days he lived day-to-day, deciding what to do based on how he felt on the day. He used phones and computers all day, and used his computer extensively for his studies.

Thomas was living in a share house and split his bill evenly with his housemates. Before having to pay a fraction of the energy bill, Thomas didn't care or even think about energy. Despite splitting the bill each month now, he still didn't really think about energy, and just made sure he paid his share each month.

How did he manage usage?

Thomas didn't actively manage his usage beyond the basics like turning off appliances once he was finished using them, and this occurred predominantly without conscious thought. Thomas took long showers and ran the heater whenever he felt cold without hesitation; he felt that it was okay to use energy as he pleased since he was contributing to the bill, and because he felt his housemates were doing the same.

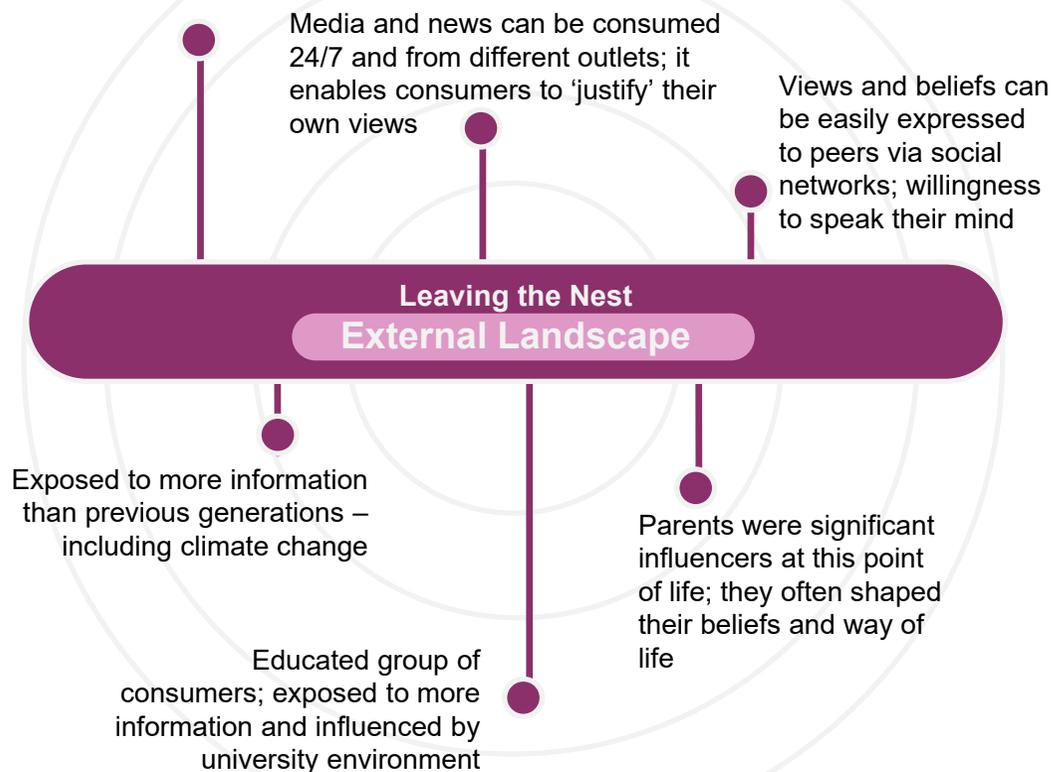
How important was the environment?

The environment, and climate change in particular, was a popular topic at university and on social media. Despite citing the environment as important to him, it did not impact his motivation to manage his usage. This was because he did not feel he was in a position to make changes in his everyday life that would cause a direct impact on the future world.

“ Living in a share house we all just split the bill by the number of people living here. You could minimise your usage, but not everyone in the house is, so you might as well use as much as you want because everyone else is. ”

In terms of external influencers, technology has been a way of life for these consumers. Opinions have largely been formed from education, parents and the internet

These consumers had grown up with technology, which meant they were open to and expected new technology



Societal trends and external factors

This impacts their views on energy....

“ My greatest influencers would have been my parents growing up, but now it would be the news and being aware of the overarching national energy story and climate change. Earlier on it was the way I was raised, everyone’s parents have an impact on how they see the world, but as you grow up you see the world from your own perspective. Also, social media and Facebook has an impact.
- 27, *Leaving the Nest, Green, NT* ”

“ Humans have been making a big impact on the Earth in a negative way, and we have to make a decision to reverse some of the changes. Sort of putting your money where your mouth is.
- 27, *Leaving the Nest, Green, NSW* ”

Despite consumers having common experiences and priorities, things did not always go as planned, even for this younger cohort.

For those who experienced unexpected events, their everyday situation, goals and priorities were significantly impacted.



Meet Stacey.

Stacey's teenage years were interrupted by being kicked out of home when she was just 17. This abrupt change forced her to become emotionally and financially independent. She was fortunate to have support from a friend and their family, but the disruption had a lasting effect on her life.

How did this impact her attitudes and behaviour towards energy?

Having to become financially independent prematurely meant having to work full-time and not being able to study, as most of her friends were doing. As a result, Stacey was more engaged in finances and saving money, actively trying to reduce her bill to save the most money. This made her particularly aware of energy providers, options and billing for someone of her age. Without university, she was not often socialising with people her age and rarely engaged in conversations about energy or climate change. She was predominately forming her views on energy from what she came across in the media.



Meet Zahira.

Zahira had just finished high school when she unexpectedly fell pregnant. She was living with her partner at the time and didn't have a strong relationship with her parents. Only a few months after the birth of her first child at the age of 19, Zahira separated from her partner and became a single mother. This was a time of significant change, and it left her needing to find a new home and a job, having to now provide for herself and her child alone.

How did this impact her attitudes and behaviour towards energy?

Having to live off a single income and provide for a child made Zahira hyper-aware of the cost of living – particularly energy bills. Having a lot of responsibilities on her plate meant she couldn't spend the time to learn and educate herself on how to bring down her bill. She would compromise on 'luxuries' like using the dishwasher, but sometimes the responsibility of being a parent meant she couldn't change too much around the house.

Early Adulthood

Who were Early Adults?

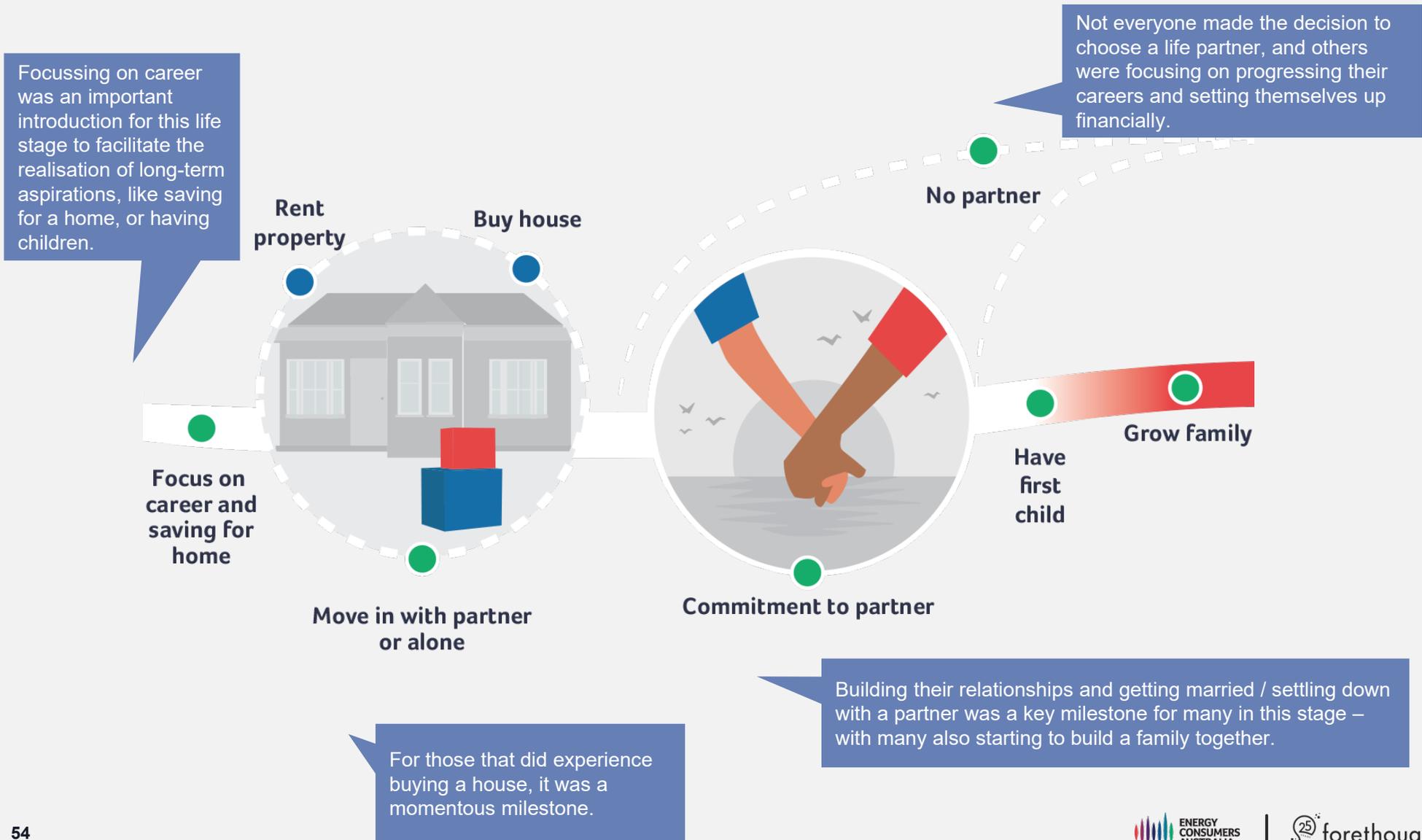
Those who had settled into full-time work but were still early or midway through their career. These individuals were often renting and saving to buy a home in the near future, or had recently bought.

They were living an independent lifestyle, starting to settle into the path they had defined for themselves.

This was a part of life where people started to take different paths and timings, particularly with children and work. As a result, there became a more apparent difference in financial situations. Despite these differences, there were common overarching and shared goals...



Overview of the *Early Adulthood* Life Journey...



Consumers were commonly focused on their career, and/or beginning to create a home and start a family

“ We are looking at either getting a bigger place because we are currently living in a small apartment. We want to upgrade to a place with an extra bedroom and a yard for our future family.
- 31, *Early Adulthood, Amber, NSW* ”

“ I'm trying to see where I can take this job to the next level, even if I have to move interstate or to another company. I think it's important to venture out to new opportunities.
- 26, *Early Adulthood, Green, TAS* ”

Common life experiences



Consumers in this life stage were beginning to enact on life aspirations such as buying a home or starting a family. With most now on a full-time income, the logistics and opportunities in life were starting to open up for them to take advantage of.



Many had either recently purchased their own home, were saving for this as a goal for the near-future or were living in rental properties. Moving out of share houses and/or parents' homes commonly signified entering a more 'mature' and 'adult' life stage.



There were a mix of lifestyles at this point. For many, a family was in the picture and when this occurred, life became about them and it was a significant shift to the daily routine. For others, it was about focussing on advancing their career while they were young or getting stability in an income, to live a more comfortable life in the future.

It was at this life stage when consumers were starting to focus on the long-term.

“

Having a mortgage is hard. Budgeting was a huge one for me and shock reality of actually having to incur all of life expenses when you move out of home.

- 28, *Early Adulthood, Green, NT*

”

“

The first challenge would be actually being able to have kids...So for my partner to fall pregnant or not is obviously going to be a big influence for the next phase of life.

- 29, *Early Adulthood, Green, WA*

”

Priorities in life

This life stage was about setting up for the future – for many, this meant working hard and focussing on their work to ensure financial stability.

Most of those who owned their own home were looking towards settling down with their partners – getting married and having children, as well as ensuring they were providing and supporting their future and/or current family as best as possible.

For both circumstances, **finances were becoming more important** – for ensuring stability and future prosperity, rather than for short-term pleasure. Earning a full-time income made the cost of living more manageable and comfortable. However, the financial burden of having children and managing multiple expenses was evident.

Challenges

In this context, financial independence and stability, as well as time management were cornerstone challenges for this life stage.

Consumers in started to fear not being able to live the future that was planned, in terms of finding a partner, having children or affording a particular lifestyle.

For those that had started to achieve these milestones, balancing work, young children, and other commitments became a core challenge, with many citing the difficulties of securing a future while enjoying the present.

Consumers were beginning to be more reactive to external pressures and expectations, changing their behaviour accordingly

Commonly digital natives and exposed to media and social networks. High expectations of organisations / brands.

Pressure from society to save for a house and have children – ‘typical’ life path. Minority starting to worry about the future and impact of bringing kids into the world.

Early Adulthood External Landscape

Broadly aware of topics such as climate change but not active in the conversation. Have commonly grown up without this being discussed until university / recent working years.

Wearing the brunt of the higher cost of living and lack of housing affordability which has contributed to saving money being key for this group.

Societal trends and external factors

“ Just more conscious, thinking about the impact you’re having, especially since having a child because this will be his world and his children’s world. If we wreck it now there’s not going to be a world.

- 33, *Early Adulthood, Green, SA*

“ I am trying to put away every penny to save for a house. This is the number one factor for me and it is all on me to cut down and save as much money as I can. I have just picked things up from TV along the way and throughout my own experiences in life so far.

- 28, *Early Adulthood, Green, VIC*

Energy became more noticeable at this point in life, as consumers entered a decision-making phase and became more accountable for their own finances...

Consumers who were moving out of home, buying properties and/or having children were made to be more aware of energy, mainly driven by a sudden need to choose a provider and pay bills.

For many, the expense of energy was minimal as their income had increased, however, it became more prominent once usage jumped with the arrival of children. Their busy lifestyles also reduced the interest in finding out more about energy.

There was a portion of consumers who were forced to notice energy and take action due to their low income and a need to manage expenses, even if living on their own or in a child-free household.

“

I think about energy maybe once or twice a week, which is generally when I'm putting clothes into the dryer, so I guess it is a bit of a guilt factor...Managing our energy consumption is not really a focus of ours at the moment, we are just using what we need when we need it, we are not trying to cut down or managing it at all. It is not a priority because we have a few other things going on at the moment.

- 31, *Early Adulthood, Red, QLD*

”

The Role of Energy in Life

- Commonly experience the first interaction with energy retailers but it was not an overly positive one.
- Living a more routine lifestyle compared to when they were younger - Energy became a part of this (move house, choose a provider, pay bills, work and live day-to-day and repeat).

Attitudes and Perceptions of Energy in General

Starting to pay more attention to energy but low on the list of priorities

Energy became noticeable for the first time as consumers became responsible for paying the bills. However, beyond the initial shock, other priorities, such as working hard, socialising and being with family, relegated energy to being just another bill. If children came into the picture, managing expenses became more of a challenge, but due to their young age, it wasn't having a big impact. Additionally, a child's comfort was of top concern and parents weren't willing to compromise or change behaviour around this.

Consumption Behaviour

Generally low consumption and for those without children, they were not home often

Working full-time didn't leave much flexibility for consumption behaviour with consumers using energy predominantly to complete chores (washing, cooking etc.) and to unwind at the end of a day's work (TV, streaming). Consumption was usually relatively low compared to the 'Midlife consumers' due to a mix of small households at this point (i.e. partner, living alone, small child/children) and busy lifestyles.

Management Behaviour

Lifestyle and family dictated management more than conscious decisions

Early Adults' management depended largely on whether they had a family. Those still focussed on their career felt limited in how much they could manage given they were largely out of the house and too busy to invest time into educating themselves or changing behaviour. Once these consumers began to have children, ensuring they were comfortable was important and they, therefore, felt they could not 'manage' energy as much, despite it being a time they needed to focus more on saving money.

Relationship with Retailers

The confusion and lack of engagement begins...

Most users were largely apathetic towards retailers (particularly those in monopolistic markets). They commonly desired lower prices but were very rarely engaged with the retailer and preferred less contact. Moving house/location that was the most common touchpoint that made consumers think energy. This was when confusion commonly kicked in around prices and plans, causing them to disengage from that point onwards.



Meet Carrie.

After moving out of her family home, then spending a number of years travelling, studying, and living in different share houses with different people, Carrie finally settled into her own family home with her partner, just after the birth of their first child, Zach.

Zach is now 4 years old and a typical day involved looking after Zach – getting him ready for pre-school and picking him up in the afternoon – as well working part-time as a nurse. Her priorities were raising her first child, and trying to plan the next stage of her life, which involved either renovating her house to accommodate the desire for a growing family, or moving house.

Carrie had lived a life where energy had not been top-of-mind. She only thought about it once in a blue moon, such as when discussing splitting bills in her share house. As life progressed, her household income increased and it was simply a box that she ticked. However, after buying a home and having a child, Carrie's energy consumption increased. Despite being conscious of her spending, her child's comfort took precedence over the cost of energy use.

How did she manage usage?

Energy management wasn't a high priority for Carrie. While she didn't like to be wasteful and turned off lights and appliances when they were not being used, she did not go out of her way to actively reduce or monitor her consumption. Making her young child feel comfortable was her top priority, and she didn't think twice in using the heater or air-conditioner to achieve this. Further, having her hands full with juggling work and caring for her family, Carrie was fine with using the dryer for the sheer convenience, even if not necessary.

How important was the environment?

Since the birth of her first child, Carrie had been more aware of the impact of energy consumption on the environment. While not proactively reducing her use, she was more conscious of the environment, and feels as though the media and news outlets have contributed to this awareness.

“ I was always worried that using the air conditioner would cost too much, but I have relaxed in the last couple of years since having a child because I want him to be comfortable. ”

As life progressed, there were often more consumers who experienced life ‘disruptors’ and challenges. Lofty aspirations for future finances and pre-set life plans were set off course when priorities had to shift unexpectedly.



Meet Ash.

Ash found herself in an abusive relationship and had to separate from her partner for her wellbeing. This change brought significant hardship and had a large impact on the trajectory of her life. Ash had to find a new place to live and struggled to find employment for a period of time.

How did this impact her attitudes and behaviour towards energy?

Her focus during this time was living day-to-day to secure herself financially. Actively minimising her bills was critically important in getting her life back, so she did attempt to compromise comfort and convenience to minimise usage. Beyond this, she had so much going on in her life that processing information about energy was not something she wanted to or could physically do.



Meet Edward.

Edward was diagnosed with a number of medical conditions soon after becoming a father. The fallout from his diagnosis derailed his career and forced him into survival mode until he could get everything back on track. The scare of falling ill and having to put his life on hold meant that Edward had his priorities shaken up. Having the financial setback reset Edward's goals – for example, he could no longer purchase the investment property he had planned.

How did this impact his attitudes and behaviour towards energy?

Given Edward's illness, his comfort in the home, which was where he spent a lot of his time, was of top priority. He had good savings, so wasn't stressed by energy bills and in the scheme of what was happening, energy was not a common thought.

Midlife

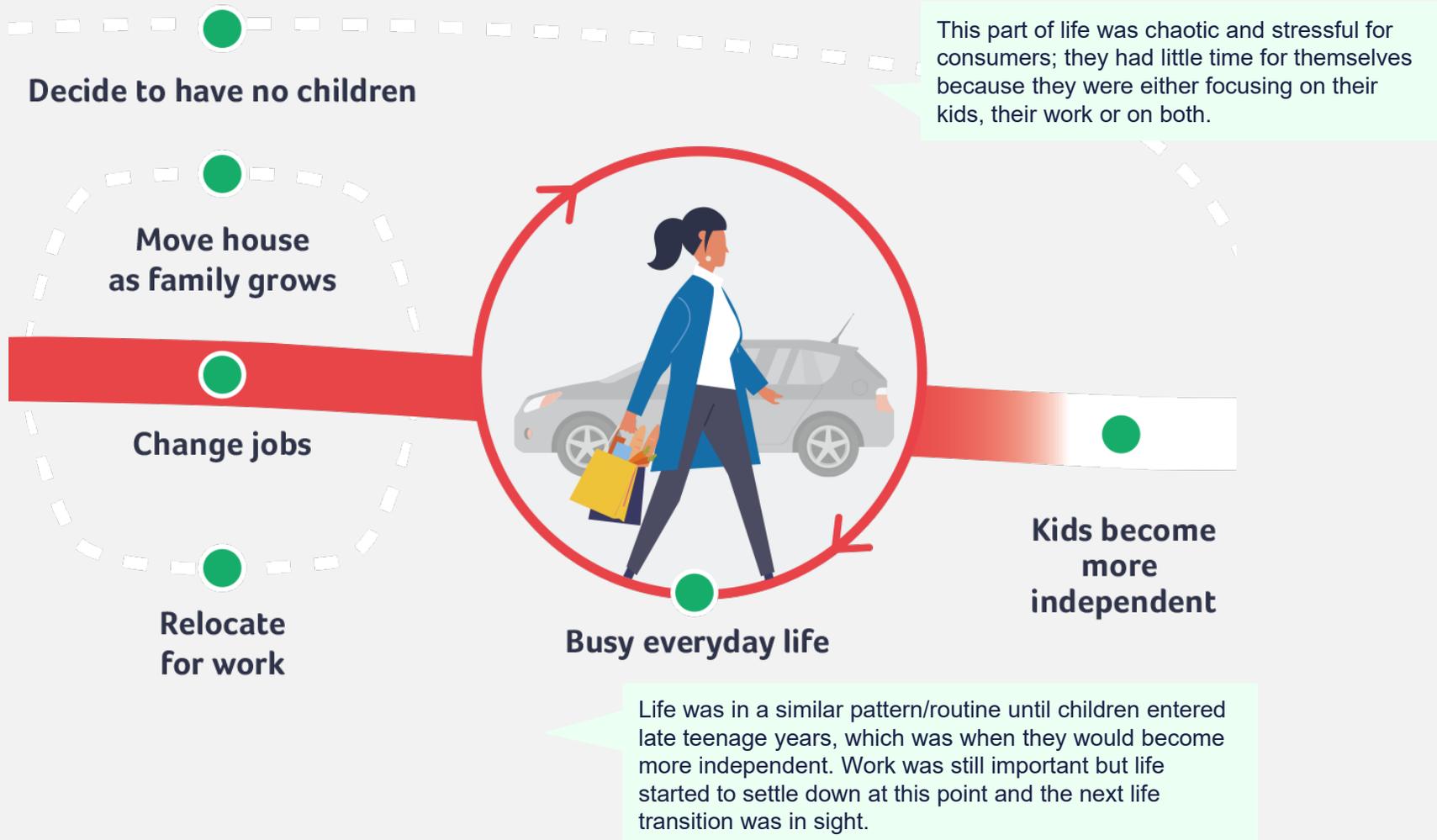
Who were Midlife consumers?

A long period of time in life could be categorised as 'midlife' and for many, it was about raising children and/or working hard.

Running a household was a large part of these individuals' day-to-day and there was not much time left for themselves. Many referred to life for themselves as being 'put on hold', until their children reached late teenage years and started to become more independent.



Overview of the *Midlife Journey*...



Many consumers had children and life at this point became about them. Time was spent running a household and working hard.

“

I have to wake everyone up. We're running around organising lunches and all that sort of stuff - getting bags ready. Then we're in the car, I drop my son and daughter to school, then I go to work. Then I'm at work until 3 - 4 pm and it all starts again.

- 48, *Midlife*, Amber, VIC

”

“

While my 13 year old gets ready, I help the 10 year old get ready. I drop them off at school on the way to work. While returning, the youngest one does lots of sports such as cheerleading, so dropping her off to training, coming home, cooking dinner and then starting all over again for the next day.

- 46, *Midlife*, Green, NSW

”

Common life experiences



When children were in the picture, they became the focal point and life experiences hinged on them and their upbringing.



Working and giving time to family was what life commonly consisted of. Socialising with friends and partying was no longer a key part of their lives; parties were converted to family get-togethers with kids.



Days at this stage were usually highly routine and focused on getting children ready, going to work, taking children to extracurricular activities, cooking, cleaning and not winding down until late at night. When two parents were involved, it was about sharing duties as much as possible.



In this sense, finding time for oneself and devoting the same to casual activities became a challenge.

Consumers were committed towards the well being of their children and making enough money to build a safe future for them...

“ I think my biggest priority and the biggest challenge throughout my life are one of the same. Making sure that my children are happy and they have everything they need. Once again making sure all the bills are paid.
- 52, Midlife, Green, NSW ”

“ Getting that balance is really important; work and personal life. I work full-time, it's a very stable position. I'm more focused on making sure we get the bills paid and get the proper nutrition on the table. While at the same time not going insane. That's been the priority, it all revolves around the kids really.
- 40, Midlife, Amber, SA ”

Priorities in life

Midlife consumers with children **prioritised their kids and their needs over everything else**. It was about ensuring they were happy and healthy, and that they could experience a good education and balanced lifestyle.

Money and work at this point in time, was seen as an enabler to sufficiency and to sustain a healthy and comfortable lifestyle. The core priority was an ability to pay bills and manage the day-to-day expenses (household expenses such as cars, petrol, food, school and extracurricular activities).

The future was still important, and consumers were trying to also save for their kids, even if times were tough in current life.

Challenges

Earning money was equally important along with taking care of kids. This was one of the core challenges experienced by consumers at this life stage.

Having enough time in the day to go to work and manage the household was also difficult. If there were two people in the relationship, this was often managed together, either doing part-time work, changing hours and adopting flexible work arrangements such as working from home.

Energy was more top-of-mind at this point of life, particularly for those who were running a household and incurring many expenses

Energy was an essential part of these consumers day-to-day running of the household. They wanted to reduce their energy usage and bills, as life was expensive, but time and children were a barrier to this. While the environment was something they thought about, bringing down cost was an overwhelming motivator to try and manage energy consumption.

With growing needs and rising costs, it was a constant juggle between comfort and convenience and saving money.

“

Now, I see myself turning into my own parents. I remember my parents yelling at me when I was a teenager and saying things like "you don't need to be in the shower that long, turn off the light, shut that door." I do this to my kids now and it is not until you are accountable for paying the energy bills and seeing your own money leave the bank account that you realise the importance of conserving energy to some extent.
- 54, *Midlife, Red, TAS*

”

The Role of Energy in Life

- Energy becomes important with higher bills to suffice the needs of a growing family
- Though they are aware of the high usage, they feel less in control to manage it well

Attitudes and Perceptions of Energy in General

Limited trust in the sector driven by frustration around rising prices and lack of affordability

This group of consumers have commonly started to care about energy more than when they were younger. This was for a range of factors, predominately the increased cost of living they have experienced, and conversation in the external environment putting a spotlight on the sector to reduce bills. Saving money was of top priority to them, and they had little trust in the current sector. They cared for the environment and felt responsible for what they shall pass on to the coming generations, but were not taking action due to other life priorities.

Consumption Behaviour

High users of energy, owing to family needs

With a family and kids, having specific energy needs eventually led to high consumption. Kids turning on TVs, using laptops, phones, electric equipment like guitars etc. There was commonly multiple people in different rooms using more energy with no or little room to reduce the high consumption. Kids being home after school, on weekends and always in the house was also driving up usage.

Management Behaviour

Little or no room to control or manage energy primarily due to kids

Consumers were conscious of their high usage, however they felt they could do little to control it, as the daily routine had to happen and children would not change their behaviour. This was a key challenge for those with children, particularly at high school age. They therefore did basic things to optimise energy usage, such as turn off lights and switches and buy energy-efficient appliances, but felt helpless to change behaviour in a way that would impact their bills. Those who were more stretched financially had demonstrated behaviour such as getting timers for appliances, optimising off-peak timing and seeking advice offered via their retailer. This was not an easy feat and they still felt the high cost of energy bills.

Relationship with Retailers

Busy life taking over as the priority

With a busy life, engagement with retailers was predominately limited to bill payments or problems. Changing providers was perceived as a hindrance to the convenience of the family unless a trigger occurred such as moving houses. A portion did take out time to look for better options and had made this part of their routine every year or so (more so for consumers from Red and Amber segments).



Meet Lorena.

Lorena was a mother of two children (12 and 15 years). She lived in a three-bedroom house with her husband and had a large mortgage attached to it. She worked part-time three days a week as a business development assistant and two days casually – she often worked from home to help juggle life commitments.

A typical day involved waking up, making breakfast, getting the kids ready for school and dropping them off at school. She worked from 9am to 4:30 pm and then picked up the kids, came home, made dinner, and made sure they were doing their homework and getting ready for bed. She watched a little TV with her husband, did the tidying up, dishes, laundry and went to bed around 10pm.

She believed that her family was completely dependent on the electricity to live. Since she had kids, energy consumption had gone up due to the increased washing, and use of heating and cooling to keep them comfortable.

How did she manage usage?

She thought about managing usage a lot and did the little things like turning the heating or cooling off when the kids opened the windows, she minimised use of the dryer and consciously took five minutes to hang it instead. However, she found it extremely challenging to optimise energy usage and didn't understand how to do anything beyond this.

How important was the environment?

Lorena was conscious about climate change and global warming issues as she feared what would be left behind for her children in the future. Even her children had started talking to her about it when coming home from school. However, she was extremely time-pressed and too engaged with her family to take action with regards to the environment at this point in life. She wished to move to renewables, however, acknowledged that clean energy was too expensive for her, with a growing family and the rising cost of living.

“ In future, I would like to see sustainable energy becoming affordable for the regular household. I think that's a huge investment, which means even if you want it, you don't always have the money to do so. I would like to see it becoming more mainstream and more affordable. ”

For those with children, attempts had been made to make them more aware of minimising usage, but this was a significant challenge...

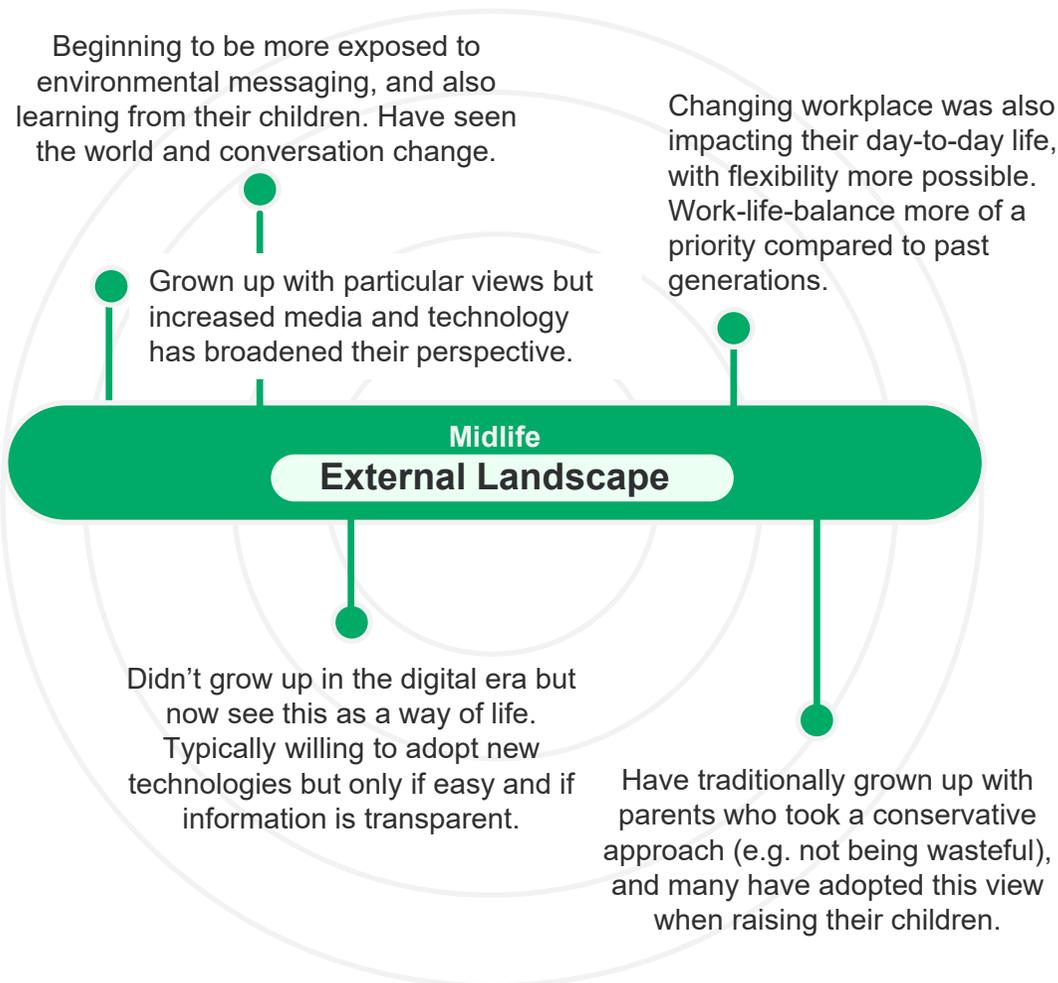
“ They think turning lights on is a fun game. It is challenging. Especially the exhaust fan in the toilet. They'll put the exhaust fan on and walk off and leave it for hours. We actually just now had timers installed in them so they'll turn off after five minutes. They constantly turn lights on and TVs on. We've got five of us in our house, so all three will be on, their laptops or maybe watching TV or listening to music and then you've got five people showering.
- 38, *Midlife, Green, QLD* ”

“ Cut back on using the heaters most of the time, we turn off the lights a lot and have trained our kids to do the same. We adjust the energy settings on our fridge when we aren't using it all the time. We also bought a very efficient clothes dryer. It's a tough one because we would like to have heating all of the time for the kids to be comfortable, but we realise the cost would be too high if we did that.
- 48, *Midlife, Green, VIC* ”

“ I can only guess that our consumption will be down only when our kids eventually move out and be more independent.
- 48, *Midlife, Green, VIC* ”

“ I look at the daily consumption in the AGL app, you can watch it in a dollar or kilowatt format, as a graph. Sometimes I set the kids a challenge to lower it, because it tells you exactly what you use it on...sometimes I might set rewards. It's good to play a bit of a game in the house.
45, *Midlife, Green, VIC* ”

Consumers in this part of life witnessed a shift in the world around them and as a result, their attitudes and behaviours were also evolving



Societal trends and external factors

“ I'm actually thinking about energy all the time now. I'm thinking of ways we can cut down because our bills are really big. I never used to think about it but it's more topical...
- 49, Midlife, Amber, VIC ”

“ My view on energy shifted to become more environmentally friendly, but only because of the cost of energy. It is almost like a by-product to me, I am helping the environment more because I want to save more money.
- 54, Midlife, Amber, VIC ”

As life progressed, it became increasingly likely that complications would arise. While some ‘disruptors’ began to be more common during this stage (such as health), others remained unforeseeable – both brought life-changing challenges.



Meet Johann.

Johann had been diagnosed with medical conditions which made him susceptible to heat and severely limited his ability to live a normal lifestyle. It predominantly impacted his ability to work, and he was looking for a job which accommodated his ailments.

How did this impact his attitudes and behaviour towards energy?

Being susceptible to heat, Johann required constant moderation of his body temperature, and did so by keeping the air conditioner running most days of the year. This, in addition to his struggle to find continuing work meant that Johann was aware of his high energy consumption, but didn't feel there was much he could do about it. He tried to minimise his use of the air conditioner by opening windows or closing the blinds to regulate the temperature.



Meet Jennifer.

After building a family with three children, Jennifer ended up getting a divorce, leaving her as a single parent of three children. Having to pay rent and raise three children proved a significant challenge for Jennifer.

How did this impact her attitudes and behaviour towards energy?

The financial burden of children was felt for most parents, but caring for three children put a significant strain on Jennifer. Despite constantly juggling her priorities, convenience became critical and using appliances, such as the dryer and dishwasher, to save herself time was more important than the impact on both the environment and her bills. She was aware of her high usage but had too much on her plate to sacrifice convenience.

Mature

Who were Mature consumers?

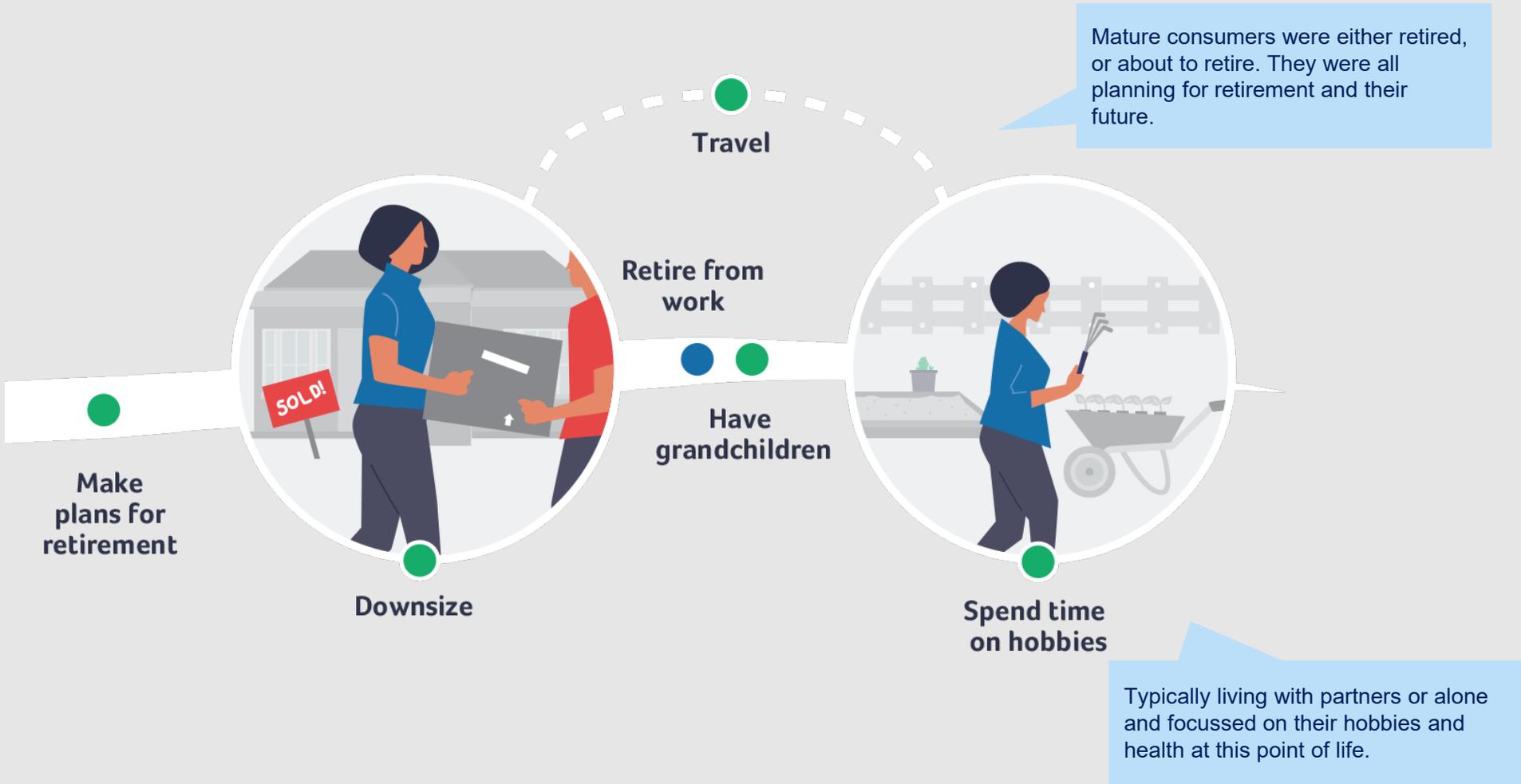
Ranging from individuals who were nearing the end of their career; about to retire, semi-retirees to retirees. This was the part of life where consumers could start to think about themselves again, they had more time and minimal commitments with work or family.

They were either living with partners or alone, depending on their life circumstances. Those who had children had left home and settled in their respective households and built their own families.

Two segments were identified based on their financial position: consumers who were in a comfortable situation with regards to their finances post-retirement and the other, who realised that their savings were not sufficient to retire comfortably and who were experiencing greater anxiety and stress as a result.



Overview of the *Mature Journey*...



These consumers had more time for themselves and therefore got to focus on hobbies, travel and family, with a less chaotic lifestyle than 10-20 years earlier

“

I've retired, so we're comfortable. I've got a superannuation. Now, I'm just going to look for contract work part time to give me something productive to do, and I'll catch up on all the things that I haven't done yet like write a novel.

- 56, *Mature, Green, QLD*

”

Common life experiences



Mature consumers were mostly leading the retired life. Though there was a portion, who either chose to semi-retire or work casually post-retirement. This was primarily driven by insecurity of not having sufficient savings to retire comfortably or to give them something 'productive' to do to fill their days.



Self-love took the primary spot for *Mature* consumers at this life stage and they were indulged in making the most of life and pursuing their hobbies. They commonly liked to spend quality time with their partners and/or be with their grandchildren (often helping their children, when needed).



The things that they had put on hold were able to become a priority again, including travel. This was a goal that many consumers worked towards; they wanted to ensure they were in a position to live the lifestyle they had dreamed of earlier in life.

Being healthy and maintaining the desired standard of living were top priorities for consumers in this part of their life

“ At the moment, my priority would be getting enough to live a comfortable lifestyle when there's not a weekly income.
- 62, Mature, Green, SA ”

“ The cost of living is probably the biggest challenge we face, the rising cost of living and reduced amount of work. So trying to maintain current lifestyle would be my biggest challenge. Travel plans is to go visit my wife's family. But as you get older and things become more expensive, the reality is that you might not be able to achieve your dreams.
- 64, Mature, Green, QLD ”

Priorities in life

For consumers at this later part of life, the priority was to **maximise savings and clear all running mortgages/loans, so that they could enter retirement**. Many also wanted to help their children who were entering/or who had entered their adult life.

For those who were already in retirement, relying on their superannuation meant they were careful about spending and the sudden realisation that there was no new income was daunting. **Those on a pension found a need to budget accordingly.**

Increasing age had made them **more health conscious and this led many to make changes and try to live a healthy lifestyle** (eating better, going for walks, gyms, regular check-ups, etc.)

To accomplish any incomplete dreams was key to retiree bliss. They'd worked hard all life and **now it was time to enjoy life again**, much like they did when they were young and commitment-free.

Challenges

Life was more stress-free when children had grown or when work had slowed down. However, a group of consumers did find it difficult to feel ready for retirement and they'd realised they had not started preparing early enough in life. Some were forced to continue working or go back to part-time work if already retired for this reason.

For those who had been in this life stage for a while, living a more lonely lifestyle and losing friends/family to health was emotionally challenging.

Energy was evaluated as a commodity ‘burning through’ hard-earned savings

The spike in prices over last few years and the increased cost of living made them insecure about the future and their ability to pay bills. Some would make great sacrifices with their energy usage as a result.

Many reported having spare time to look into energy options, such as new providers or energy sources, and prioritised this more than consumers at other stages of life.

“ I only make about a fifth of what I used to earn, so we are really watching how we use energy from a cost point of view, much more than when I worked full time.
- 61, *Mature, Amber, NSW* ”

The Role of Energy in Life

- Commonly spending a lot of time at home but avoided being 'wasteful'
- Many perceived energy as a luxury at this stage and did not want to spend their savings on paying bills.

Attitudes and Perceptions of Energy in General

Energy was more likely to be treated as a luxury

Due to their upbringing and with shrinking income and ever-rising costs, energy was commonly thought of as a luxury by *Mature* consumers. Many of these consumers had grown up with the view that coal was the only source of energy. However, they too have been exposed to changing the external environment and the energy conversation. They look forward to a cleaner world and were advocates of new technologies and sources, but typically, the tight squeeze of a pension or superannuation led them to prioritise the cheapest source.

Consumption Behaviour

Attempting to use the lowest energy possible

Mature consumers used energy sensibly and put in their best efforts to not be wasteful; this was how they were raised and found it important to only consume what you need. Being at home more often than not, consumption could be high for these consumers unless they consciously reduced it. Those feeling stressed about having a limited income were often making great sacrifices with their usage, including being cold in winter due to rarely using the heater.

Management Behaviour

More time spent on management but still implementing 'the basics'

Mature consumers had time to look into it ways to manage their usage. Turning off the lights and PowerPoints, researching new plans, changing the timing of using appliances, downsizing to cut down on unnecessary usage etc. were more common at this point in time. Technology was less commonly used to keep an eye on usage (e.g. apps) as they were less tech savvy than other consumers.

Relationship with Retailers

Disconnected and found things confusing, despite looking into options

As with other consumers, engagement was primarily limited to paying bills. This group of consumers were neutral towards retailers but were sceptical and held the opinion that they exist to serve their own monetary benefits, just like "any other business." They didn't change providers a lot and found this a confusing process, but had more often than not thought about who they were with and done research in the last few years.



Meet Paul.

Paul was 66 years old and married. His daughter moved out last year to study at university. While he was retired and living on superannuation, his wife was still working part-time. His priorities were to go back to do some contract work to build his superannuation back up again and travel overseas.

Paul started his day by turning on the radio to catch the news for an hour. With a cup of tea, he checked his email and looked at the list of things to do during the day. His day involved, spending time on the laptop, reading, writing, doing some household work, and looking after his cat. His wife came home at 9pm, and they had dinner together and went to bed.

Paul believed his household to be low on consumption, as he and his wife were always cautious of using energy. He was of the opinion that, “it is good to try and think about energy when you can and try to preserve energy when you can”. Despite being classified as a low user, he wished to keep optimising it further as he wanted to do something special for himself and his wife with the hard-earned savings, rather than paying energy bills.

How did he manage usage?

Energy management had been ingrained into him by his parents who were extremely cautious and strict about not wasting anything, including energy. The attitude of using energy conservatively came naturally to him. Turning off lights and using the dryer, heating and cooling as infrequently as possible, taking short showers, and using water tank as an auxiliary source of water for the garden were some daily energy-saving activities he was involved in.

How important was the environment?

He was conscious of the environment and was engaged in educating himself about solar energy, particularly in recent years. He read up on new things regarding energy on Google and specifically, ABC News, a few times a day. He wanted to keep himself updated with the latest stories on climate change issues. The challenge he faced in moving toward renewables was the high price tag, however, installing solar soon was on his interest list.

“

I really hope that the government builds more windfarms and that solar becomes more and more affordable for people to get, in terms of the installation and initial set up costs.

”

As life began to wind down, disruptive events were still present, however, often consumers had learnt to either accept these challenges and/or had greater expectations that things might start to get harder with older age.



Meet Mavis.

Mavis was retired and living with her mother to care for her. While she admitted to being very family-oriented, having to support herself and her mother on a pension had led to some stress about finances and made her very frugal to ensure they had enough to get by.

How did this impact her attitudes and behaviour?

Having a limited income increased Mavis' awareness of her energy bills. She felt the necessity to proactively manage her usage to keep costs down. In direct conflict with this, having to care for her elderly mother required maintaining a comfortable room temperature, which had increased her usage. Since this increase in energy use, Mavis had become more aware of the lack of competition in Tasmania for providers, and was disgruntled that there weren't more options to support people like herself.



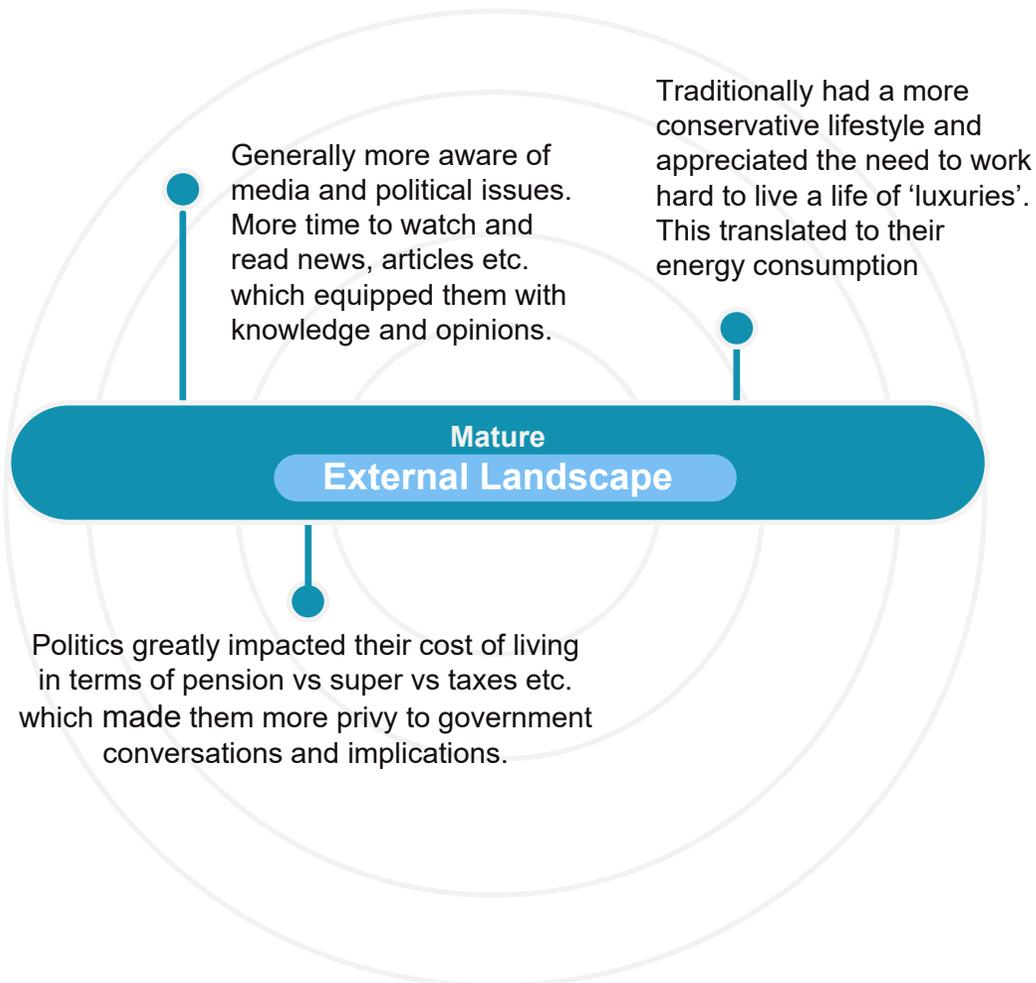
Meet Adrian.

Almost immediately after getting divorced, Adrian also retired. The divorce impacted Adrian quite significantly. Firstly, he was forced to surrender half his superannuation to his ex-wife, and secondly, he found himself living alone.

How did this impact his attitudes and behaviour?

Being thrifty his whole life, Adrian never had concerns with the cost of his energy bills. Now retired, and no longer with his wife, Adrian had a lot more time on his hands which he needed to fill. Without a companion to share his leisure time, Adrian was more reliant on technology and entertainment to keep himself busy and found his energy increased noticeably since retiring and having more time to occupy at home.

These consumers were typically set in their ways and more conscious of politics, relying on news to inform opinions



Societal trends and external factors

“ I am growing awareness more and more about the environment generally I think it's become really critical in the last few years.
- 65, Mature, Green, ACT ”

“ I get information through Government policies: direct contact through emails through correspondence. We would like to know where the money is being spent.
- 64, Mature, Green, QLD ”

Bringing it Together



Energy across life stages...

With commonalities in life goals and priorities experienced by consumers across life stages, we also saw this translate to similarities in energy behaviour and attitudes.

Before consumers became completely financially independent, they commonly lacked awareness or interest in energy, primarily due to no/low accountability for energy bills.

Once they became responsible for paying the bills, it was a sudden jolt of consciousness, typically starting with shock at the unexpectedly high cost of energy – an expense they had not had ever before. After this initial shock, consumers' became increasingly disengaged as self-educating and understanding the industry, providers, and breakdown of bills overwhelmed and confused them. This set the tone for the rest of their lives.

From here, consumers were not thinking much about energy outside of receiving their regular bill, which was consistently confusing and unintuitive. Attempts to manage usage to reduce bills were common amongst all consumers who shared frustration with the cost and had a feeling of helplessness to make a meaningful impact on the bill.

There was an acknowledgement and almost a subtle guilt about their energy usage and the negative impact on the environment, however, consumers were focused on the immediate priorities, mainly cost, comfort and convenience, and were unsure how to act.

Despite the commonalities, there were subsets of consumers who had differing views, opinions and behaviour when it came to energy....

Financial situation did have an influence on energy attitudes and behaviour, but ‘saving money’ was a desire seen amongst all consumers

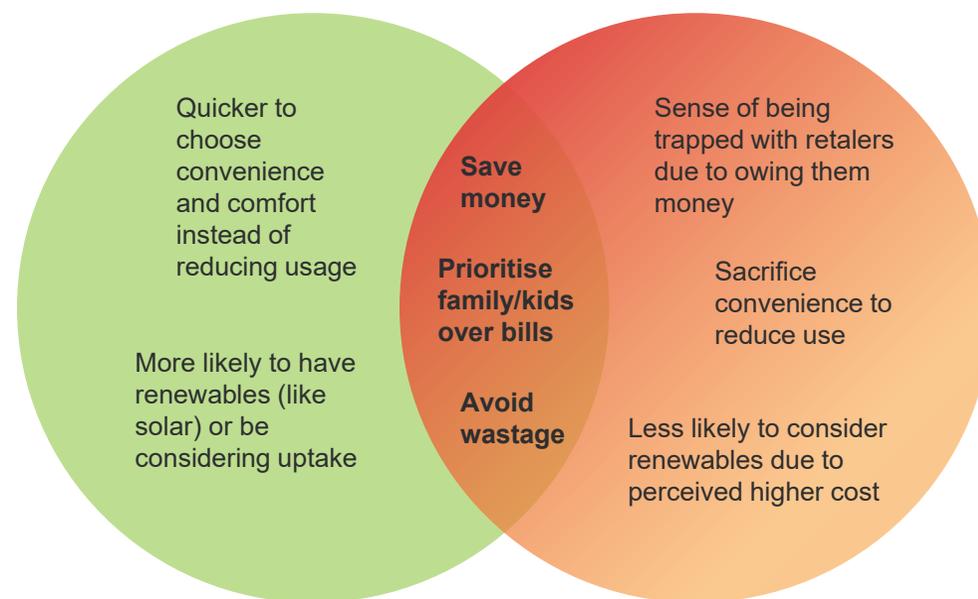
What was consistent across all consumers?

- Regardless of financial situation, ‘wasting’ was something which was considered by all consumers to be negative. This contributed to consumers across all segments trying to optimise their usage in ways that made sense to their personal situation.
- Saving money was important for all consumers whether in a comfortable financial situation or a vulnerable one.

What was the impact of the financial situation?

- A core difference between segments was the ways in which money could be leveraged to impact management and the amount of energy they were actually using (e.g. pools driving up cost vs. basic appliances).
- Consumers in less secure financial circumstances were more likely to trade off comfort or convenience to offset the cost of energy. For example, putting on extra clothing was a tactic more frequently used by financially vulnerable segments instead of turning on the heater.
- Disruptors in life and the resulting consequences took precedence and could not be compromised. Consumers with illnesses may have increased energy consumption due to medical equipment which could not be managed. Here, offsetting costs had to come from elsewhere.
- Due to the prominence of financial stress in their lives, the economic impact of energy bills was exacerbated for those in the Red segment. This led to greater feelings of being trapped with energy providers who they owed money to.

Differences and Similarities by Green and Amber/Red Segments





Looking ahead: The Ideal Future

What does a better energy future look like for consumers?

Consumers could not easily cast their mind to the future....

Consumers were **immersed in their day-to-day life** and individual priorities, which often impacted their ability to think beyond the 'short-term' and imagine what the future might look like.

While it was **relatively easy for consumers to think forward to the next chapter and more immediate goals in their life** (e.g. buy a house, get married, have a child), thinking about the longer-term, or about significant changes in the world and how these changes could impact them and future generations, was not an easy thought.

For this reason, we utilised a range of techniques to help uncover what a better energy future could look like

Forethought designed and implemented a range of techniques to understand what the ideal energy future looked like for consumers.

It was an iterative approach, where we added and built on techniques in collaboration with the Energy Consumers Australia team, to help ensure our findings leveraged existing knowledge and tested both the shorter *and* longer-term transition.

Overview of the techniques

- 1. Free-flowing discussion based on life needs and desires**
When discussing current views and behaviour related to energy, moderators asked consumers 'what better looks like' to understand top-of-mind views.
- 2. The Narrative Technique – Taking them on a journey to the future**
In focus group discussions, we conducted a visualisation activity where consumers were guided to cast their mind to the future. Together, participants then built a 'narrative' / their own version of what a future could and should look like. Further detail is provided in the appendix.
- 3. Testing Concepts – Consumer Feedback**
During in-depth discussions, consumers were asked to provide feedback on a number of concepts that we designed off the back of consultation with stakeholders in the energy sector.
- 4. Creative Activities – Design your own solutions**
In focus group discussions, participants were asked to solve for two key and known issues in the sector; complexity and pricing. They designed solutions based on their pain points present in life right now.
- 5. Card game – Priorities to build a better energy future**
A game was built where focus group participants had to allocate a number of points to different scenarios, to build their ideal energy future. Further detail is provided in the appendix.

While there was some excitement about life in the future, the overarching feeling often involved anxiety and fear for the unknown

Common Feelings about the Future

Excitement

about starting and doing something new

Actions...

- Starting a new job
- Travelling and exploring
- Buying a house/car
- Getting married

Uncertainty

about capabilities and ability to achieve the set goals

Actions...

- Achieve milestones as planned
- Be financially stable
- Have happy and healthy children
- What jobs will exist

Anxiety

about what's planned or desired not eventuating

Actions...

- Not being able to manage expenses with rising costs
- Finding a partner
- Ability to save for future

Fear

of things going wrong and not in their favour

Actions...

- Illness or death
- Not enough savings for a comfortable retirement

When consumers visualised the future world, there was often negativity in response to our prompts

'Once upon a time, it was 2050 and the world was...'

Basic amenities



- Heavily populated
- People living with less money and space
- Higher density living with small houses

"Higher density living."

"More heavily populated than the current years."

Businesses



- Businesses larger and more complex, making huge profits
- Industrial manufacturing and outputs leading to more pollution

"Businesses making huge profits and ripping off consumers."

Technology



- Technology keeps on evolving
- Lots of gadgets
- Driverless cars
- Robots and Artificial Intelligence to automate things
- Electric vehicles

"Driverless cars and lots of billboards, people having chips in their arms."

"Households are full of technology and robots acting as servants."

Environment



- Increased pollution and carbon footprint
- Hotter and Irreversible climate damage
- Destroyed forests and less greenery

"Way hotter than today."

"Irreversible climate damage."

"Increased pollution and destroyed greenery."

However, this was not the world they wanted to live in; the ideal world was drastically different to the expected world

‘Then, suddenly a wizard came and waved her wand and the world became perfect. It was your ideal world in 2050...’

Basic amenities



- Everyone is healthy and basic needs are fulfilled
- No financial hardships – greater equality in society
- No one is working full time - they all work part time at best
- All have access to clean drinking water and food

“Everyone on the earth would have access to clean drinking water.”

“All work part time at best. Everyone has stats about their personal health..”

“We taking care of each other and the planet.”

Businesses



- Businesses are bigger, however environmentally conscious and sociably responsible
- Industries have no negative impact on the environment
- They work towards the community and not for only profit

“Businesses are not profit oriented - oriented towards the consumers and providing value.”

“More socially responsible. Moving away from profit - and moving towards being more self sufficient. Not having to use up all those resources.”

Technology



- Technology will take over the world and will be the key to everything
- Complete smart homes with less human interaction
- People working from home with advanced technology

“Watching hologram T.Vs. Having wristbands storing energy. Technology is the supreme power.”

“Robots doing all your work.”

“Jobs done by robotics increasing into a more service industry to create a better work life balance..”

Environment



- Greener world as environmental issues have been taken care of
- More greenery and plants around
- Clean air to breathe in
- No pollution or climate issues
- People enjoying summers and winters

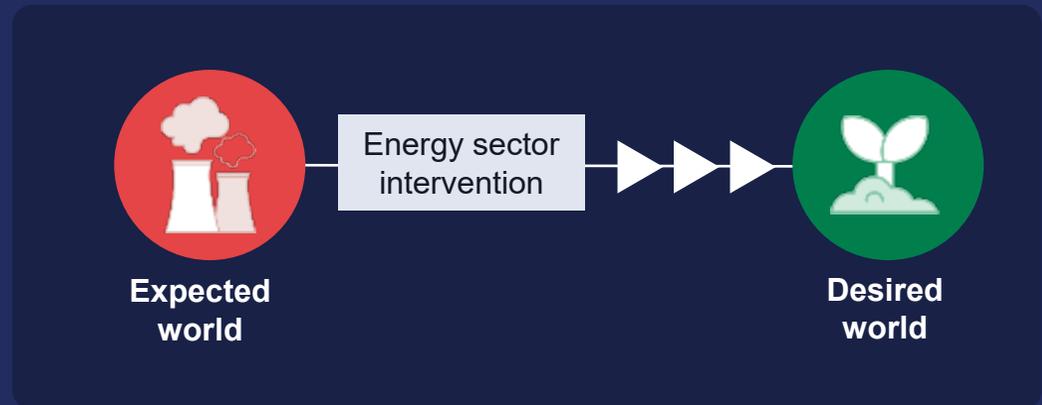
“I’m picturing more lush gardens and greenery and birds flying around.”

“We’re not damaging the Earth but healing it with the way we live.”

The discrepancy between consumers' desired and expected world highlights an opportunity for the energy sector to bridge the gap by working together.

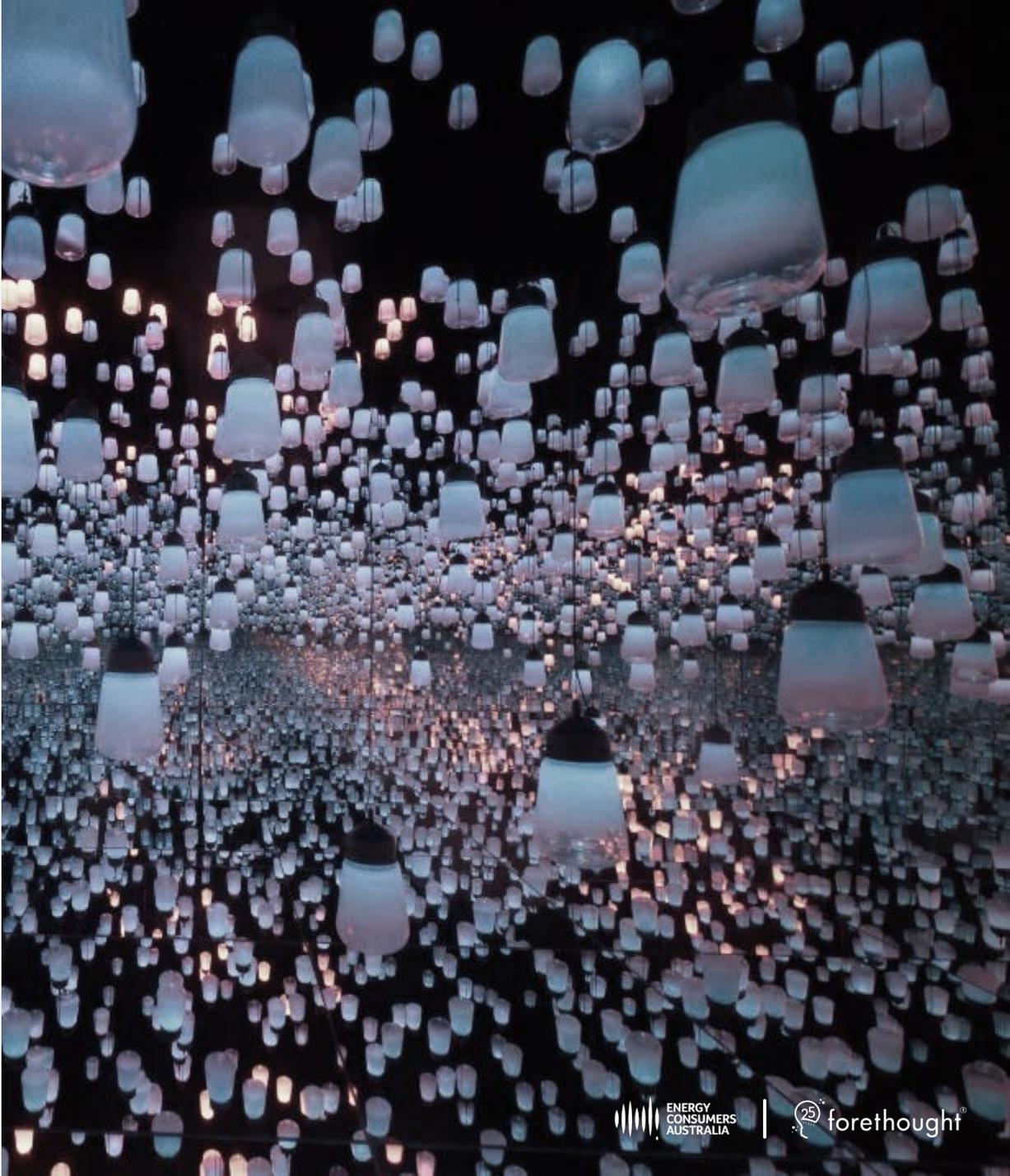
The general feeling was that little was being done to make a change and that as a society, we are heading in the wrong direction. The energy sector can't solve it all, but there is a clear role for energy to play in ensuring Australia does not continue down this feared path.

There is opportunity for the sector, as a whole, to build this better future consumers seek, by implementing change and empowering Australians to make change themselves.



In the consumers' eyes, there is a lot that can be done to make a better energy future...

What does a better energy future look like?



Consumers, regardless of life transition, reported a united vision of a better energy future.

The consumer vision of a better energy future consisted of the following five elements. These provide a universal goal for the energy sector, through the eyes of consumers.



Affordable

Consumers disliked rising energy prices and felt they were being overcharged by energy companies. Lower prices was a key desire and fundamental to a better energy future.



Simple

Energy bills and plans consistently confused and overwhelmed consumers, who struggled to understand the breakdown of costs and found comparing providers near impossible. A better future meant simplified, more comprehensible information. This extended to the source of energy and what options exist.



Easy to manage

Apps, real-time information and smart homes were examples of technology to assist energy management, which would improve the lives of individuals into the future. This did not mean technology that took control of everything, but gave consumers options and automated energy saving behavior.



Clean

An overwhelming number of consumers believed that renewables were the future, and wanted Australia to be a country that moved towards a smaller carbon footprint.

The ideal future involved adoption of more sustainable energy sources and an eventual shift to renewables.



Inclusive

Most consumers felt they didn't know much about the energy sector, and felt powerless. Further, some consumers wanted to have a say regarding the future of energy but felt they didn't have an information base to do so. Empowering consumers through information and a platform to have a say if desired, was seen to contribute to a better future.

More service related, but have a direct impact on everyday life

Bigger picture and have an impact on community

Key consumer desires for action could be summarised into short and longer term activities, but consumers believed action on all should start now

Short-term activities

Short term solutions to address immediate consumer concerns were related to price, competition as well as transparency of information required to manage energy comprehension and consumption.

- A. More affordable prices**
- B. Clarity and simplicity of information, designed to reduce existing complexities**

Long-term activities

Consumers felt that making a transition to a cleaner energy source in the future, technological advances to manage use and consumption, and engaging consumers in the conversation were all desirable, but not something they would see the full impact of right away.

- A. Australia transitioned to renewables**
- B. Technology to fit seamlessly into consumers' lives**
- C. Empowerment of Australians through greater information and the ability to have a say**

Shorter-term activity

A: More affordable prices



Consumers felt that the cost of energy was an increasing expense for the household, and a pain point in a sea of other priorities and expenses.

“

We also have a mortgage that we need to pay off. Everything is so expensive and saving on power is important.

- 34, *Early Adulthood, Green, TAS*

”

Why it needs to be better

For many, receiving the bill remained the only engagement consumers had with energy and yet this experience was often rife with bill shock and anxiety.

The price of energy, a **necessity in today's society**, was seen as a recurring hurdle to overcome amongst the pressures of life. Moreover, consumers reported not understanding much about energy prices or bills, indicating **the transparency from the sector was extremely low**, causing lots of frustration.

As a result, consumers felt that they **were not able to consciously reduce their usage and thus, their bills**. The lack of control to lower their bill made them feel hopeless and frustrated, and a change in this area was what they associated with a better energy future.

As a necessity, consumers believed energy should be cheaper, and that there should be more support with tools and infrastructure to reduce the size of their bills

“

Being able to see and reflect on our usage in real time instead of only every quarter when the bill comes in would be really helpful. It's hard to know what is using lots of power, and when you get the bill it's too late.
- 54, *Midlife, Red, TAS*

”

What 'better' looks like



Lower pricing

Consumers were frustrated that the price of energy was increasing over time and felt that prices should be lower, given it was a basic necessity. Those in regulated states wanted more competition in the market and believed that this would lead to lower prices.



Connecting bills to usage behavior

Monitoring energy consumption was something consumers felt was difficult. Those with large bills wanted a way to understand what appliances or behaviour were contributing to expensive bills so that they could make a decision on reducing or changing usage to minimise their bill.



Using renewables to decrease bills

Consumers perceived that there were long-term cost savings associated with renewable sources of energy, such as solar panels, and therefore wanted more access to these to help reduce their bills. Homeowners were frustrated with the price barrier to installing solar, while renters felt it was not an option for them at all. Increasing the accessibility of these technologies was seen as a key method for keeping costs down in the future.

Shorter-term activity

B: Clarity and simplicity of information to reduce existing complexities



The complexity of energy information was an overwhelming factor, frustrating consumers in their attempts to find the best deal or manage their usage

“

I find it very convoluted and it is really hard to understand what the best deal is, they confuse you on purpose with usage rates and other things. They need to be more transparent and do a proper breakdown.

- 54, Midlife, Amber, VIC

”

Why it needs to be better

Consumers were typically unable to comprehend energy pricing. Different rates were extremely confusing, and **matching or comparing bills from different providers seemed impossible**. Consumers who had tried to choose the best plan for their circumstances were met with a significant challenge in interpreting fees, kilowatt/hours and discounts which led to **feeling overwhelmed and hopeless, driving them to give up and disengage**.

Those wanting to ensure they were on the optimal plan to enable more important things in life (like budgeting to save for a home) felt that the task was insurmountable and chose to give up and harbour contempt instead.

Untangling convoluted bills and energy plans was seen as key to enabling consumers to feel more comfortable to act if they wanted to

“

Energy is a very confusing industry and is very difficult to understand. I want to be able to compare apples with apples and know the amounts I owe in real terms. This would make it much easier to compare between companies.
- 31, *Early Adulthood, Green, NSW*

”

What ‘better’ looks like



Simplifying energy management

Consumers voiced frustration with their inability to make effective, logical decisions when it came to managing their usage. Solutions which highlight the impact of specific appliances or behaviour on their energy bill were desired to help understand how changes in use translated to changes in their bill. Additional information and tailored consultations to guide energy management were also solutions consumers wanted, in order to understand energy in a more individualised, practical sense.



Consumers were looking for a ‘one cost’ rate

Many consumers wanted a fixed rate instead of fluctuating rates to make it easy to understand in layman's term.

If this didn't exist, then the future desire was greater communication around the peak and off-peak hours to make them more usable.

Longer-term activity

A: Shift to Renewables



A wide-spread view of ‘what better looks like in the future’ was a greener and more sustainable energy sector

“

Solar power would be good for the future. Families, households and companies should use solar wherever possible – using coal as energy is not good for the world.

- 70, Mature, Green, QLD

”

Why it needs to be better

The negative impact of fossil fuels on the environment was something that consumers believed needed to change.

An overwhelming number of consumers across all life stages were concerned about the damage being done to the environment and climate change was top-of-mind as part of this discussion. These consumers stated that renewables were part of the future without prompting in individual interviews or group discussions.

This drove a universal desire and need for change in how Australia sources its energy.

Informing consumers about alternative sources of energy is an opportunity area, demonstrated by the low awareness of sources other than solar and wind. Consumers sought more renewables into the future, but were disengaged from the matter due to their lack of understanding of the topic (e.g. how it works, pros and cons, what it would cost).

Not fully understanding the subject matter meant that consumers were unaware of other ways in which they could contribute to increasing the uptake of renewables.

In their words...

“

I'm pretty optimistic, I've seen a lot of people and communities relying more and more on solar and wind farms. I think things are going to get better in the future regarding that – I believe it's going to happen.

- 40, Midlife, Amber, SA

”

“

I hope we stop using so many natural resources and embrace things like solar or wind power – cleaner energy. I think it's an important step we need to take to protect the future.

- 43, Midlife, Green, WA

”

“

I think people are going to look into ways to reduce energy like solar panels and wind farms. Solar panels is something I'd look into if I had my own home.

- 61, Mature, Amber, SA

”

“

I think there are going to be a lot more windmills around the place and wind farms. I think there will also be a lot more solar – that's the only way people are going to be able to afford electricity. I really hope that the government builds more windfarms and that solar becomes more and more affordable for people to get in.

- 61, Mature, Amber, NSW

”

“

Clean energy has got to be better than coal but it's got to be a long term transition off coal to make sure that there's enough energy to supply everyone while they swap to clean energy.

- 62, Mature, Green, SA

”

Renewables were perceived as the ‘solution’ to tackle the environmental challenges of energy, as well as concerns over soaring prices

“ By 2050, it should be totally green and clean, have more renewable options like water hydro, solar power, battery power. That's something that the future I would like to see.
- 56, *Mature, Green, TAS* ”

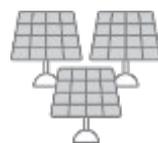
“ Definitely renewable. Maybe more self managed - if I have solar panels, and a battery, then I can figure out how much I'm using and have left.
- 27, *Leaving the Nest, Green, NSW* ”

What ‘better’ looks like



More accessible renewable options

There was resentment and a perception that renewable energies like solar were unattainable due to high installation costs and other barriers like renting and being unable to install. This fostered an expectation that government or retailers should make such technologies more accessible through subsidy and discounts as well as innovated offerings so that more people could get access to the technology.



Achieving self-reliance and independence

Relying less on the grid through self-sufficiency of renewable energy like solar was preferred for some consumers who had the time to be more involved with their energy management. Being free from retailers who charged high prices, confused consumers with convoluted bills and gave bill shock, was a central motivation to move off the grid. This was not desired by all, as many liked the ability to have ‘experts’ involved and take care of issues when/if they arose.



Offer a cleaner, healthier and sustainable planet

Whether passionate about the environment or not, many consumers expressed a view that cleaner, more sustainable energy was important. Having more alternatives to coal, which were accessible and practical was something desired by consumers.

**Longer-term
activity**

**B: Technology
to fit seamlessly
into consumer
life**



Consumers saw opportunity for technology to improve energy management

“ As technology develops I would look at more ways to reduce my consumption; ways to monitor what actually goes through individual powerpoints and appliances. It would just come down to the cost benefit of using that sort of infrastructure.
- 26, *Leaving the Nest, Green, TAS* ”

Why it needs to be better

The transformation of technology in recent years has been something that consumers have embraced and integrated more into their daily lives. Because of this, the energy sector was one that consumers believed should leverage technology more effectively.

Monitoring and managing energy consumption was something which many consumers wish was easier. These factors came up repeatedly for consumers who felt frustrated and powerless to understand their personal energy usage, and how to make conscious changes to make a meaningful change.

In this context, technological advancement was seen as an avenue not being fully explored. Here, practical, accessible solutions to transparency and engagement, real-time monitoring, tailored consumption and decentralised infrastructure were seen as possible through technology.

Automation of what they were already doing and real-time updates were seen as a key benefits of future technology

“ Knowing what my consumption actually is in real time, I can make informed decisions or smart decisions. If you get to have a good deal in terms of off-peak, I would love to make the most of it. I think you need to have a smart meter and some sort of technology to allow this to be realistic. - 36, *Midlife, Green, ACT* ”

What 'better' looks like



Apps and technology to measure consumption

Consumers felt that they had no way to control their energy consumption in today's world. Apps which provided real-time monitoring of energy, price forecasting calculators of use and usage notifications were solutions which would provide consumers with more effective ways to understand their usage to inform how to then manage it.



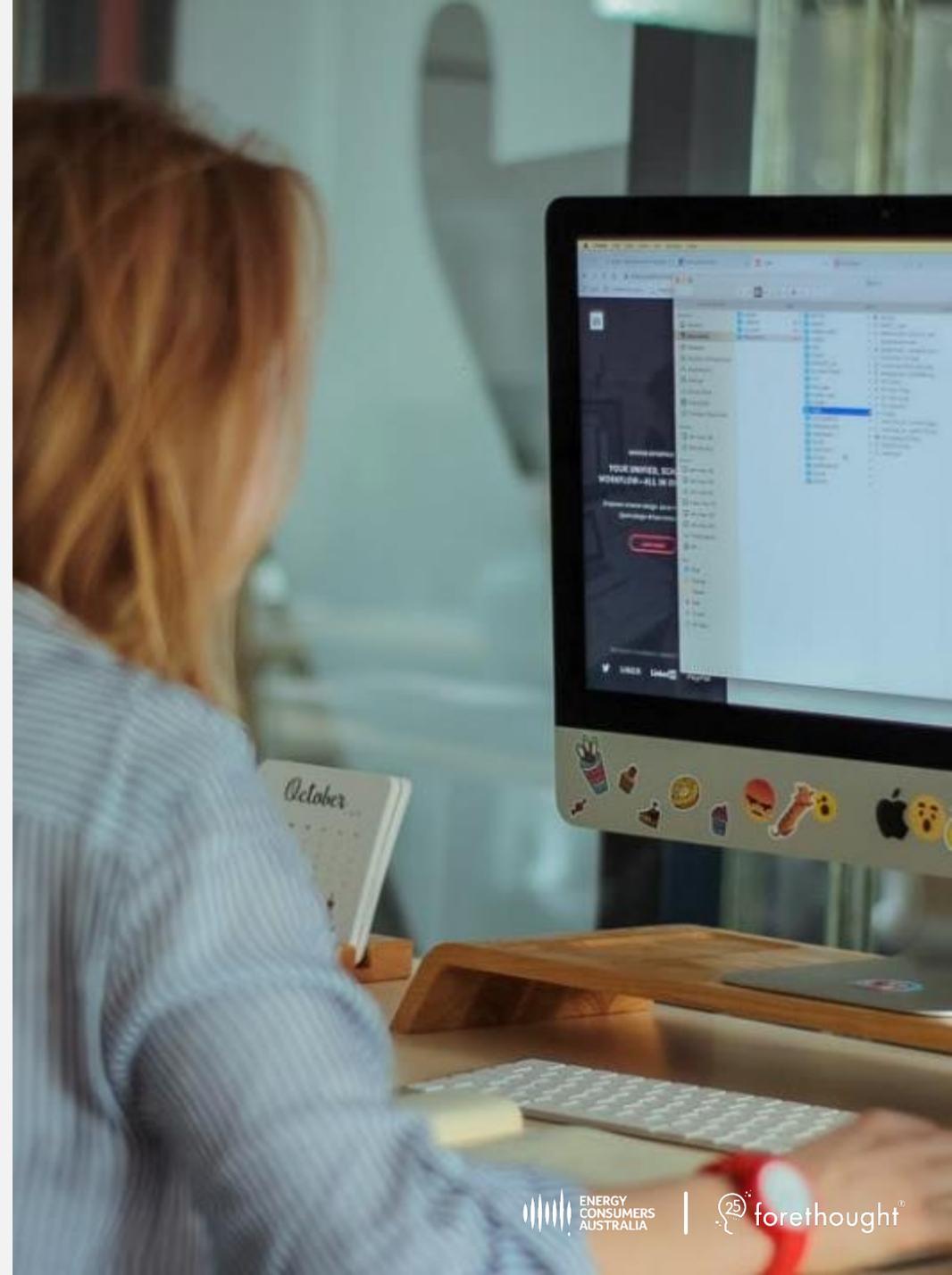
Technology to automate behaviour

Consumers wanted more accessible and advanced integration of technology into their lives to automate energy management tasks and reduce their usage. In particular, smart home technology which would turn appliances on / off (provided they didn't interfere with their preferred behaviour) were appealing. Another common application of technology desired was enabling control of appliances from their phone / from anywhere.

The convenience and improved management provided by automation was perceived to be a way to minimise the need to consciously 'think' about energy, while also helping to reduce overall usage. It was a popular desire for the future.

Longer-term activity

C: Empowerment through greater information and the ability to ‘have a say’



Consumers were disengaged with energy and did not know if a forum existed to have a say on the future

“ I would like to think that the public, including myself, could vote or have a say on something and something actually happen. We are the ones that have to live with the decision everyday, day-to-day. So the decisions should come from us rather than high level senior people.
- 42, *Midlife, Green, TAS* ”

Why it needs to be better

Consumers believed they were not equipped with the **information and knowledge** to be able to take responsibility for energy decisions, consumption and management.

Because of this, there was a cohort of **consumers who wanted more access to such information in the future, and some even wanted to participate in the conversation about energy** in the future.

Being able to have an impact on the changing landscape within the energy sector was something that some individuals felt passionately about. **For them, a better future involved a platform to voice their opinions** on the direction of the energy industry in Australia.

Consumers believed that empowerment through information was necessary for widespread improvement

“ We need to be educated consumers and we need to make sure we are all informed so that we can make educated decisions on how we are going to live our lives. Whether that be to follow a more sustainable life and turn everything off when we finish using it or whatever, I just think we need to have the information available to us and also seek it out.
- 33, *Leaving the Nest, Green, NSW* ”

What ‘better’ looks like



Access to relevant, useful information for consumers

Many consumers felt that on the whole, everybody should have the choice to be more informed about energy. Access to information from reliable and independent sources was important for consumers, as there was a general feeling of a lack of trust in information available now (e.g. via media and retailers). Consumers desired information which was more practical and tangible, rather than just more information about bills. This included clarity on different technologies (from a consumer perspective) and how they could make an impact to support changes to benefit the future of energy in Australia.



Some consumers wanted a platform from which to have their voices heard about the future of energy

Individuals were currently unsure how to have their voice heard about energy in a meaningful way, and currently turn to social media and online platforms to have their say (e.g. commenting on news articles). But a more impactful, recognised platform (or platform provider) was demanded by a group of consumers who wanted to influence policymaking (particularly about renewables) to help shape their future and believed the Government should facilitate such a platform.

While younger consumers were more passionate about being heard, consumers from all life stages liked the idea of having their opinions taken into consideration. This was driven by a lack of faith in retailers or the Government to act in the best interests of the people.

While this vision for a better energy future was shared by consumers, there were some differences and considerations by life stage.

Additionally, there were specific milestones and moments throughout life where these desires for a better energy future were heightened...

When consumers thought about specific events / circumstances that were ahead, differences were observed by stage of life

Some life stages were characterised with either more or less spare time and willingness to think about issues that were not immediately pressing for consumers. For example:

Younger consumers:

Consumers who were in a phase of life without kids or who were working and studying were looking for fun and stability at some point in time. They were more optimistic about what was ahead than older consumers.

These consumers appeared more engaged in discussions about the future and actions required, as they had more time and headspace to think and were more open to receiving information on energy.

Midlife consumers with children:

When children came into the picture, many thought about the future through their eyes. These consumers expressed concerns about what lies ahead and had somewhat pessimistic views as to what world they would hand over to the kids.

With this in mind, these consumers were more open to taking action if it meant that the world could be a better place for their children. Information about energy must be digestible, clear and presented in small steps, given their busy lifestyle.

Older, retired consumers:

Consumers later in life shifted their priority to the basics in life – being healthy and mobile, along with looking for ways to reduce costs.

While many acknowledged the importance of contributing and changing behaviour to benefit the environment, their greatest motivator was saving money to spend here and now.

Milestones within each life stage influenced what consumers associated with a better energy future and what they found valuable

What better looks like across life milestones

Life stages	Leaving the Nest	Early Adulthood	Midlife	Mature
Main Milestones	Moving out of house, finishing study	Saving for a house, having kids	Taking care of family, children moving out of home	Retirement
What better looks like in Energy? <i>Ideas from consumers</i>	<ul style="list-style-type: none"> - Increased information at university/TAFE about energy and how to make a change - Platforms to assist splitting and managing bills within share houses (including shared responsibility) - Ability to use / install renewable energy sources while renting or in share accommodation - Options to improve inefficient and expensive appliances while renting 	<ul style="list-style-type: none"> - Increase understanding around energy while in the process of buying a house - More provider options in regulated states - Easier comparison of plans - Increased control and management of energy consumption via apps or other technologies to help save money - Ability to choose energy source at an affordable price point - More information beyond energy star ratings when shopping for new appliances 	<ul style="list-style-type: none"> - Having children more educated about energy consumption so they are more aware and accountable for wastage / behaviour - Automation of the home to reduce the time and effort while saving money on energy - Real time tracking of billing and ability to see the impact of individual appliances / behaviour to inform changes - More access and affordability of renewable energies to install in their home 	<ul style="list-style-type: none"> - Cheaper plans for pensioners who have limited income - Easy to understand information about energy optimisation that doesn't rely on technology - More subsidies on solar installation and more clear information about it



Consumer View: The role of the sector

How did we test the consumers' view on relevant stakeholders and their roles?

An activity was used to understand consumers' knowledge and perspective on different stakeholders in the sector

What did we do?

- The conversation first started as a free-flowing discussion and then went deeper by providing a quick overview of the different stakeholders
- We directed the discussion towards what they **expect** from each of the stakeholders and **how that would impact consumers and the overall energy sector**
- In groups, consumers were asked to build on each other's **thoughts and perceptions about the stakeholders and what they are currently doing**

Why?

- The resulting conversation helped us gauge consumers' awareness of key stakeholders in the energy sector.
- It helped us to understand the current state of affairs and what was contributing to particular perceptions about stakeholders.
- To explore how these stakeholders could contribute to shaping the future of energy in a way that supported consumers' wants and needs.

Activity: 'The Role of the Sector in the Future'



13

What did we find?

Introduction to overarching learnings about the perceived roles of the stakeholders



Overall, consumers were not very pleased with how stakeholders were managing the sector and had a lot to say about 'what better could look like' in this sense. **This involved stakeholders acting more responsibly, considering consumers when making decisions about the sector, and taking a more visible role in driving improvements.**

The **Government was seen as an authoritative body** with the power to implement policies and make a tangible change. Meanwhile, **retailers were seen as responsible for providing and promoting optimal energy solutions** for consumer convenience, affordability and transparency.

Government was regarded to be the primary stakeholder that should drive change, due to the ability to make widespread, legislative change

“ I think it has to be the government. When you've got a conservative government that says there is no mandate for change, we're not obligated to change. I think it's not something that's going to happen in the near future. But inevitably, it's that type of change that will have to come legislatively.
- 48, *Midlife, Green, WA* ”

“ The government. They have the ultimate say on anything and everything that does happen.
- 42, *Midlife, Green TAS* ”



Government were held accountable for bringing a positive future for the energy sector

Government was perceived as the most powerful body with the ability to inform and implement legislative changes to align all other stakeholders – something necessary to successfully achieve the desired change.



Consumers understood the role of the Government and its responsibilities

Government was the most prominent stakeholder amongst consumers because it was universally known. Consumers were less clear on the role of other stakeholders in the sector and relied on their exposure to election campaigns where energy and climate was often a prominent topic.

Enforcing new laws and regulations, and listening to consumers' views were common ideas on what Government should do to contribute to the change

“ That's the role of the government and they should be giving the overall, overarching strategy and the laws and policies in place, that are going to govern how we're going to be using energy in the future.
- 29, Early Adult, Green, TAS ”

What should be done?

Implement the right policies and laws

Consumers expected policies to be made to stop rising prices and introduction of more competition in regulated states to achieve more choice and more competitive prices. The Government were also held accountable for introducing policies to reduce energy consumption (particularly in businesses) to offset the environmental impact and carbon footprint.

Develop infrastructure to increase access to renewables

Making renewable energy sources more affordable and accessible was something consumers believed Government had a role in driving. Further, providing incentives to increase the prominence of solar panels in new builds, as well as renewing older structures to make them fit for installation was desired.

Give consumers the opportunity to contribute and have a say

Consumers wanting to share their opinions wanted platforms and forums introduced where they could learn and contribute to energy discussions. Listening to consumers' input was perceived as a way to increase trust and make them feel secure and confident about their voice being heard and considered.

Reduce Australia's carbon-footprint

Consumers believed that reducing Australia's carbon footprint was the responsibility of everyone, but needed Government intervention to facilitate more meaningful ways to go about it.

Consumers held Government responsible for rising prices and lack of renewables....



Energy prices and legislation were often discussed together

Rising price was a major concern for consumers, enough so that it was believed that the solution was Government intervention and regulation. While Government were not singled out as responsible for the rises in price, Government were believed to be the stakeholder responsible to fix it.



Retailers were perceived to be the middle man for engaging with energy and that bigger issues like climate change required legislative action

There was a perception that retailers could not, or would not, do much to combat damage being done to the environment. Here, the Government was again held accountable to take initiatives to reduce the cost of green energy, which would then make it more accessible and appealing for retailers to provide the market.



Consumers held retailers accountable for fixing pain points; doubt there would be change was common

“ I think the retailers have to come up with a cost effective way of giving energy and different types of energy to the end users.
- 64, Mature, Green, TAS ”



Retailers were seen as having a lot of power, but would be unlikely to act

Consumers believed that those selling energy had a lot of power to enact change, however, consumers across the board were doubtful that these stakeholders would proactively initiate change given the potential to impact their bottom line.



Consumers considered their pain points with retailers and held them accountable for improving these aspects

Consumers' typically negative interactions with energy retailers framed them as responsible for issues being experienced, such as confusing bills and pricing.

Retailers were seen to play a pivotal role in providing the right information to reduce the prevailing complexity and confusion, as well as providing a better service offering for consumers

“ I want retailers to be more transparent in terms of providing understandable pricing rules for the end consumer.
-26, *Leaving the Nest, Green, TAS* ”

“ They could offer real time message control... There could be something you're unaware of that can be consuming a lot of power
- 53, *Midlife, Green, NSW* ”

What should be done?

Increased transparency and clarity

Complexity and convoluted language and detail overwhelmed consumers. Simplifying communication in bills and energy plans to make everything easier to comprehend was seen as a key change to improve the future of energy.

Better control and management

While consumers liked being able to compare their usage to household averages in their bills, more information was desired to further optimise and inform their energy management. Apps to help monitor usage real-time and more information about what was driving up their bill was desired in the future. It was believed retailers could implement these solutions, but some consumers voiced concerns about 'trusting' the information (i.e. that retailers would not be transparent and accurate).

Education and information

Consumers were of the opinion that having the right information at the right time would help them make informed decisions for themselves. Retailers were held accountable for disseminating more information about the best deals, renewable rebates and policies in a way that was easy to comprehend.

Incentives, rebates and loyalty bonus

Consumers believed retailers should provide more incentives for consumers who were loyal, rather than relying on retaining customers through choice paralysis and confusion. For consumers in financial hardship or other extenuating circumstances, retailers could provide tailored offerings or assistance based on individual needs.

Younger consumers were more likely to appreciate the concept of having an active role in the future and saw the Government as a gatekeeper to enact the formal process on their behalf. In contrast, Midlife and Mature consumers were more likely to report a need for a total direction from the Government.

“

I believe we all have a role of responsibility to create change. The government is the entity that formalises change and leads that narrative.

- 33, Early Adult, Red, NSW

”

Consumers expressed two broad views on the role they could play in the transition. There were two different views....

“ My energy consumption at home isn't going to impact anything unless the government can do something on an international level.
- 33, *Early Adult, Red, NSW* ”

“ It would be good for younger people to get involved in this discussion because its hard to say if all of us will still be alive in 2050.
- 51, *Midlife, Green, NSW* ”

1

There was a **group of consumers who did not believe they had a role to play** beyond being 'mindful' and not 'wasteful' of their own energy consumption. They were often busy and caught up in their everyday lives and were unsure what they would be able to do.

While no clear defining characteristics of this cohort, those who were time poor and/or had 'disruptive' events occur in life, were more likely to hold this view.

2

Another group believed that consumers had a bigger role to play. This included voicing their opinions to make policymakers aware of their needs and desires. However, most were unsure how to make that happen. Consumers who typically had more time, such as those still studying or retirees, were more likely to take an interest in playing this role. It was more common for the latter to believe that it should fall to younger generations, as they would be around to reap the benefits.

Consumers saw the power of information, and believed this was a key to being able to effectively contribute to conversation, and to help in changing their behaviour

“ I wish I had more information about how to get help and how to change, more about solar and its benefits and about all the different products that are available so I could be more informed about my choices. There needs to be more energy providers talking about stuff and offering services. The more you get told, the more you know, so being informed early is really important.
- 38, *Midlife, Green, QLD* ”

What should be done?

Some consumers were willing to participate in discussions

Those consumers who wanted to mobilise themselves and have a say believed that taking on some of this responsibility, and not solely relying on the Government, would help accelerate change. While understanding this was something they could, and should be doing, many consumers were unsure how or where to go about this effectively and were busy with their own life priorities.

Consumers saw the benefit of educating themselves

Education was seen as a solution for consumers who acknowledged their uncertainties with the sector, making them less capable of contributing to change. Informing themselves was a critical action that consumers could take to influence their behaviour, assist in decision making, and to more effectively contribute to discussions. Again, a barrier was time and the current difficulty of understanding the market.

Changing their usage behaviour

Consumers were broadly aware that reduced usage would reduce the amount of their bills as well as their impact on the environment. Being conscious of use and managing their behaviour to minimise wasteful use was something that all consumers believed they could start doing.

Put pressure on other stakeholders

Some consumers believed that they should be responsible for putting pressure on stakeholders, such as big businesses and Government, to drive change.

Consumers believed that big businesses and experts were in a position to make an impact on the future of energy

“ Big businesses have a lot to do as well. Like Coles and Woolworths banning plastic bags. They have a lot of power to add good to the world.
– 29, *Early Adult, Green, VIC* ”

“ There should be more conversations between consumers and experts – it’s natural to trust them more.
- 22, *Leaving the Nest, Red, NSW* ”

“ Coles and Woolies are huge organisations and show that businesses can actually also influence Governments.
– 67, *Mature, Green, NSW* ”

Reflecting on the impact that Coles and Woolworths had by banning plastic bags, some consumers believed that **big businesses** had the power to make change in the energy sector.

Changes included both improving their operations (to reduce their carbon footprint) and through implementation of initiatives (like the plastic bags) that consumers could act on. Furthermore, some consumers posited that these businesses also had the potential to influence Government policy making.

According to some consumers, **experts / researchers** were another stakeholder who could contribute to a better energy future. Particularly from the perspective of technology and innovation, experts were trusted for their specialised knowledge, and were considered to hold an important role in educating the masses on significant findings, as well as recommending the path forward for Australia.

Consumers reported low awareness and knowledge of regulatory bodies and other stakeholders, however, expressed that a ‘whole of sector’ change was required for success

“

I don't actually know much about the different companies and other stakeholders.

- 68, *Mature, Green, TAS*

”

Outside of the Government, consumers, retailers, and businesses, consumers had limited awareness of other stakeholders playing a role in the future of energy.

Many consumers felt that they didn't know much about the industry or how it operates and were likely ignorant to other stakeholders. The presence of generators, distributors, consumer advocacy groups or entrepreneurs/innovators were largely unknown by consumers, and they did not understand the different roles and impacts they each had on the sector.

Regulation was consistently referred to as important within the industry, but consumers attributed this responsibility to Government policy making and intervention.

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Appendix

Concept Testing – Further Detail

Zooming in: The Narrative – Building the ideal 2050

What did we do?

- Utilised music and a visualisation technique to put them in a future mindset. For example, this involved getting them to close their eyes and imagine the calendar turning to 2020, 2030, 2040, 2050.
- We then asked consumers to **build a narrative of what 2050 will look like** and helped remove the constraints of today
- 2 lenses were used; **what they expected, and what they desired**

Once upon a time, it was 2050 and the world...

The way we transport/get around is....

We are wearing...

We are living in households that look like...

And we are getting our energy from...

Which has led to....

Then, suddenly a wizard came and waved her wand and the world became perfect. It was your ideal world in 2050....

Which meant.....

How we were getting our energy was quite different...

The way people managed energy was.....

The way the household operated...

And the businesses operating in the community were....

Why?

- It allowed us to understand the future world – both expected and desired
- It enabled a warm-up conversation, assisting us in the more specific conversation that followed
- It was a way to get consumers to think beyond their current state and get them more freely thinking about the future

Zooming in: Card game – Priorities to build a better energy future

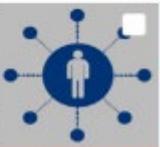
What did we do?

- An activity where consumers had to pick from a number of 'energy future scenarios' and pick their preferred situations
- There were cards that focused on both supply and demand scenarios

Why?

- This approach helped understand what consumers valued when it came to energy supply – how did community and society values fit in with their individual values?
- We were able to gain insight into trade-offs consumers could and were willing to make (e.g. convenience vs. reducing energy consumption).
- It also allowed us to see their vision for a better energy future allowing for a deeper discussion beyond what is top-of-mind

My most preferred energy world in 2050 is....

Pick top 2 preferences	 There has been minimal change to how we source energy in the last 30 years	 Energy is generated via Nuclear. It is a non-renewable source of energy but doesn't emit carbon emissions. It is generated via nuclear reactions that release energy to generate heat and steam	 Energy is Solar generated, with panels installed on roof tops and via large scale solar farms. It is generated by the heat and light of the sun and hence depends on sunlight and weather change	 Energy is generated via Wind. Wind power is generated by converting the kinetic energy of the atmosphere into useable electricity with wind turbines at large wind farms	 Energy uses geothermal energy, which is heat from the Earth. It has multiple applications including heating, drying and power generation	 Energy is generated by Hydro. Hydro power is power derived from the energy of falling water or fast running water. The hydroelectric power plant uses a dam on a river to store water in a reservoir
	 All homes use smart technology, which means decisions about when and what to use are automated to save energy and to reduce demand on the system 2 points	 There has been high investment in insulation in buildings to maintain room temperatures. Air conditioning and heating systems are not permitted in homes 4 points	 The energy market has moved to a customer centric model where customers consume, generate, store energy and trade with others in the community 4 points	 The local community government supplies your energy, with profits going back into local areas 4 points	 Households no longer have cooking facilities. Everyone gets their food via delivery and/or delivery methods 8 points	 There is no private car ownership. Everyone is using public or shared transport 10 points
Pick a minimum of 10 points	This helps me because....			This helps the community because....		
	<hr/>			<hr/>		

Zooming in: Examples of energy in the future – Concept Testing

What did we do?

- Consumers were sent examples of three different concepts to refer to during the interview. These examples were created based on conversations with industry stakeholders / experts.
- Consumers were asked to provide their **initial reactions** to the concepts, their **understanding of how it would work**, **likes and dislikes**, and anything they would **change to improve** the concept.
- Consumers were then asked to imagine how this solution would **impact / improve their lives**, and reflect on any other ideas that came to mind.

2) Instead of comparing Usage Rate, Supply Charge, and Discount, you just need to choose the plan that best suit your lifestyle and needs.

	Small	Medium	Large
People in your Household	1-2		
No. Bedrooms	1-2		
Air Conditioning	1		
Swimming Pool	No		
Price per month	\$30/mth		

Select this plan

John, NSW

Sonia, NSW

Maria, SA

Richard, WA

09:41
2030

My energy

Monitor your energy usage and costs

Set rules to optimise your usage

Choose your energy source preference

Connect more rooms/devices

Ask us any questions

Set notifications

Why?

- This conversation helped to understand consumers' thoughts about current problems in the energy sector, and what solutions should be aiming to achieve in the future.
- To explore what consumers saw as a better future of energy and to get a detailed understanding of their associated wants and needs.
- Harness the collective consideration of consumers to help contribute to future solutions that provide a tangible improvement on current energy problems.

Concept 1

Simplifying the purchase of energy

What did participants' see?

Instead of comparing Usage Rate, Supply Charge, and Discount, you just need to choose the plan that best suit your lifestyle and needs.

	Small	Medium	Large
People in your Household	1-2	2-4	4+
No. Bedrooms	1-2	2-3	3+
Air Conditioning	1	2	2+
Swimming Pool	No	No	Yes
Price per month	\$30/mth	\$50/mth	\$75/mth
	Select this plan	Select this plan 	Select this plan

Imagine you could choose your energy plan as you choose your mobile phone plan today.

How does it work?

Choose what monthly plan you need depending on your usage. For example, there could be small, medium and large plans based on how large your house is and how much energy you consume.

Consumers were immediately interested in the price and ease of comparison, but were skeptical about the logistics

Consumers felt that this was not an objective measure as different people use different amounts of energy. A single person could be using more energy than two or three.

Nearly all consumers were confused and concerned about what happens if you exceed your paid usage. They didn't see this being feasible as having to pay for going over might end up more expensive. They believed no penalty would lead to people buying the cheapest plan regardless of use, or simply overusing energy because there's no financial cost.

2) Instead of comparing Usage Rate, Supply Charge, and Discount, you just need to choose the plan that best suit your lifestyle and needs.

	Small	Medium	Large
People in your Household	1-2	2-4	4+
No. Bedrooms	1-2	2-3	3+
Air Conditioning	1	2	2+
Swimming Pool	No	No	Yes
Price per month	\$30/mth	\$50/mth	\$75/mth
	Select this plan	Select this plan	Select this plan

Removing Usage Rate, Supply Charge, Discount was key for consumers to be able to compare between providers and feel confident in making a decision

Early Adulthood and Midlife consumers were particularly interested in the fixed costs to assist their budgeting. Financial planning was important for these groups in juggling the increasing expenses for day-to-day life (mortgage, children, bills).

Mature consumers were quicker to reject this concept, largely driven by their dissatisfaction and resistance to phone plans. It still seemed complex to many and they were concerned with a lack of flexibility (e.g. being charged the same even if not using as much)

Consumers liked the premise and benefits of the concept, but questioned how feasible it would be for energy

Will it work?

Concept 1 – Simplifying the purchase of energy (Telco plan)



What worked

Easy to understand

The breakdown of factors contributing to energy consumption was appreciated by consumers. This understanding led to increased comfort with the price of their energy bill, as they had more digestible elements to justify the cost (household size, notable appliances i.e. pool or AC).

Setting expectations for budgeting and bill shock

Knowing exactly how much their bill would cost ahead of time was particularly attractive to lower-income households who relied on regular financial budgeting. Consumers who were financially responsible for paying the bill also liked it if they wouldn't incur future bill shock.

Comparing providers

Consumers remarked that the understanding and transparency of these plans would help compare providers. Those from states in regulated markets did not share this sentiment.



What didn't work so well

Confusion about the limit

Consumers felt confused about what would happen if you went over your allocated energy usage. Whether your power would be shut off, or if you had to pay a premium to 'top-up' your energy raised concerns that these plans might end up being more expensive.

Doesn't account for variability

Changes of energy usage due to seasonal variance, being out of the home for extended periods of time (holidays) and having visitors over was a concern that the prepaid plans did not account for. If the plans were not flexible to accommodate these, consumers were disinterested for fear of either going over their limit, or paying for more than they need.

Lock-in contracts

Echoing their sentiment for phone plans, consumers did not want to be locked into a single provider and liked the idea of being able to compare and change plans at their whim.

In their own words.....

“ I think it's good. At the same time, though, if, for example, you use less than that amount of \$30 a month, or whatever it may be, or \$50, if you use less than that, would you get that back in any way? Are you just kind of paying the time that like, what if what if you were paying for a cheaper, rate? But you just decide to use a lot more than that? How would that work?
- 22, *Leaving the Nest, Green, WA* ”

“ It is an interesting concept. It would make things easier for the layman to understand. And I think it would be popular. People would know how much they're going to be spending on their electricity. And there'll be no fear of this monstrous bill coming at the end of the month. As long as there's no like hidden charges and stuff like that, if you use if you lock yourself in for a medium plan and you go over the limit, are they going to shut off your electricity?
- 40, *Midlife, Amber, SA* ”

“ That sounds like a brilliant idea, just so that you know where you're at, instead of getting to the end of the month...getting this massive bill and wondering how you're going to pay for it. Paying for it in advance and knowing how much you're going to pay is a great idea, especially for people like my family that are constantly budgeting to try and fit all the expenses.
- 36, *Early Adulthood, Red, WA* ”

“ I'm not really keen on a plan. Sounds like a mobile phone plan. Plans kind of lock you in, and what happens if something happens to you or your circumstances or something? If I'm going to have a plan, it's got to be flexible.
- 65, *Mature, Green, ACT* ”



Liked



Disliked



Tweak

Concept 2

Providing Control via a Management System

What did participants' see?

Your energy provider has just given you access to a new app that puts you in control of your energy usage.

How does it work?

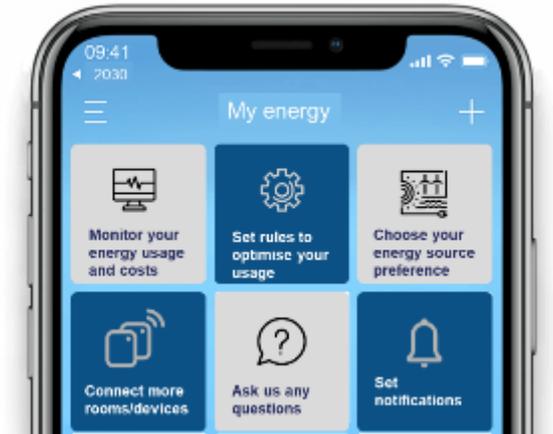
Don't worry about the tech stuff. All you need to do is connect your devices and it set rules for home energy usage based on your preferences and your behaviour.

You can either 'set-and-forget' or actively override and change rules when you wish.

But really, how does it ACTUALLY work?

The platform uses sensors and cloud-based solutions to collect data of each room/device, and is able to act upon the set of rules that allows the household to:

- 1) **Reduce energy usage** – e.g. use sensors to turn the lights off automatically when no one is home
- 2) **Minimise costs** – e.g. turn on the heater only when the system is not under pressure, i.e. if the energy cost is inferior to \$0.20/kw

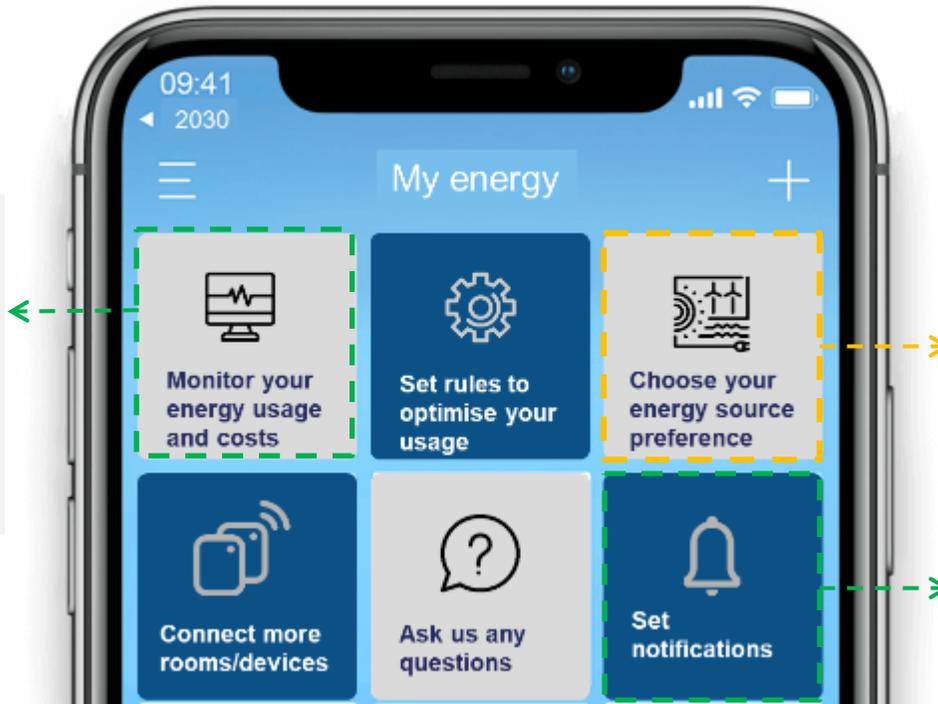


You'll also get rewarded with points for minimising usage, which can later be claimed for discounts.

Consumers were very attracted to this concept and saw it as a logical, beneficial next step for energy

What worked?

Real time monitoring of energy consumption was universally appealing to consumers. Being able to forecast and anticipate the amount of bills, as well as proactively managing use were key elements lacking for consumers currently.



Consumers did not commonly remark on the ability to choose an energy source, and were preoccupied with other aspects of the technology.

Receiving notifications for changes in usage or tips about the monitoring of energy consumption was a feature that appealed to more cost conscious consumers as an extra measure to minimise use.

Consumers expected this technology in the future and were excited at the prospect of increased control and information over their usage

Concept 2 – Providing control via management system



What worked

Control, control, control

The ability to increase control over energy consumption, particularly to reduce the amount of bills was something universally liked by consumers. Furthermore, control over appliances from outside the home (like to turn on the AC just before you get home so it's cold) was a feature that was appealing.

Real time monitoring

Consumers liked the idea of having real time monitoring and notifications about their energy consumption. Being able to pinpoint specifically what was using a lot of energy was very attractive for consumers looking to proactively manage their use to reduce their consumption.



What didn't work so well

Too advanced for older generations

This technology was seen as perhaps leaving older generations behind and not being user-friendly for everybody in the market.

Compatibility issues

Some consumers saw faults in the logistics of implementing such a feature and were unsure of how this could be applied to all houses. Some confusion as to how smart home technologies actually work was a barrier for some cohorts buying-in to this concept.

Set and forget wasn't as well received

While consumers saw the set and forget feature as nice to have, there was a cohort who were satisfied with their current management of energy, and their ability to turn things off when not being used. There were a few concerns with settings being inflexible and consumers not being able to use things when they wanted – specifically, they didn't want to compromise convenience due to rules that optimised energy efficiency.

In their own words.....

“

I like the sound of that. I'm obviously from this technology savvy generation. I'd be very comfortable with something like that. Knowing that it's helping to reduce my energy emissions would be really beneficial. And I know that a lot of people, like older people would really struggle with something like that. But of course, as the years go on people are going to be more comfortable with using technology.

- 26, *Leaving the Nest, Green, TAS*

”

“

I love that. I really like that idea. It would make me feel like I have more power and more control over what's going on. It would be something that could actually give me a visual of what's going on in the house and what is consuming all that power. Because that's something that I'm not entirely sure of. I'm not sure what to switch off.

- 43, *Midlife, Green, WA*

”

“

Yeah in theory off-peak usage is a good idea, but I don't have time for that. I want to wash when I want to wash. I don't want to be trapped to these things. I want to wash when I want, not when nobody else is using energy.”

- 55, *Mature, Green, NSW*

”



Liked



Disliked

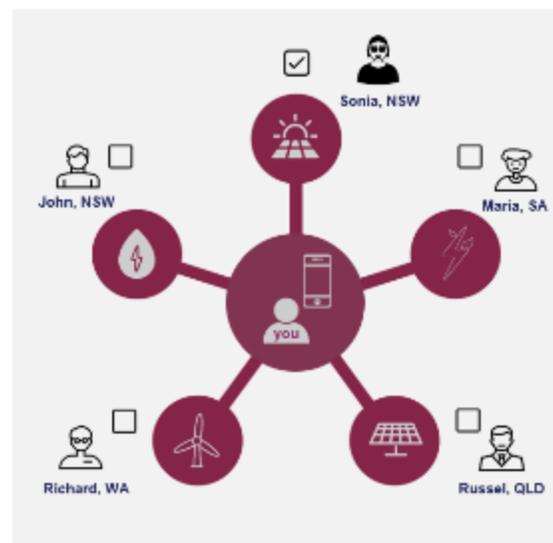


Tweak

Concept 3

An Energy Community

What did participants' see?



Imagine if a company and/or technology connected you directly to consumers around Australia that you could buy and sell energy from.

You can actively choose what kind of energy to use (e.g. solar, wind, hydro) and who you're buying it from – usually people like you who have a solar panel or battery that generates more energy than they need/consume.

Why is it good to buy from others?

You have a positive impact in your community by giving money to people and families like you. You are keeping money in local communities as opposed to buying from energy retailers.

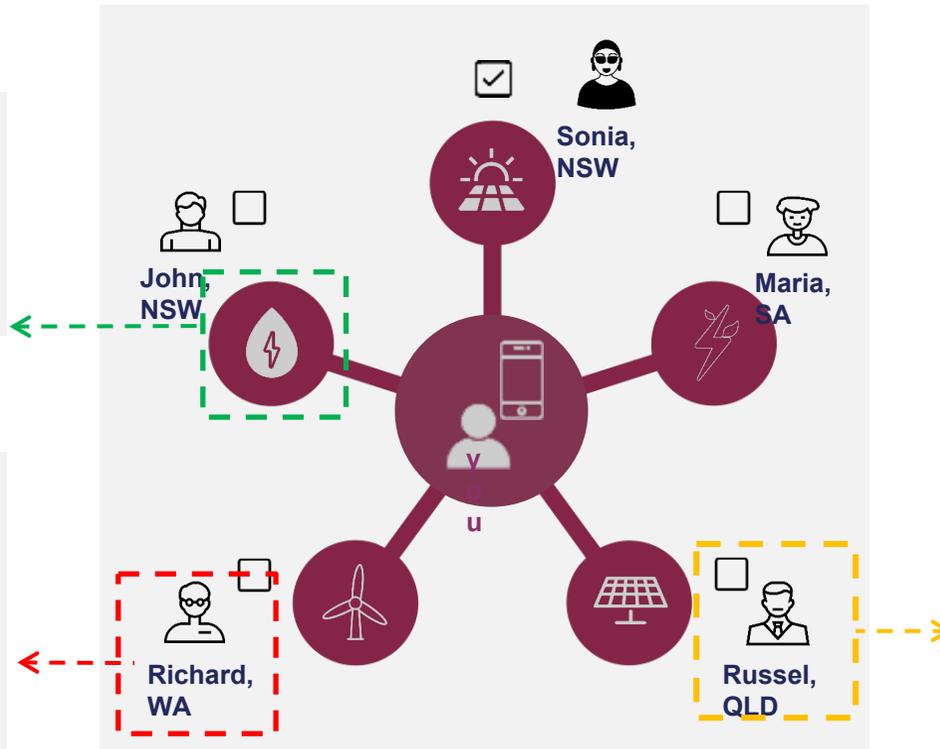
This new technology also allows you to know where the energy comes from, building a more transparent energy system.

Community and renewables appealed to consumers, but the logistics of the system and trusting individual sellers was a key barrier

What worked?

Leaving the Nesters and Early Adults particularly liked introducing more renewable energy sources into the market.

All consumers were concerned with the potential for this system to be insecure, and had issues with trusting individuals who might be looking to cheat the system. Tight regulation and control would be necessary for consumers to buy into this system.



Consumers on the whole liked the idea of giving back to the community and supporting individuals instead of corporations. However, some felt that the level of specificity down to an individual could be too time consuming or involved for them to use it.

It was primarily younger consumers who liked the access to renewables, but everyone fancied the idealistic notion of community.

Concept 3 – An energy system



What worked

Giving back to the community

Consumers across each life stage liked the idea of supporting the community, and having more of a connected, interactive community.

Younger people cared about access to renewables

Leaving the Nesters and Early Adults saw the benefit of increased access to renewable energies. Though most individuals wanted more renewables, they were largely content with ensuring that their energy was clean, and weren't too concerned with what the specific source was (hydro, wind etc). Midlife and Mature consumers were more engaged with the ability to sell excess energy and to be self sufficient.



What didn't work so well

Trust and regulation

Consumers across the board were wary that this system would need strict regulation. Nevertheless, there was still hesitation to put trust in individuals, despite not necessarily trusting retailers right now.

Part of this concern was to do with price, where individuals could set expensive prices. Another concern was whether consumers would actually get the energy they believe they are getting. They also liked having businesses with operations to solve problems when/if they arose, which they did not see as part of this concept.

Understanding the system

Many consumers were unable to envision how this system would actually work and the practicalities of it in action. This created hesitation towards the concept.

In their own words.....

“ I don't care where my energy comes from, as long as it is sustainable. I also don't care who it comes from, because it's not like you would know who you are getting it from.
- 27, *Leaving the Nest, Green, NT* ”

“ Overall, I think it is a good concept and I'm thinking it would work well if you had an older person who couldn't afford their own bills, you could share your excess power with them when they needed it. It's nice also to take it away from the big companies. It feels like it could make it all more transparent.
- 54, *Midlife, Amber, VIC* ”

“ In terms of the kind of energy to use, I'm sort of indifferent to that. I mean, definitely, if I can choose a better source of energy that's more environmentally friendly, that would be great. But yeah, I think otherwise, it seems like a bit of a complex system. I think generally I would prefer simplicity when it comes to energy.
- 29, *Early Adulthood, Amber, WA* ”

“ It's an interesting concept. It would be good since people can buy stuff from me. If I'm giving them output and I can earn some money without any outlay.
- 54, *Mature, Green, TAS* ”



Liked



Disliked



Tweak

Focus Group Activity #1

Minimising Complexity

What did participants' see?

Task

Imagine you are responsible for **making energy easy** for consumers in the future.

What would you offer to consumers?

Please design a product or offer that you would introduce, highlighting the key problems it solves for you/consumers.

To help you get started, have a think about:

- *What is hard about energy today? What part of energy do you want to make easier?*
- *What would the product or offer look like? How would it work?*
- *How would it be different to what is offered to consumers today?*

Please create a 'mock-up' using either words, images, drawings to describe your idea.



Consumers felt unable to confidently interpret their bill and wanted ways to more easily comprehend the breakdown of the total

Activity 1 – Minimising complexity



What problems currently exist?

Bills were too complicated

Consumers had difficulty understanding and interpreting bills and the different variables contributing to what they pay for energy. Including kilowatt/hour costs, discounts and usage fees, consumers felt overwhelmed and lacked confidence that the amount reflected their usage. Consumers, on the whole, felt having the breakdown of costs only made them more confused, and didn't provide transparency or better understanding.

Making effective, impactful decisions is too hard

Consumers felt that there weren't enough viable, realistic options to make an effective impact on energy consumption through renewables, or even in everyday use beyond turning off lights/appliances not in use.



What is the solution?

Apps to monitor and manage

Nearly all **Leaving the Nesters** and **Early Adults** believed an app would be a powerful tool for eliminating confusion and breaking down the complexity of energy consumption. Live monitoring to help consumers proactively manage their use, a calculator to forecast the cost of consumption behaviour, and tips to save money were all benefits of an app to help improve understanding around energy use.

A bill for laymen

Having a bill which included the detailed, current bill format on one side, but had a simplified, 'one cost' format on the other side. Having the bill in simplified, laymen terms appealed to users who only really cared about how much they need to pay, and how they fared against the average user.

Individual assessment and consultation

Consumers liked the idea of personalised assessment and consult to help understand where there's room for improvement for energy use. This included viability and options for renewables like solar, recommending energy-saving appliances and devices to help save and general information and support tailored to them.

In their own words.....

“

Consider what's hard about energy. Firstly, people have no real sort of feeling that can help them make effective decisions regarding power usage. And what exists today as solutions aren't actually practical solutions to reduce usage of energy.

- 54, *Mature, Red, QLD*

”

“

We thought there should be something to address the lack of information. And also the current charge - how does it work? How much is charged? That'll give you all answers to your questions. I think it's the way we use energy that really that makes a difference on daily usage, and people don't really understand the best ways to use energy.

- 33, *Early Adulthood, Red, NSW*

”

“

When you read your bill, it feels like you're working through a math problem just to know how much energy you're using.

- 40, *Leaving the Nest, Green, SA*

”

Focus Group Activity #2

Optimising Pricing

What did participants' see?

Task

Imagine you are responsible for **making energy pricing and plans better** for consumers in the future.

What type of pricing plan or structure would you put in place?

Please design a product or offer that you would introduce, highlighting the key problems it solves for you/consumers.



To help you get started, have a think about:

- *What is not working in the way that consumers purchase energy today?*
- *How are you currently charged for energy? How does it work?*
- *How would it be different to what is offered to consumers today?*

Please create a 'mock-up' using either words, images, drawings to describe your idea.

Consumers felt that payment was convoluted and too easy to overspend. Paying for renewables was also perceived to be too expensive

Activity 2 – Optimising payment



What problems currently exist?

Current pricing isn't understood

Pricing for energy was confusing to consumers who struggled to comprehend the complex breakdown of their bills. Introduction of discounts, differing fees and abstract terminology like kilowatt/hour make payment a matter of trust, rather than finances.

Overspending and bill shock

Consumers believed that bill shock was an inevitable part of the journey for paying energy bills. Whether it's the first bill they're accountable for, or the beginning of summer/winter, overspending on energy was seen as something far too common.

Renewables are too expensive

Renewable energy like solar was seen to be too expensive for upfront charges. While the longer-term benefits were obvious, the initial outlay was a common and sizeable barrier in paying for the energy source.



What is the solution?

Just one cost

Consumers only cared about a single number contributing to their bills. Consumers suggested that energy could be similar to petrol – there is one fixed cost, and you pay for the amount you use. If this number is kilowatt/hour then so be it, but give that cost tangible meaning by removing additional fees and discounts which convolute pricing.

Prepaid energy plans

Paying for monthly/quarterly bills upfront was one solution to counteracting the prevalence of bill shock and consumers spending too much on energy. This also benefited cost-conscious households who were on limited income or those trying hard to budget.

Government subsidy

Midlife/Mature consumers who were thinking about installing solar panels thought the government should subsidise renewable energy to reduce the upfront costs. Payment should be optimised so that the technology is accessible to people considering a purchase.

In their own words.....

“

We thought rather than using electricity and pay for it after, using a prepaid phone plan might be better. It prevents people from overspending as you are essentially paying a bill before using electricity.

- 27, *Leaving the Nest, Green, NT*

”

“

Allows us to control costs easier, gives us tips to save including updates from the government. There'll be payment plans as well as pay as you go to prevent bill shock. If I could see my bills getting really high 8 days in the cycle, I could put in \$20, so I don't get that \$500 bill at the end of the quarter.

- 33, *Early Adult, Red, NSW*

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