

A background network diagram consisting of thin teal lines connecting several circular nodes. The nodes are scattered across the page, with a larger teal circle in the center containing the main title. The overall aesthetic is clean and modern, suggesting connectivity and data.

Energy Consumer Sentiment Survey Findings

South Australia

July 2016

Energy
Consumers
Australia

Energy Consumer Sentiment Survey, July 2016

South Australia

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

Background

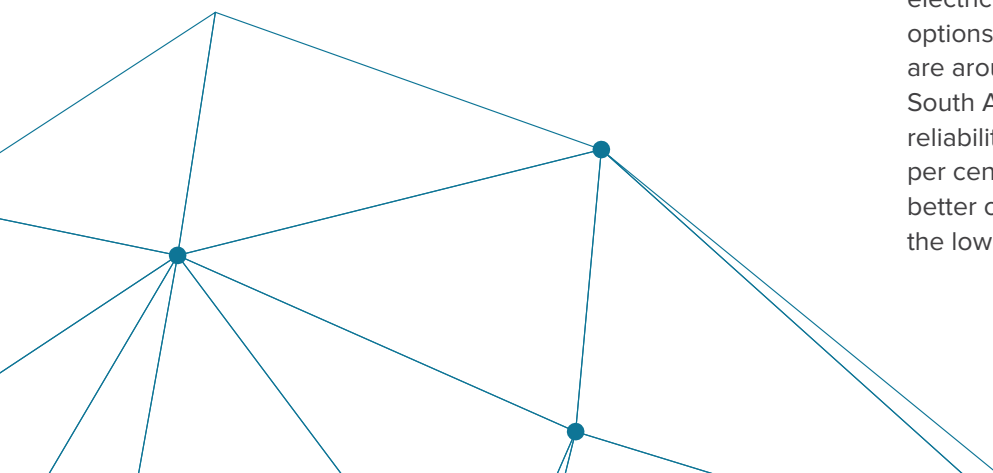
The Energy Consumer Sentiment Survey is a long term project for Energy Consumers Australia. It is designed to provide information on household and small business consumer sentiment with a focus on three key areas of satisfaction, confidence and activity. This is the first ever national survey and will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

Consumer satisfaction in South Australia

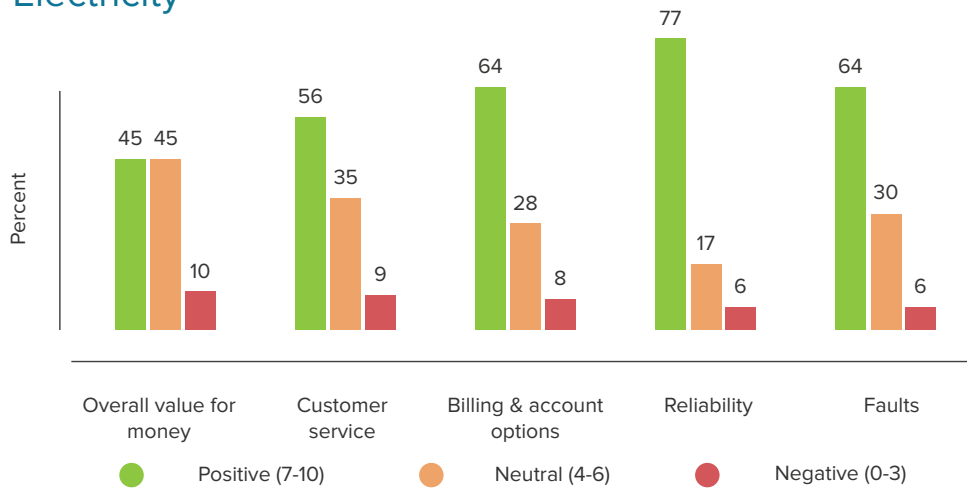
Consumers are telling us that overall they are satisfied with energy services. Households report levels of satisfaction with energy services in South Australia at slightly above the national average, with 68 per cent rating services 7 out of 10 or higher (a positive rating).

Value for money

Households in South Australia rate their satisfaction with the value for money below their counterparts in New South Wales and Victoria, with only 45 per cent providing a positive rating. This means that more than half of all households in South Australia are neutral or dissatisfied with the value for money of their electricity service. Satisfaction with reliability of electricity services, billing and account options and the way faults are dealt with are around the national average. While South Australians are confident in the reliability of electricity services, only 40 per cent expect that the market will deliver better outcomes on reliability in the future, the lowest of all states and territories.



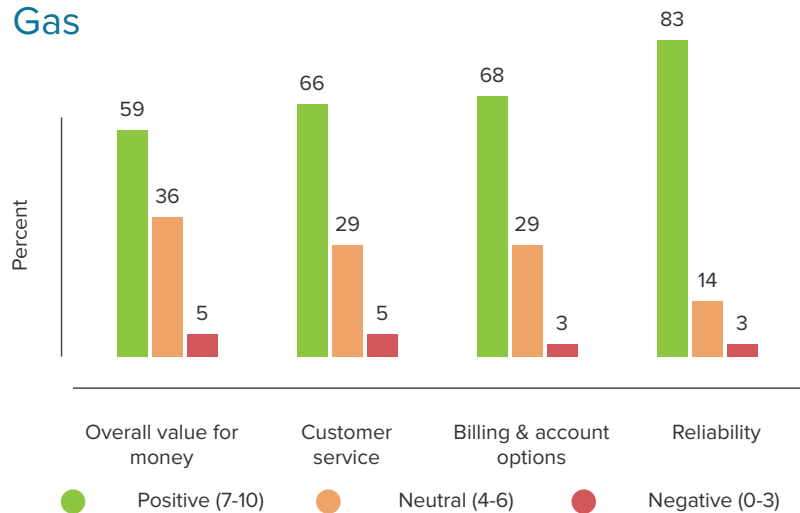
Electricity



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

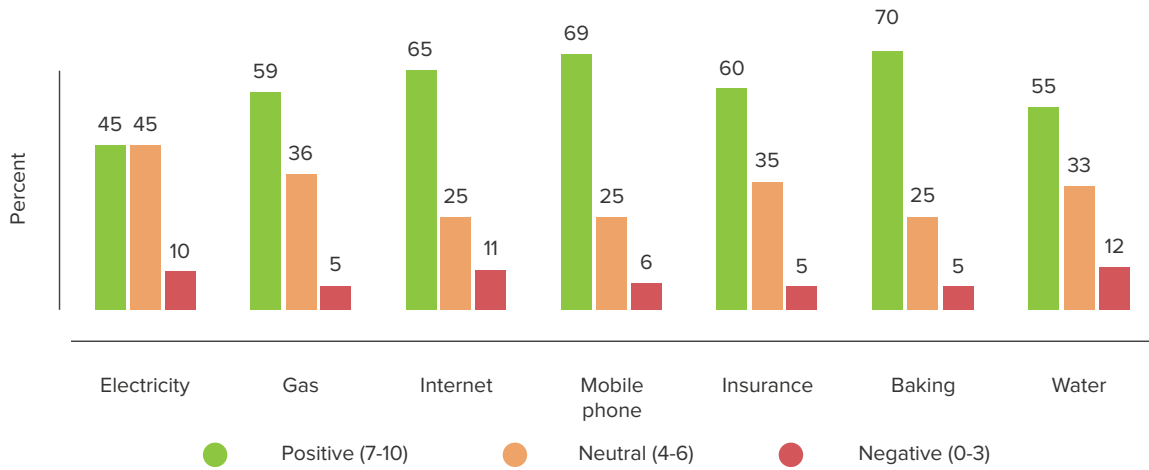
South Australian households are substantially more satisfied with their gas services than electricity services across all attributes, but particularly on value for money where 59 per cent of consumers gave a positive rating.

Gas



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

When compared with the value for money of a range of other services, households in South Australia are telling us that the value for money of electricity services is significantly less than for their banking, water, mobile phone, insurance and internet services.



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

Net Promoter Scores

Consumers are unlikely to recommend their current electricity retailer to a friend or colleague, as measured by the Net Promoter Scores (NPS) (the difference between advocates and detractors). Only 21 per cent of household consumers said they would recommend their electricity retailer to a friend or colleague, whereas 45 per cent were 'detractors' and unlikely to recommend their retailer. That means the South Australian electricity services NPS is -24 – better than the national average, but still strongly negative.

The NPS for households for their gas services is higher than for electricity services.

Competition

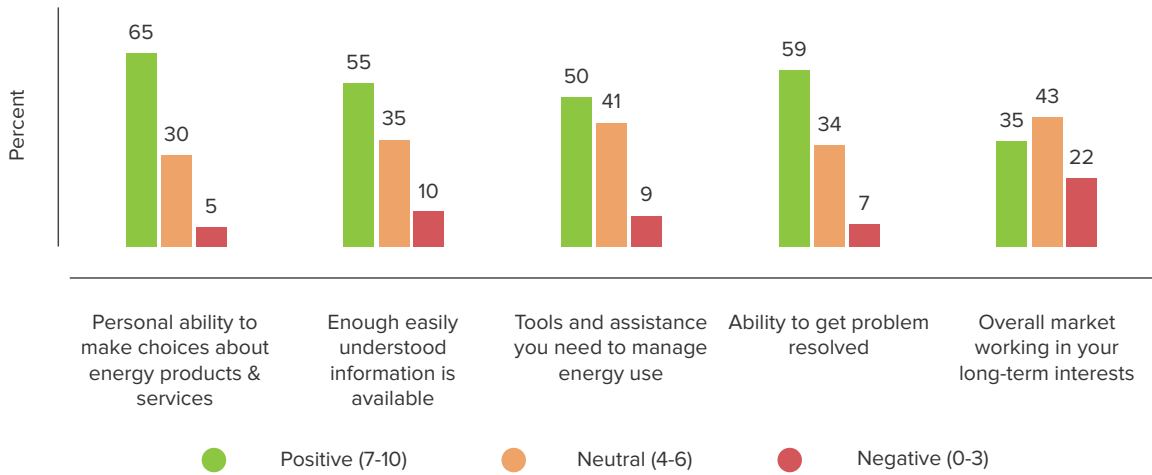
Consumer satisfaction with the level of competition varies significantly between jurisdictions, with the differences aligning with the nature of their retail markets. In South Australia close to half of households were positive about the level of competition in energy markets (48 per cent).



Consumer confidence in South Australia

Consumers tell us that they are confident in their own abilities to choose the energy products and services that are right for them. South Australian households have high confidence in their ability to make choices about energy products and services although a lower level of confidence that the information and tools are available to help them make those decisions.

Households in South Australia have a very low level confidence in the overall market working in their long-term interests and even lower level of confidence that they will see better value for money outcomes in the future.



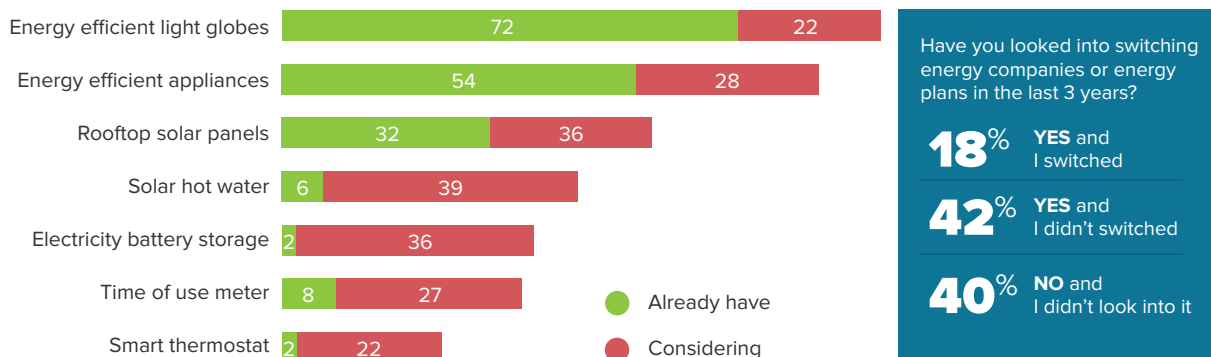
How would you rate the [attribute]? 0-10 scale, 0 = 'very poor', 10 = 'excellent'



Consumer activity in South Australia

Uptake of energy management technologies

Consumers are looking to energy management technologies to manage their electricity costs. Most households in South Australia have invested in energy efficient lighting or energy efficient appliances. Two-thirds half households in South Australia have either have purchased solar panels or intend to do so in the next 5 years. More than one third of households say they are considering purchasing electricity battery storage.



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

Switching energy providers or plans

A high proportion (60 per cent) of South Australian households have considered switching energy providers in the past three years, with 18 per cent deciding to switch. The main reason consumers identified for considering switching was dissatisfaction with value for money of the current deal (35 per cent) or that the consumer found a better deal (26 per cent).

Of those households who looked at their options, only 8 per cent ended up less satisfied and 34 per cent ended up more satisfied, while 57 per cent end up much the same. This is the lowest level of satisfaction with the outcome of switching of any state (equal with Queensland). This may suggest that consumers are not seeing real outcomes from switching providers in South Australia, even though there may be a number of competitors to choose from in the retail market.

For those who did not consider switching, many were happy with the deal they are currently on (31 per cent). Almost half of those who did not consider switching either felt that it made no difference what deal they were on (11 per cent) or that the barrier to switching was too high (28 per cent).

Energy Consumers Australia

What's next?

Energy Consumers Australia will next report on energy consumer sentiment in late 2016.

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

ECA contact

Lynne Gallagher,
Director, Research,
Energy Consumers Australia

lynne.gallagher@energyconsumersaustralia.com.au @

02 9220 5500 ☎

