A network diagram background consisting of thin blue lines connecting various nodes, some of which are solid blue circles. The lines form a complex web of interconnected points across the entire page.

Energy Consumer Sentiment Survey Findings

Western Australia

July 2016

Energy
Consumers
Australia

Energy Consumer Sentiment Survey, July 2016

Western Australia

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

Background

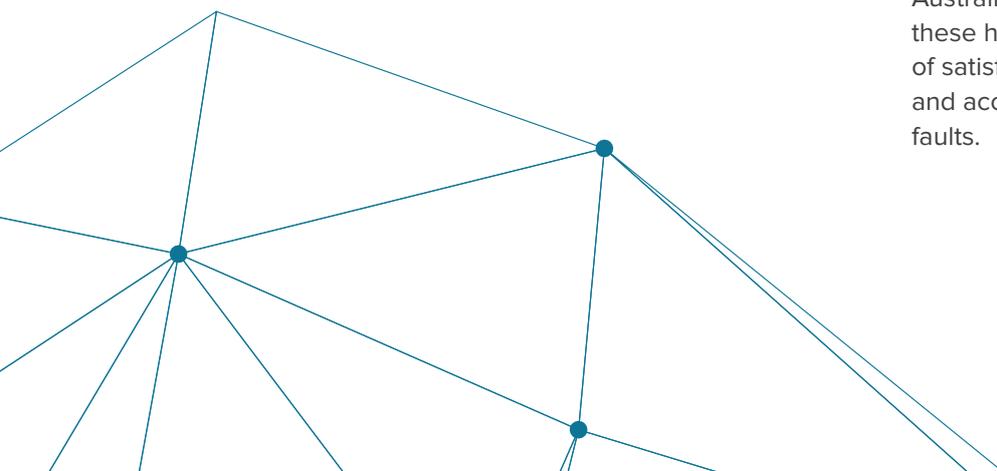
The Energy Consumer Sentiment Survey is a long term project for Energy Consumers Australia. It is designed to provide information on household and small business consumer sentiment with a focus on three key areas of satisfaction, confidence and activity. This is the first ever national survey and will 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 Western Australia

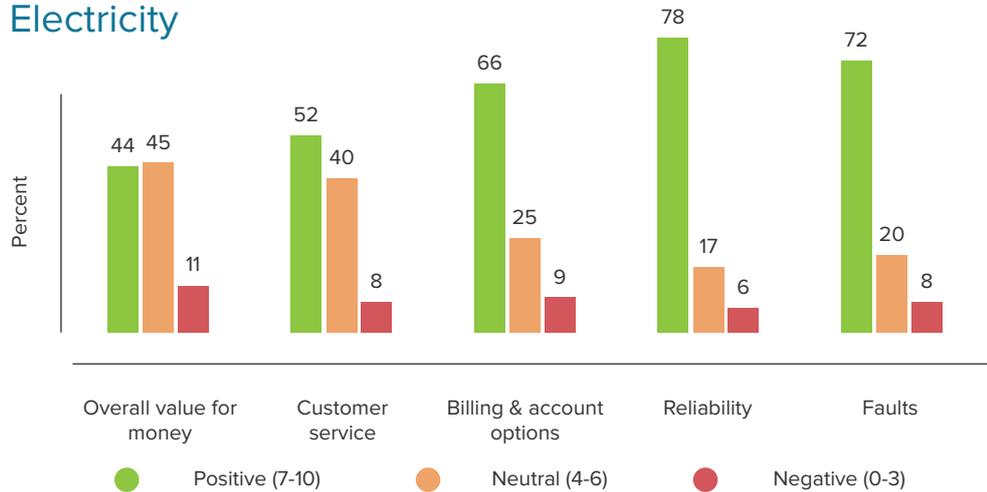
Consumers are telling us that overall they are satisfied with energy services. Households report the highest levels of satisfaction with energy services in Western Australia, with 73 per cent rating services 7 out of 10 or higher (a positive rating).

Value for money

Households in Western Australia rate their satisfaction with the value for money below their counterparts in New South Wales and Victoria, with only 44 per cent providing a positive rating. This means that more than half of all households in Western Australia are neutral or dissatisfied with the value for money of their electricity service. Household satisfaction with reliability of electricity services is high among Western Australian households (78 per cent), and these households report the highest levels of satisfaction in Australia in areas like billing and account options and the handling of faults.



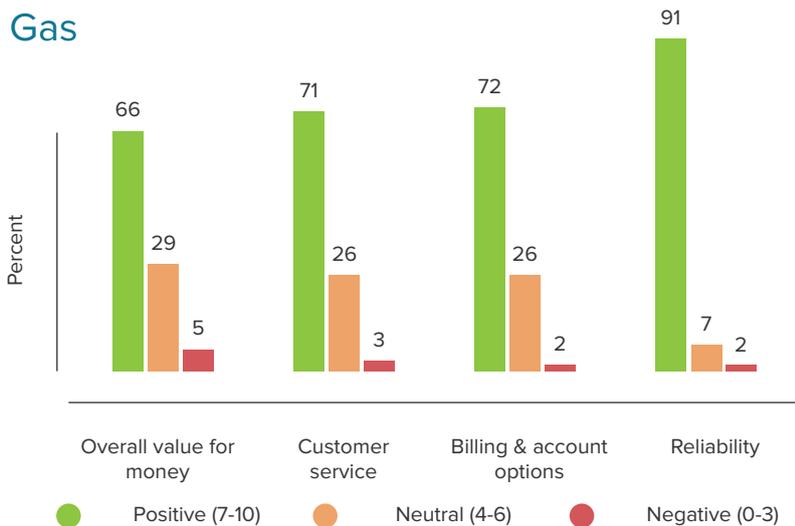
Electricity



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

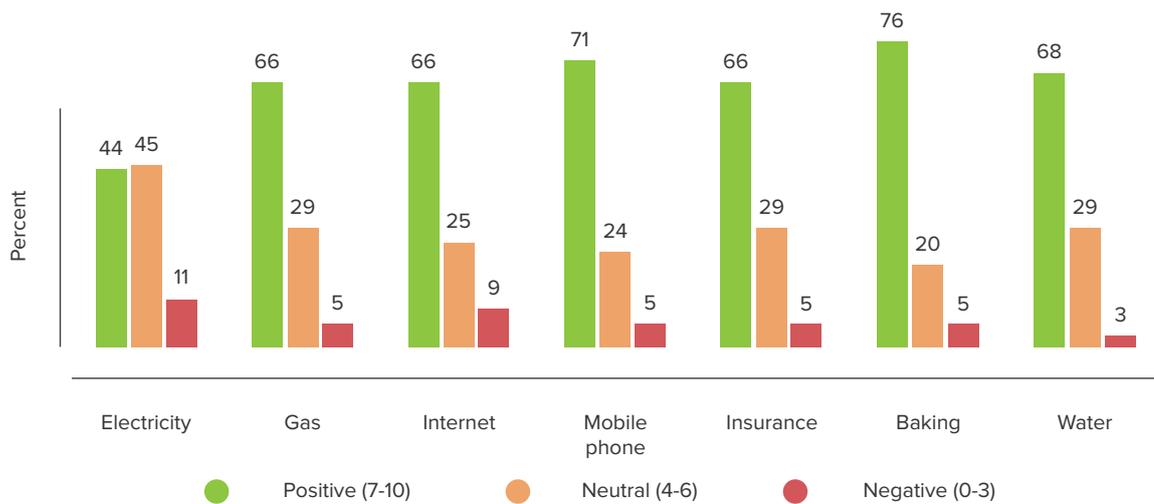
Western Australian households are the most satisfied consumers with their gas services across all measures - around 5-10 points ahead of the next best state on everything from billing and account options to value for money, reliability and customer service.

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 Western 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. The gap is between the value for money of electricity services and other services is the largest in Western Australia of all the states and territories.



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 23 per cent of Western Australian household consumers said they would recommend their electricity retailer to a friend or colleague, compared with 48 per cent of 'detractors' who were unlikely to recommend their retailer. That means the Western Australia electricity services NPS is -25, which is better than the national average, although still a strongly negative result.

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

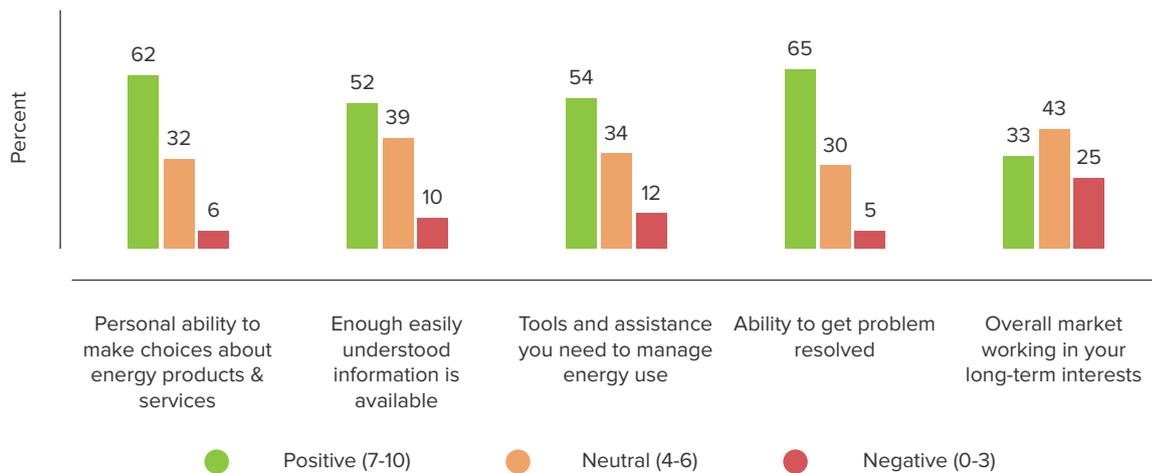
Competition

Western Australian residents do not experience an effectively competitive electricity market environment, and few consumers are satisfied with the current low level of competition (30 per cent).



Consumer confidence in Western Australia

Consumers tell us that they are confident in their own abilities to choose the energy products and services that are right for them. Western Australian households are more confident they have the tools assistance and information they need to manage their energy use than consumers in all other states and territories. They are also relatively confident in their ability to make choices about energy products and services.



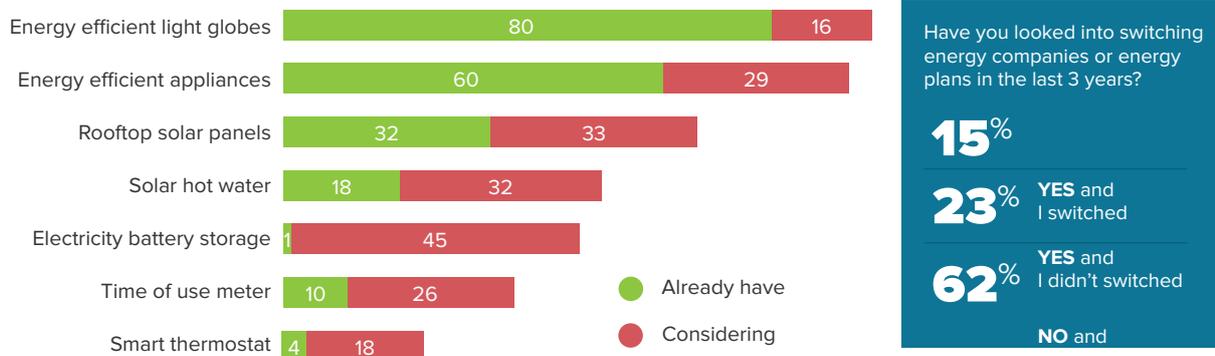
How would you rate the [attribute]? 0-10 scale, 0 = 'very poor', 10 = 'excellent'



Consumer activity in Western Australia

Uptake of energy management technologies

Consumers are looking to energy management technologies to manage their electricity costs. Most households in Western Australia have invested in energy efficient lighting or energy efficient appliances. More than half of households in Western Australia either have purchased solar panels or intend to do so in the next 5 years. Western Australians are the most likely to be considering electricity battery storage as an energy management solution (45 per cent).



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

Unsurprisingly given the lack of effective competition in the Western Australian energy market, a high proportion (62 per cent) of Western Australian consumers have not considered switching energy providers in the past three years. This is similar to the proportion of households in the Australian Capital Territory (60 per cent) but below proportion in Tasmania (90 per cent). Consumers understand that they have no real alternatives (42 per cent) given the current state of the market, while only 14 per cent said they were happy with the deal they are currently on. Most do not expect change in the future with only 14 per cent planning to switch to get a better deal in the future.

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

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