

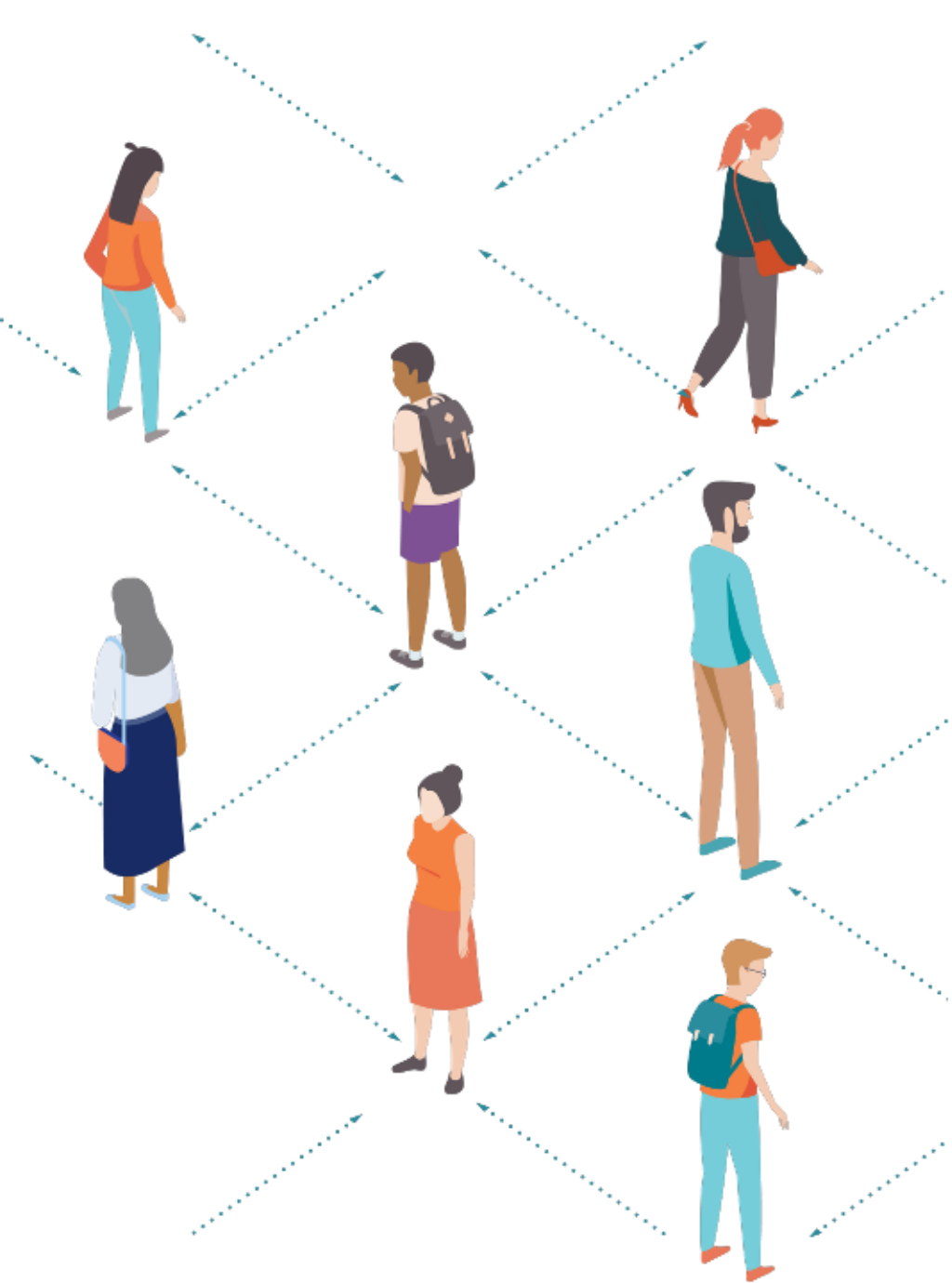


Consumer
Policy Research
Centre

COVID-19 and Consumers: from crisis to recovery

Victorian Energy
Insights
October 2020





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Executive Summary

In October 2020, Roy Morgan conducted 619 interviews with Victorians, asking a series of questions about their experiences as energy consumers. The survey explores how Victorians are reacting to the current COVID-19 situation, with a focus on perceptions of, and dealings with energy providers.

The highlights from October findings are:

- The majority (73%) of consumers gave high ratings on their energy providers for being reliable (7 to 10 out of 10). Around two thirds rated their energy provider was highly on being competent (65%), but just over half of consumers rated their provider highly on honesty (55%). Based on the most recent interaction with their provider, satisfaction increased by 3% to 62% in October (59% August).
- Concern for consumers' ability to pay their energy bills rose slightly from 26% in August to 29% in October. Private renters expressed the greatest level of concern at 46%, significantly higher than the Victorians on average. A significantly greater proportion of males reported concern in October at 32%, compared to 25% in August.
- Significantly more Victorians tried to find a better energy deal this month, at 27% (22% in August). A significantly higher proportion did find a better deal and switched plans (9% August, 14% October). This was the same for 32% of males, 19% of whom also found a better deal and switched. Young people remained the most active in trying to find a better deal at 37%, significantly more than Victorians on average at 27%.
- 18% of Victorians contacted their energy provider in the last 4 weeks. Of those contacts, 95% resulted in provider action. The most common actions were being offered a better plan that suited their needs (24%), and being asked if they had a concession so the provider could apply a discount (22%).
 - 82% of Victorians did not contact their energy provider in the previous 4 weeks. Over three quarters (76%) did not consider contacting their provider.
- Looking at energy provider websites (33%) became the most common method to find a better deal, ahead of the Victorian Government price comparison website (32%), the most common method in August.
- Significantly more Victorians found it 'very easy' to compare energy plans this month (18% August, 33% October). Also increasing significantly were those who found it 'very easy' to switch providers (22% August, 34% October).
- When asked what, other than price, they would change about their energy providers, most consumers would like better customer service. Other improvements sought included investment in clean energy, making bills easier to understand, and proactively offering the best deal available.

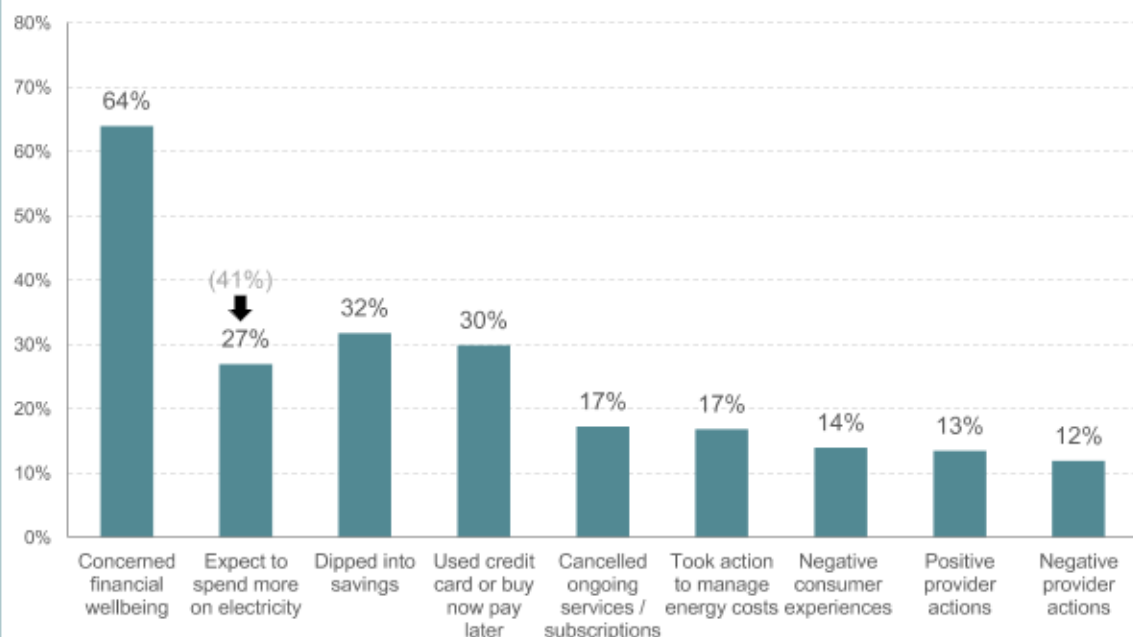
"They provide a steady service. They are not rude on the phone, but due to being home all the time we are consuming more power but earning less. Some concessions would be great."

Male, 35-49, Melbourne, Full-time employee, Renting (private).

Victorian energy key findings from core survey

Summary of results

Victorian energy key findings
(core survey)



- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020

- In October 2020, 64% of Victorians expressed concern about the impact of COVID-19 on their financial wellbeing. This was the same result as August, after increasing to 69% in September (not shown on chart).
- 27% of Victorians expected to be spending more on electricity in 3 months from October, significantly less than the 41% of Victorians who reported the same in August.
- Dipping into savings continues to be the main way Victorians manage household expenses (32% in October). Victorians' use of a credit card or buy now pay later remained stable at 30% (29% in August), as did cancelling ongoing services (17% in October and August).
- Despite all increasing significantly between June and August, October results were the same or similar to August results for:
 - Actions to manage energy costs remained at 17%.
 - Negative experiences when contacting energy providers for assistance remained at 14%.
 - Receiving positive provider actions remained at 13%.
 - Receiving negative provider actions rose 1% (11% August, 12% October).

Source: Q3. How concerned are you about the impact of COVID-19 on your own financial wellbeing? / Q6. Compared to today, how is your spending on the following essential expenses likely to change 3 months from now? / Q9. In the past month, have you taken any of the following actions to manage your household expenses? / Q10a Thinking of your energy bills, have you attempted any of the following in the last 4 weeks? / Q10b Thinking about any interactions with your energy provider in the last 4 weeks, which if any of the following have you experienced? / Q10c. Which, if any, of the following actions have any of your energy providers (electricity, gas) taken in the last 4 weeks?
October Base: Total Victorians aged 18+ (n= 1,526)

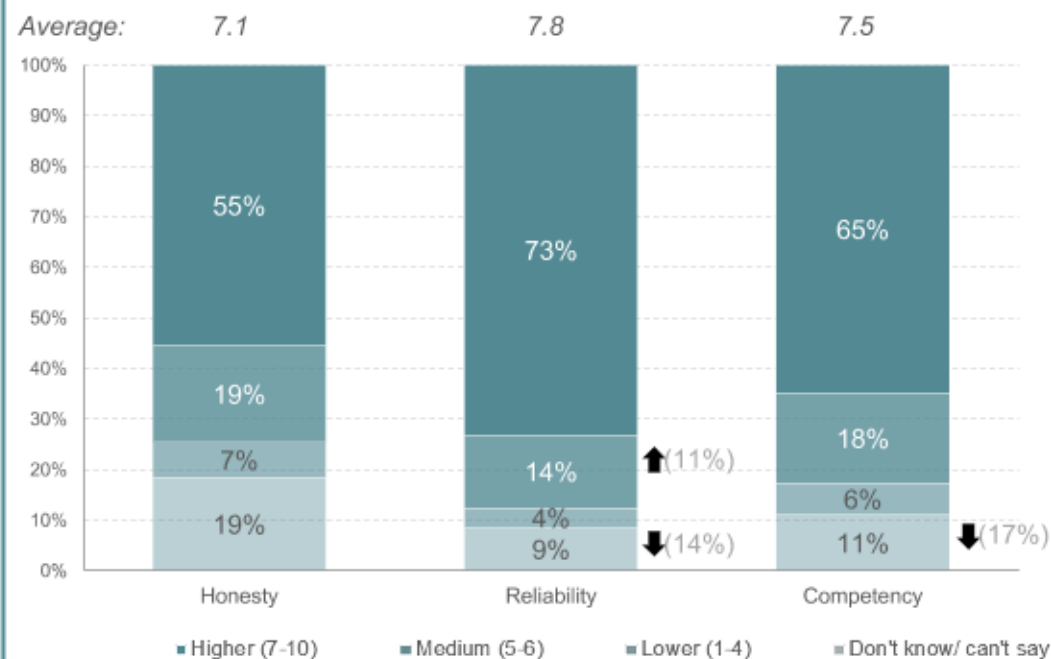


Perceptions of Energy Providers

Perceptions of energy providers

Summary of results

Perceptions of energy providers



- Black arrows: Survey results significantly higher/lower than August 2020
 - Grey scores in bracket show result for August 2020

- **Reliability** – 73% of Victorians gave high scores of 7 to 10 (out of 10); averaging 7.8, the highest of all measures (similar to August's 72% high scores and 8.0 average).
 - There was a significant increase in Victorians reporting medium scores (5-6 out of 10) up from 11% in August to 14% in October. (There was also a significant decrease in those unable to provide an answer, dropping from 14% in August to 9% in October.)
 - Only 4% gave low scores (1-4 out of 10), the lowest of any measure.
- **Competency** – 65% gave their energy providers high scores of 7 to 10; averaging 7.5 (7.6 in August).
 - 6% gave low scores (1-4 out of 10).
 - There was a significant decrease in those unable to provide an answer, dropping from 17% in August to 11% in October.
- **Honesty** – similar to August (58%), this was the least positive measure for Victorians, with 55% of consumers reporting high scores (7-10 out of 10) and an average rating of 7.1 (7.4 in August).
 - 7% gave low scores (1-4 out of 10).
 - 19% of people were unable to give an answer – the highest level of uncertainty between the three measures.

Source: QEM1. Using a scale from 1 to 10, where 1 is not at all and 10 is extremely, how would you rate your energy provider in terms of?

October Base: Victorians aged 18+ (n= 619)

Perceptions of energy providers - Honesty

Summary of results

- There were almost no significant shifts in Victorian subgroup perceptions of their energy provider's honesty between August and October.
 - The exception was significantly fewer homeowners with a mortgage unable to give an answer, reducing from 22% in August to 15% in October.
- Notably, private renters (along with males) gave the highest proportion of 'high' scores, at 59%.
 - This subgroup also gave the lowest proportion of 'low' scores at 2%, significantly lower than the average Victorian low score of 7%.
 - With the highest proportion of high scores and the lowest proportion of low scores, private renters were the subgroup viewing their energy providers as the most honest, with an average of 7.5.

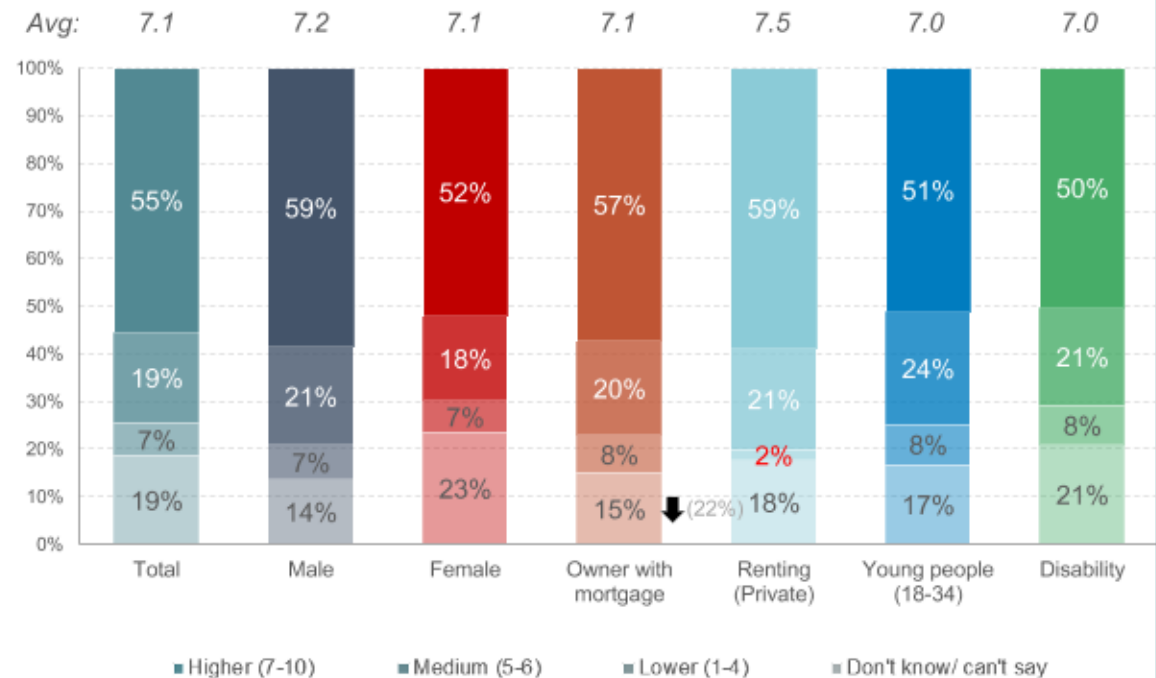
"[Providers should be] more honest and loyal to good paying customers."

Female, 65+, Melbourne, Govt income support, owner outright.

"I'd like a set price that we all agree to."

Male, 65+, Regional Victoria, Superannuation, owner outright.

Perceptions of energy providers by subgroup - Honesty



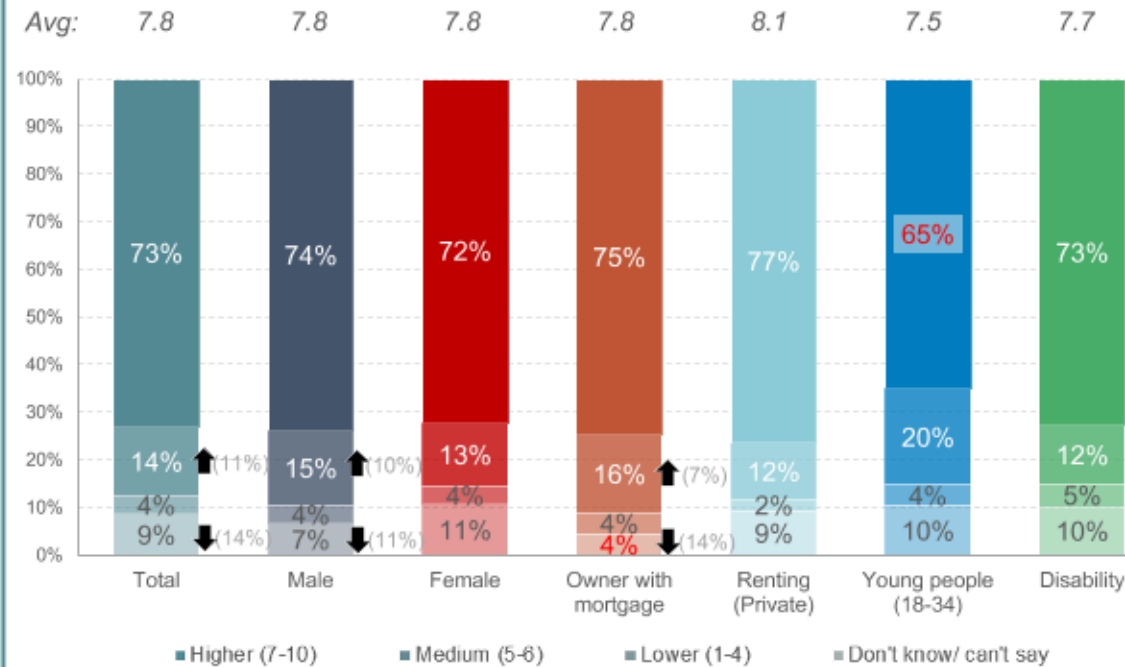
Source: QEM1. Using a scale from 1 to 10, where 1 is not at all and 10 is extremely, how would you rate your energy provider in terms of? Honesty.

October Base : Victorians aged 18+ (n= 619), Male (n=293), Female (n=326), Owner with mortgage (n=214), Renting (private) (n=118), Young people (n=191), Disability (n=92).

Perceptions of energy providers - Reliability

Summary of results

Perceptions of energy providers by subgroup - Reliability



- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020
- Green/red font: Subgroup survey result is significantly higher/lower than Total Victorians

- Young Victorians at 65%, were significantly less likely to report a high rating (7-10 out of 10) for energy provider reliability than Victorians on average, at 73%.
- While not significant, subgroups with notable differences in high ratings (7-10 out of 10) between months were:
 - Private renters with a 4% increase (73% August to 77% October).
 - Victorians with disability with a 12% increase (61% August to 73% October).
- Along with a significant decrease in 'don't know / can't say' responses, medium energy provider reliability ratings (5-6 out of 10) increased significantly for:
 - All Victorians (11% August, 14% October).
 - Males (10% August, 15% October).
 - Owners with mortgage (7% August, 16% October).
- 7% of Regional Victorians gave energy providers a low rating (1-4 out of 10) for reliability, significantly higher than 2% in August (not shown).

"I changed providers about two years ago and haven't had a reason to change again – they've been very reliable."

Female, 65+, Melbourne, Superannuation, Owner outright.

Source: QEM1. Using a scale from 1 to 10, where 1 is not at all and 10 is extremely, how would you rate your energy provider in terms of? Reliability.

October Base : Victorians aged 18+ (n= 619), Male (n=293), Female (n=326), Owner with mortgage (n=214), Renting (private) (n=118), Young people (n=191), Disability (n=92), Regional (n=143).

Perceptions of energy providers - Competency

Summary of results

- In October, 65% of Victorians rated their energy provider as highly competent (7-10 out of 10), with an average rating of 7.5, with similar scores to August across the board.
 - 71% of owners with a mortgage gave a high rating in October, 7% more than in August at 64% and the highest among subgroups.
- Significantly more females gave a medium rating (5-6 out of 10) in October (at 17%) in August (10%).
- 9% of full-time workers gave a low score (1-4 out of 10) this month, rising significantly from 3% in August (not shown).
- There were also significant reductions in those unable to answer the question for total Victorians (17% August, 11% October), females (29% August, 12% October) and owners with mortgage (17% August, 6% October). This could possibly indicate more contact with providers, which then enabled them to provide ratings.

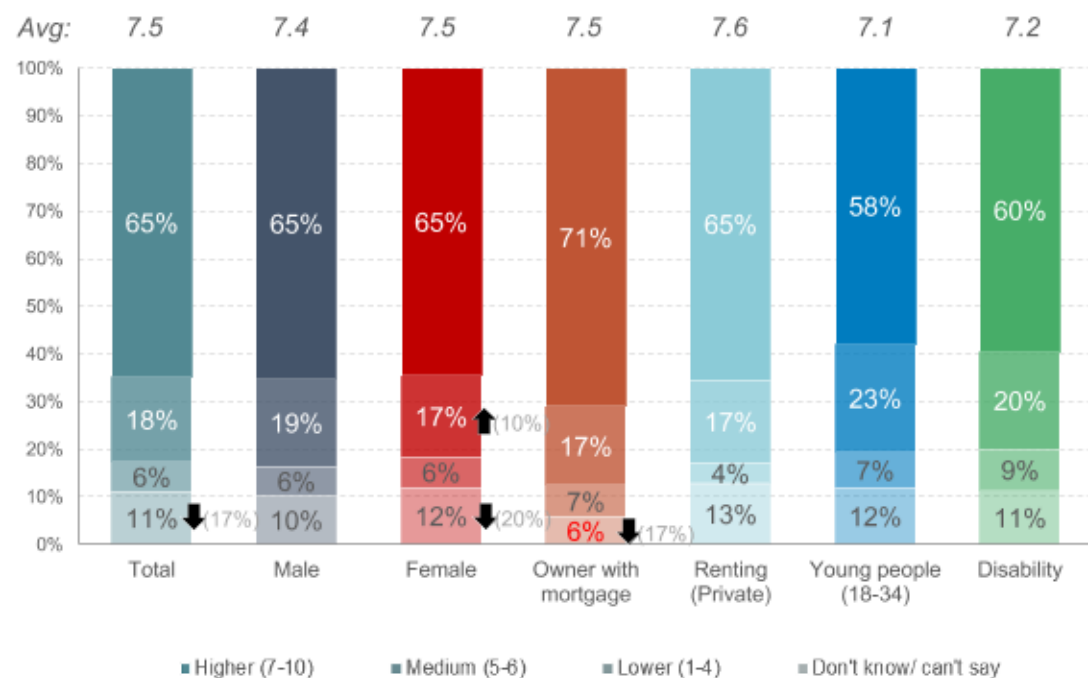
“They need to make their plans simpler. They vary the actual cost of the product to apply discounts that make their service look more attractive.”

Male, 25-34, Melbourne, Govt. income support, Owner outright.

Source: QEM1. Using a scale from 1 to 10, where 1 is not at all and 10 is extremely, how would you rate your energy provider in terms of? Reliability.

October Base : Victorians aged 18+ (n= 619), Male (n=293), Female (n=326), Owner with mortgage (n=214), Renting (private) (n=118), Young people (n=191), Disability (n=92), Full-time employees (n=255).

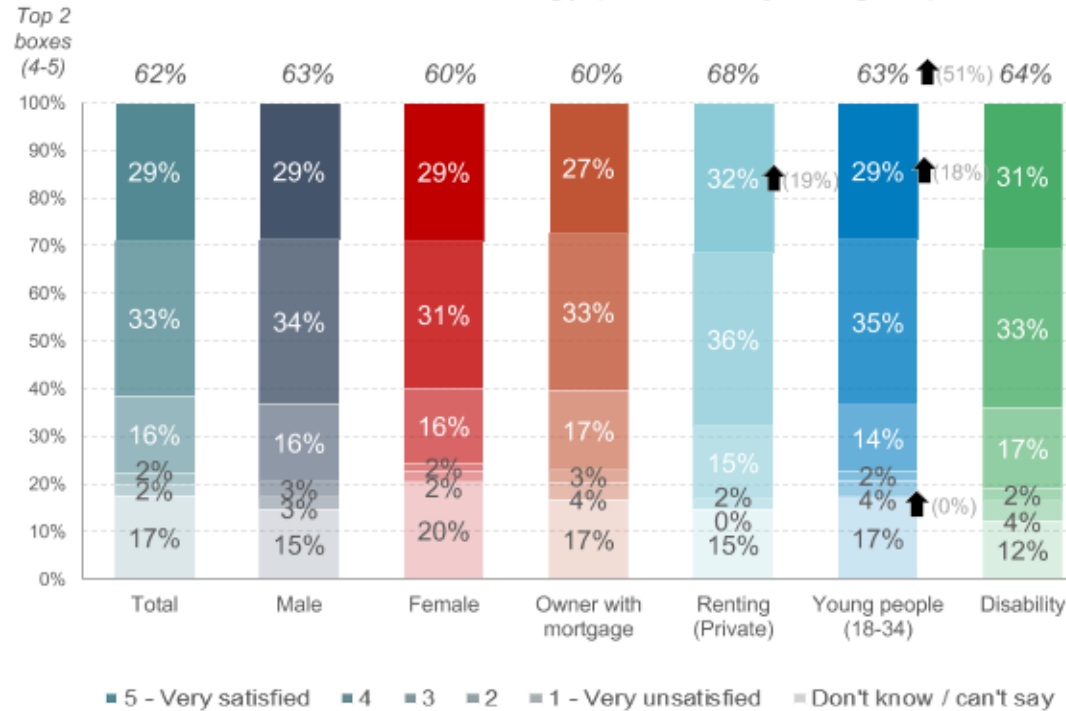
Perceptions of energy providers by subgroup - Competency



- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020
- Green/red font: Subgroup survey result is significantly higher/lower than Total Victorians

Satisfaction with Energy Provider

Satisfaction with energy provider by subgroup



- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020
- Due to rounding, totals may not equal sum of components

Summary of results

- Overall, only 62% of Victorians gave their energy provider a positive satisfaction rating (4-5 out of 5). Of the subgroups, private renters were the most satisfied at 68% followed by those with disability at 64%.
- 63% of young Victorians reported being satisfied with their energy providers. This was significantly higher than 51% in August, which, in turn, had been significantly higher than 38% in June.
 - Interestingly, while there was a significant increase in young Victorians reporting being very satisfied (18% August, 29% October), there was also a significant increase in young Victorians being very unsatisfied (0% August, 4% October).
- 32% of Victorian renters reported being very satisfied with their energy providers, significantly higher than in August at 19%.

"I'm satisfied with my energy provider."

Male, 65+, Regional Victoria, Superannuation, Owner outright.

"The bills include information and are seemingly transparent, but I don't always know what the information actually means."

Female, 25-34, Melbourne, Full-time employee, Renting (private).

Concern about ability to pay energy bill

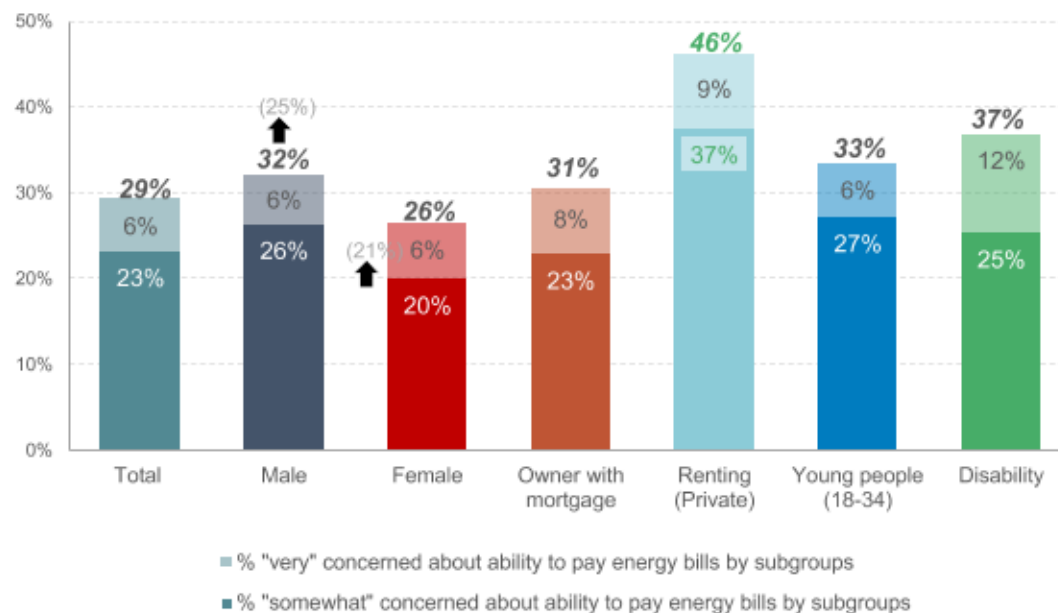
Summary of results

- 29% of Victorians were either somewhat or very concerned about their ability to pay their energy bill in October.
- Significantly more private renters (46%) felt concerned than Victorians on average (29%). This subgroup was also significantly more likely to be somewhat concerned (37%) with their ability to pay their energy bill than all Victorians (23%) in October.
- Males reported significantly more concern this month, up from 25% in August to 32% in October, with a significant increase in those 'somewhat concerned' up from 21% in August to 26% in October.
- Not shown on the chart, yet notable was:
 - The significant increase of Metro based Victorians reporting being either somewhat or very concerned (24% August, 33% October).
 - Although not significant, Regional Victorians reported a 13% decrease in being either somewhat or very concerned (30% August, 17% October).

"The prices concern me."

Male, 65+, Melbourne, Other government income support, Owner outright.

Concern about ability to pay energy bills

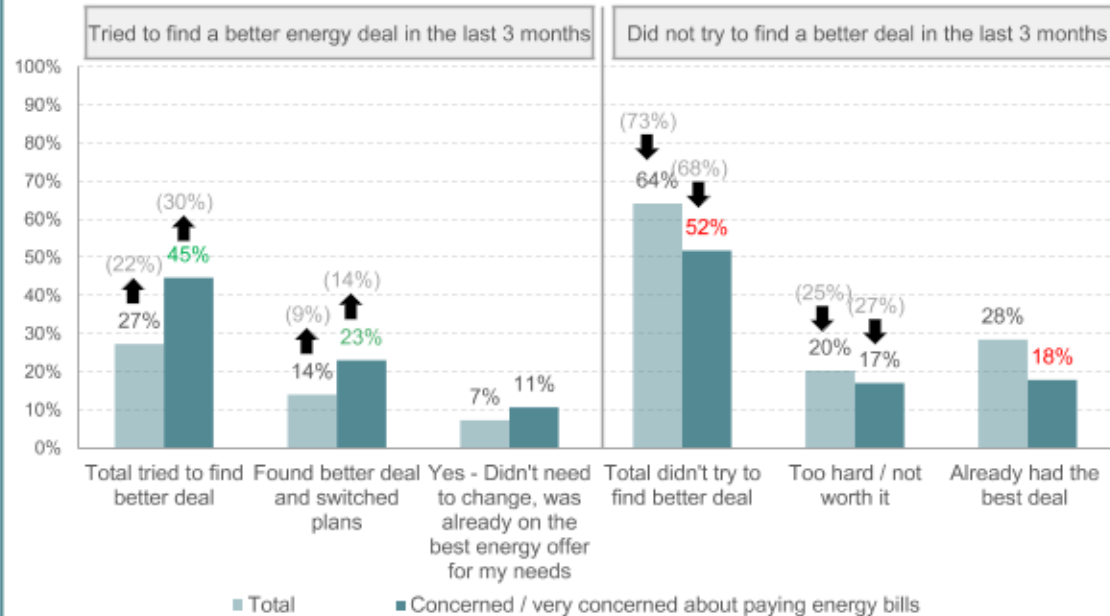


- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020
- Green/red font: Subgroup survey result is significantly higher/lower than Total Victorians
- Due to rounding, totals may not equal sum of components

Source: QEM6. How concerned are you about your current ability to pay for your energy bill(s)?
 August Base : Victorians aged 18+ (n= 724), Male (n=376), Female (n=345), Owner with mortgage (n=219), Renting (private) (n=126), Young people (n=144), Disability (n=126) , Metro (n= 510), Regional (n=214).
 October Base : Victorians aged 18+ (n= 619), Male (n=293), Female (n=326), Owner with mortgage (n=214), Renting (private) (n=118), Young people (n=191), Disability (n=92), Metro (n=476), Regional (n=143).

Actions to find better deal overall and for those concerned about energy bill

Consumer actions vs concerned about energy bills



- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020
- Green/red font: Subgroup survey result is significantly higher/lower than Total Victorians

Summary of results

- The proportion of Victorians trying to find a better energy deal in the past 3 months continued to increase significantly. In June (not shown), this was 17%, up significantly to 22% in August, then up significantly again to 27% in October.
 - Trying to find a better deal also significantly increased among Victorians who reported feeling concerned about their ability to pay their energy bills, up from 30% in August to 45% in October; significantly higher than the 27% Victorian average.
- 14% of Victorians found a better deal and switched plans (up from 9% in August). This was significantly higher for those concerned about their ability to pay their energy bills (23%), which was also up from 14% in August.
- Significantly fewer Victorians did not look for a better deal at 64%, down from 73% in August. Those concerned about their ability to pay their energy bills also reported a significant drop (68% August, 52% October), significantly lower than the 64% Victorian average.
- One in five (20%) reported it was too hard or not worth it to seek a better deal, down significantly from 25% in August.

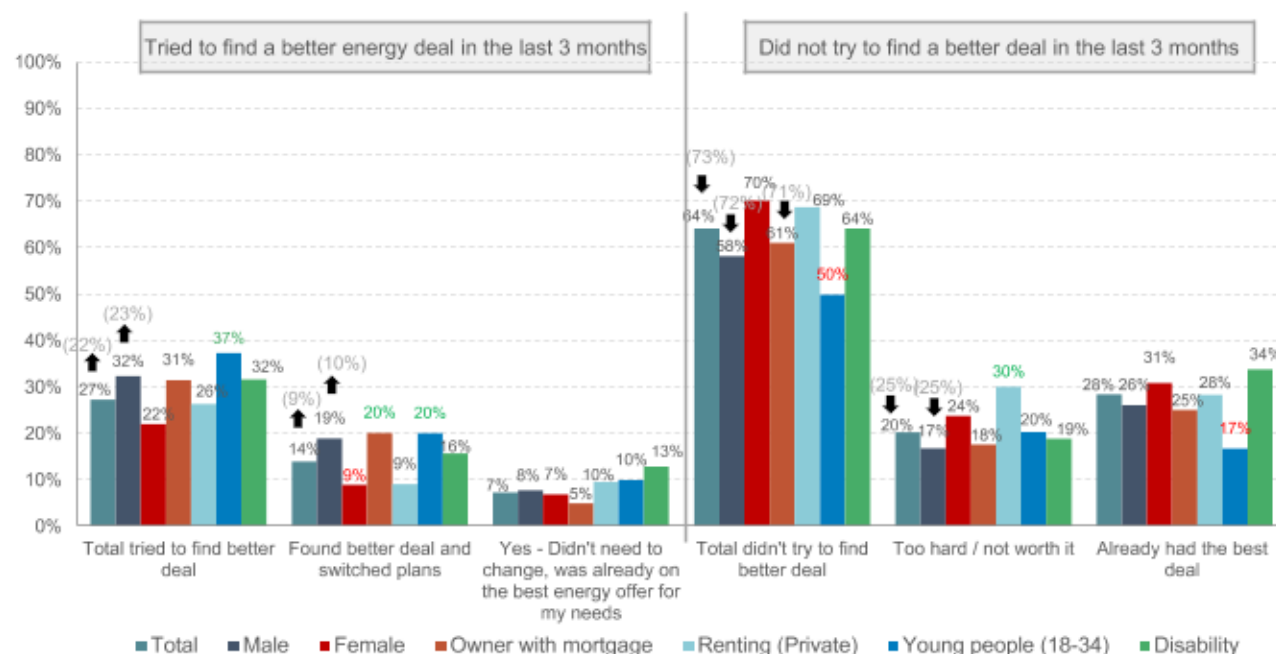
Source: QEM6. How concerned are you about your current ability to pay for your energy bill(s)?
 QEM7. Have you tried to find a better energy deal (for your electricity and / or gas) over the past 3 months?
 October Base : Victorians aged 18+ (n= 619), Concerned / very concerned about paying energy bills (n=172)

Actions to find better energy deal by subgroup

Summary of results

- In October, Victorians (27%) and males (32%) recorded significant increases in taking action to find a better energy deal (up from 22% and 23% in August respectively). Young Victorians were the most active subgroup at 37%.
- The most common way to find a better deal was to switch plans, with significant shifts among:
 - Victorians overall (9% August, 14% October).
 - Males (10% August, 19% October).
- Significantly more young people (20%) and homeowners with a mortgage (20%) found a better deal and switched plans than Victorians on average at 14%. Significantly fewer females (9%) switched plans than Victorians on average.
- The following subgroups saw significant reductions in those “not trying to find better deals”:
 - Total Victorians (73% August, 64% October).
 - Males (72% August, 58% October).
 - Owners with mortgage (71% August, 61% October).

Consumer actions by subgroup

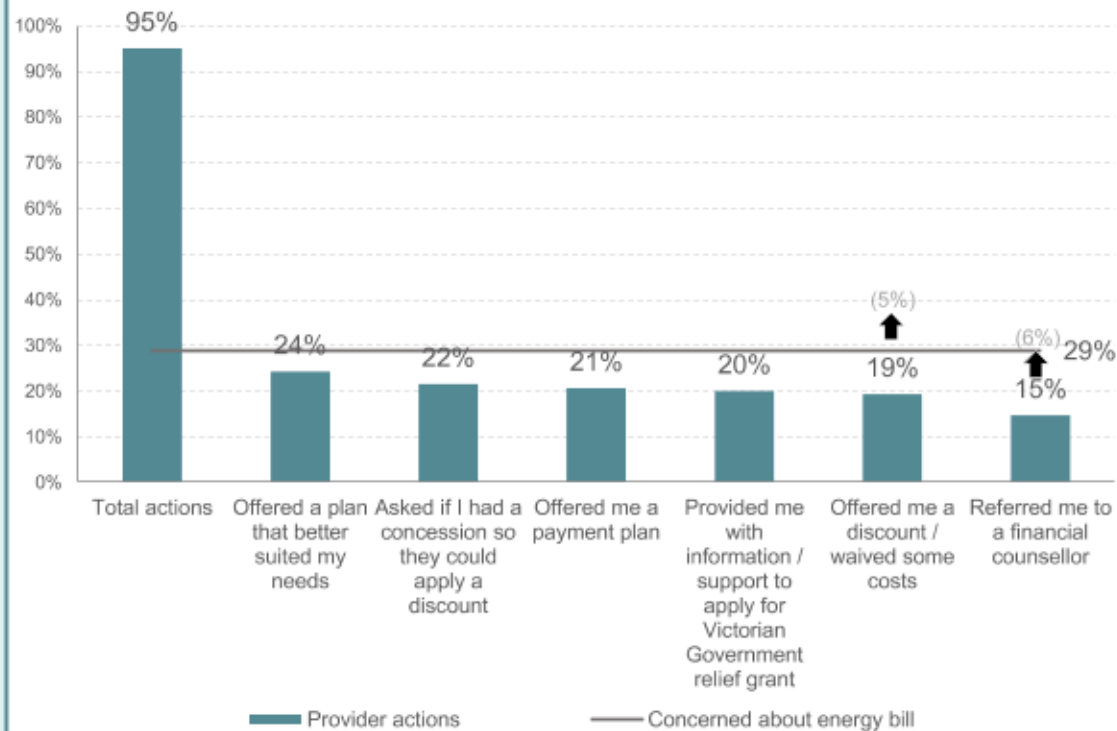


- Black arrows: Survey results significantly higher/lower than August 2020
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- Green/red font: Subgroup survey result is significantly higher/lower than Total Victorians

Source: QEM7. Have you tried to find a better energy deal (for your electricity and / or gas) over the past 3 months?
 October Base : Victorians aged 18+ (n= 619), Male (n=293), Female (n=326), Owner with mortgage (n=214), Renting (private) (n=118), Young people (n=191), Disability (n=92).

Provider actions as a result of customer contact

Provider actions as a result of customer contact



- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020

Summary of results

- With 29% of Victorians concerned about their energy bill, 18% of Victorians contacted their energy provider in the last 4 weeks (not shown). Of those contacts, 95% resulted in provider action.
- Consumers reported that the most common actions offered by their energy provider were:
 - Offering a better plan that suited their needs, at 24%.
 - Asking if they had a concession so the provider could apply a discount, at 22%.
 - Offering a payment plan, at 21%.
 - Providing them with information on how to apply for a Victorian Government relief grant, at 20%.
 - Giving them more time to pay a bill (deferral), at 19% (not shown)
- While not the most common actions, there were significant movements in the following actions from providers:
 - Offering a discount, up 14% (5% August, 19% October).
 - Referring consumers to a financial counsellor, up 9% (6% August, 15% October).

"My energy provider has been awesome in the twelve years that I have been with them, even when I was going through extreme financial difficulties."

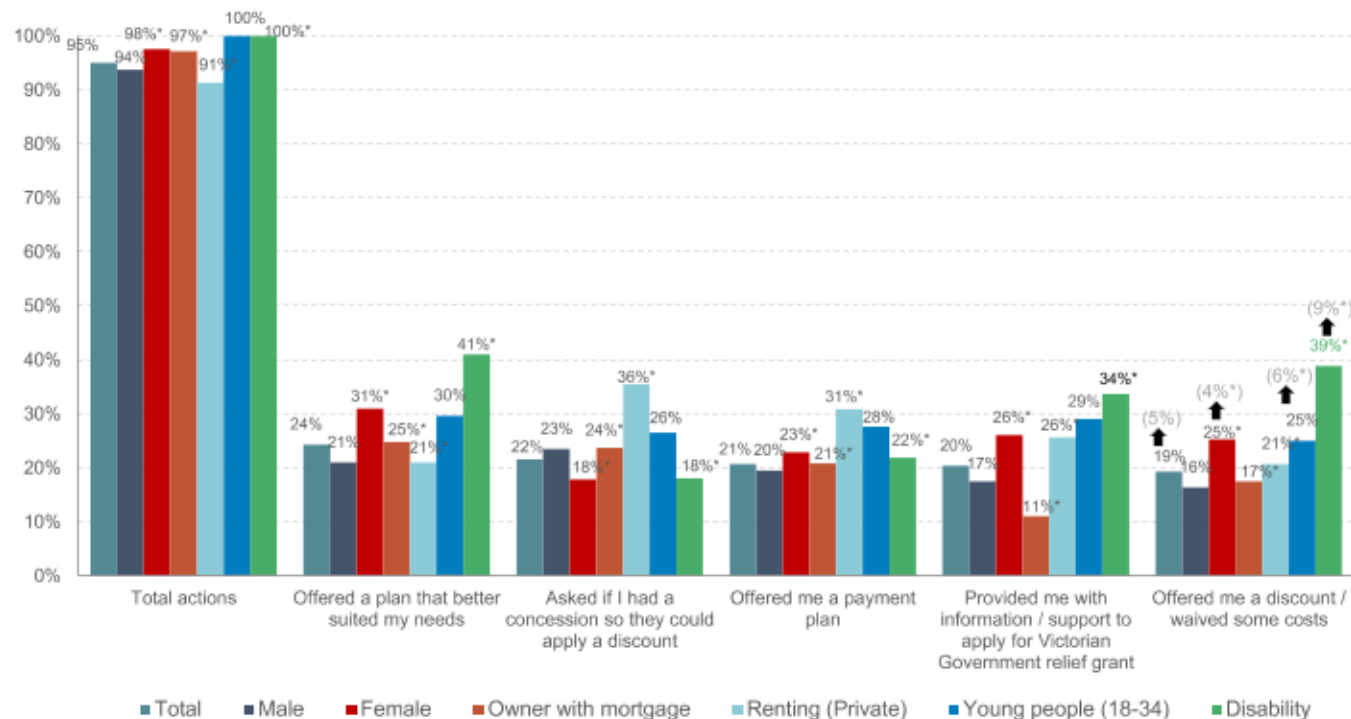
Female, 35-49, Regional Victoria, Casual employee, Renting (private).

Provider actions as a result of customer contact by subgroup

Summary of results

- In October, significantly more males (23%), young people (26%) and people with disability (31%) contacted their energy provider in the previous 4 weeks, compared to Victorians on average (18%). Significantly fewer females (12%) contacted their energy providers, compared to Victorians overall.
- All young Victorians and all Victorians with disability who contacted their energy providers in October received actions from their providers (please note small sample).
- While most results remained steady, being offered a discount or having costs waived was significantly more common in October than August for (note small sample, except for Total Victorians):
 - Victorians with disability (9%* August, 39%* October).
 - Young people (6%* August, 25% October).
 - Females (4%* August, 25%* October).
 - Total Victorians (5% August, 19% October).

Provider actions by subgroup



| Contacted providers | Total | Male | Female | Owner with mortgage | Renting (private) | Young people (18-34) | Disability |
|---------------------|-------|------|--------|---------------------|-------------------|----------------------|------------|
| | 18% | 23% | 12% | 19% | 22% | 26% | 31% |
| | | | | | | | ↑(19%) |

Source: QEM2: Have you contacted your energy provider in the last 4 weeks?

October Base : Victorians aged 18+ (n= 619), Male (n=293), Female (n=326), Owner with mortgage (n=214), Renting (private) (n=118), Young people (n=191), Disability (n=92).

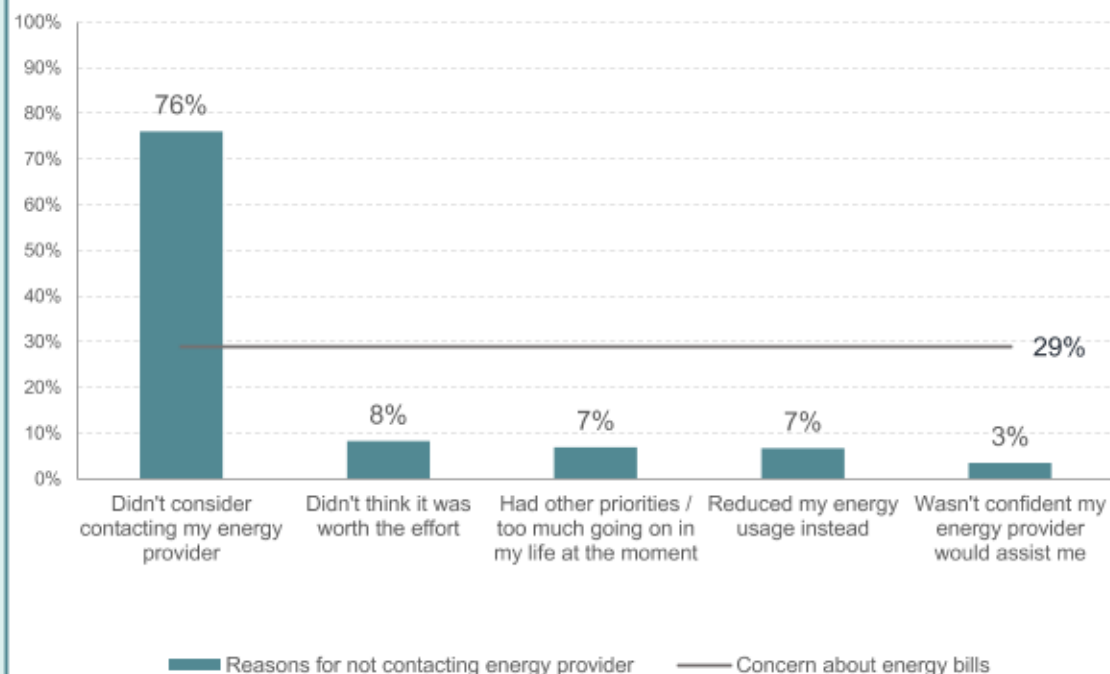
QEM3. What did the energy provider do as a direct result of your contact with them?

Those who contacted energy providers in last 4 weeks (n=102), Male (n=64), Female (n=38*), Owner with mortgage (n=39*), Renting (private) (n=25*), Young people (n=50), Disability (n=23*)

- Black arrows: Survey results significantly higher/lower than August 2020
- Green/red font: Subgroup survey result is significantly higher/lower than Total Victorians
- Grey scores in bracket show result for August 2020
- * Base n<50, results are indicative only

Reasons for not contacting energy provider

Reasons for not contacting energy provider



Summary of results

- While 29% of Victorians reported concern about their ability to pay their energy bills, 82% did not contact their energy provider in the previous 4 weeks (not shown on chart).
- Of this 82%, the reason for over three quarters (76%) of Victorians was that they did not consider contacting their provider.
- Other reasons for not contacting their energy providers were:
 - Not thinking it was worth the effort, at 8%.
 - Having other priorities, at 7%.
 - Trying to reduce their energy usage instead, at 7%.
 - Not being confident provider would assist, at 3%.
- There were no significant shifts between August and October.

"Their customer service should be more well-informed than they are at the moment."

Female, 25-34, Melbourne, Full-time employee, Renting (private).

Reasons for not contacting energy provider by subgroup

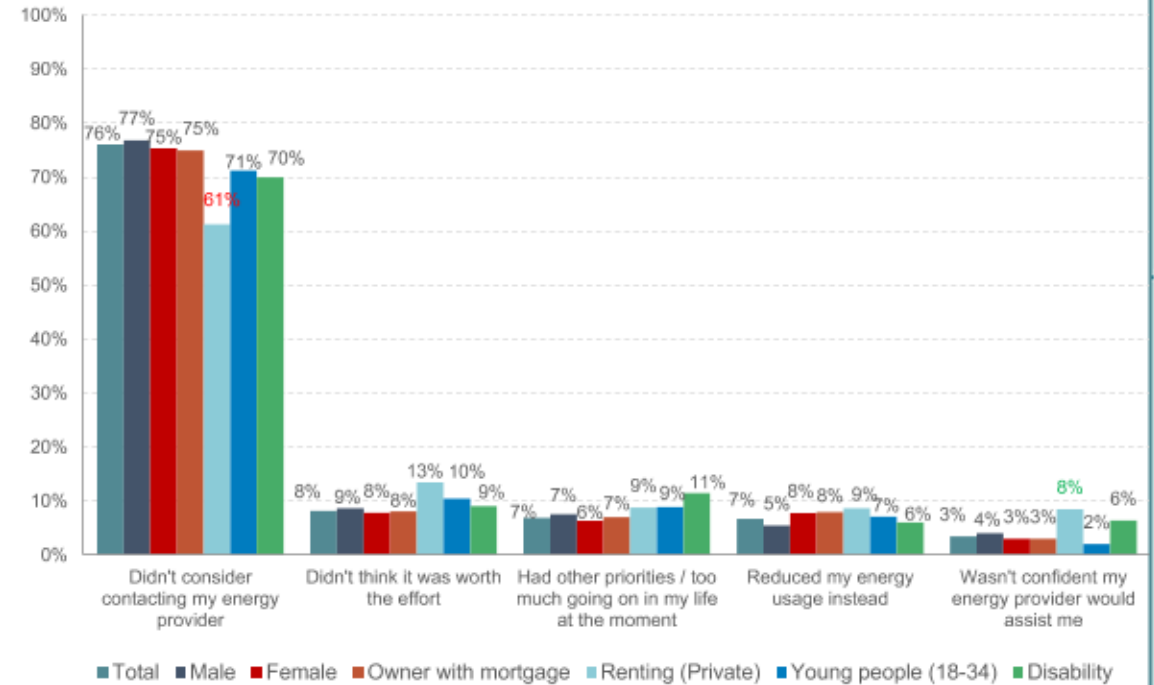
Summary of results

- During October, 82% of Victorians did not contact their energy providers in the previous 4 weeks.
 - Subgroups with significantly fewer reports of not contacting their providers when compared to Victorians on average:
 - Males at 77%.
 - Young people at 74%.
 - Those with disability 69%.
- The only significant shift when compared to August was a reduction in Victorians with disability who had not contacted their energy providers – 69% in October, compared to 81% in August.
- Of those who did not contact their providers, the main reason given was not having considered it. This was the case for 76% of Victorians, and significantly lower for private renters at 61%.
- Private renters were also significantly less confident their energy providers would help them, with 8% giving this as a reason for their lack of contact, compared to 3% for Victorians on average.

"I wish there was good customer service, and less wait times on the phone."

Female, 25-34, Melbourne, Full-time employee, Owner with mortgage.

Reasons for not contacting energy provider by subgroup



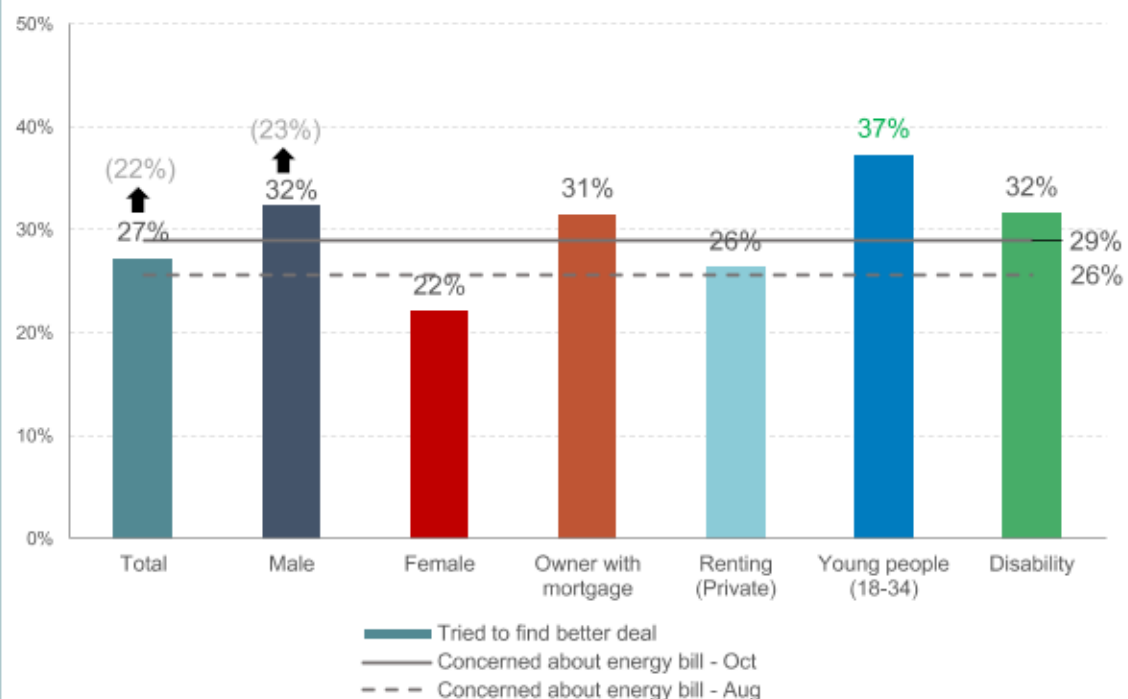
| Did not contact providers | Total | Male | Female | Owner with mortgage | Renting (private) | Young people (18-34) | Disability |
|---------------------------|-------|------|--------|---------------------|-------------------|----------------------|------------|
| | 82% | 77% | 88% | 81% | 78% | 74% | 69%↓(81%) |

Source: QEM2: Have you contacted your energy provider in the last 4 weeks?
 QEM4: What stopped you from contacting your energy provider?
 October Base: Those who did not contact energy providers in last 4 weeks (n=517), Male (n=229), Female (n=288), Owner with mortgage (n=175), Renting (private) (n=93), Young people (n=141), Disability (n=69)

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- Grey scores in bracket show result for August 2020

Trying to find a better energy deal

Tried to find a better energy deal



- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020
- Green/red font: Subgroup survey result is significantly higher/lower than Total Victorians

Summary of results

- 27% of Victorians reported trying to find a better energy deal in October. This continues the recent trend, with the October result significantly higher than August's 22%, which was significantly higher than June's 17% (not shown).
 - A similar trend was seen for males with significant increases - 32% in October, up from 23% in August, which was up from 16% in June.
- Young people were the most likely to look for a better energy deal at 37%, significantly higher than the Victorians on average at 27%.
- While not statistically significant, there was a 10% increase in renters seeking a better energy deal (from 16% in August to 26% in October), and a 7% increase for owners with mortgage (from 24% in August to 31% in October).
- Of subgroups shown, females were least likely to look for a better energy deal at 22%.

"The provider should offer a better deal, we shouldn't have to call and ask."

Female, 50-64, Regional Victoria, Part-time employee, Owner outright.

Source: QEM6. How concerned are you about your current ability to pay for your energy bill(s)? October base (n=619), August base (n=724).

QEM7. Have you tried to find a better energy deal (for your electricity and / or gas) over the past 3 months?

October Base : Victorians aged 18+ (n= 619), Male (n=293), Female (n=326), Owner with mortgage (n=214), Renting (private) (n=118), Young people (n=191), Disability (n=92).

Ways to find a better energy deal

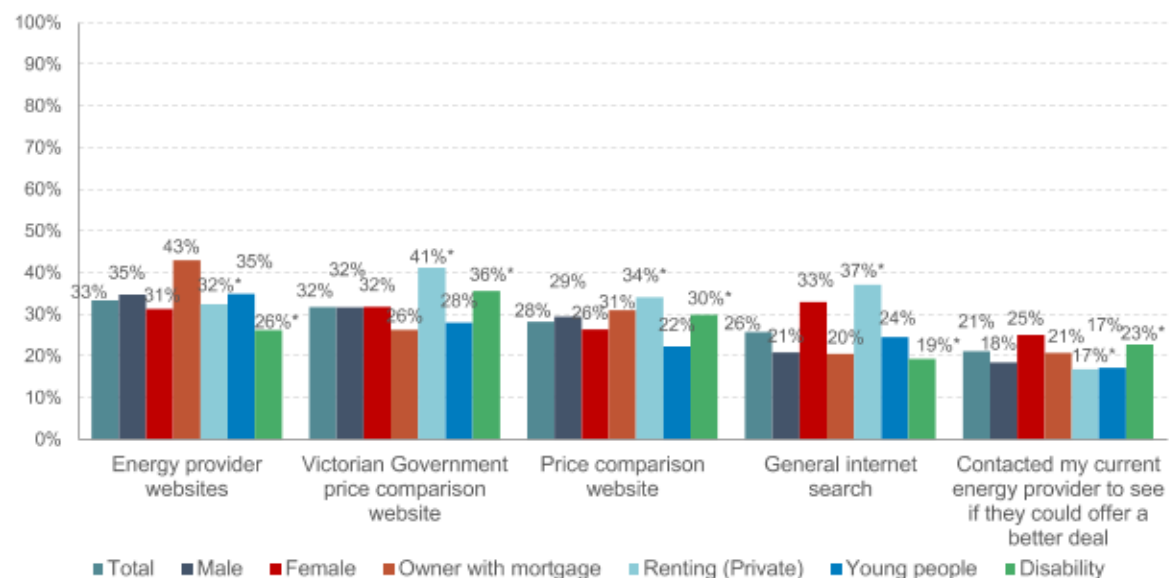
Summary of results

- The most common way Victorians sought a better energy deal was by looking at energy provider websites (33%). While not significant, this was a 4% increase from the previous month, putting it ahead of the Victorian Government price comparison website, previously the most common method.
- 43% of owners with a mortgage reported looking at energy provider websites, which, while not statistically significant, is 10% higher than the average rate of 33%.
- Private renters were among the most active subgroups (note small sample):
 - 41%* used the Victorian Government price comparison website.
 - 34%* used price comparison websites.
 - 37%* used general internet searches.

“Providers reserve ‘special deals’ until you tell them you want to switch providers. It’s very dishonest and disincentivises loyalty.”

Female, 35-49, Melbourne, Part-time employee, Owner with mortgage.

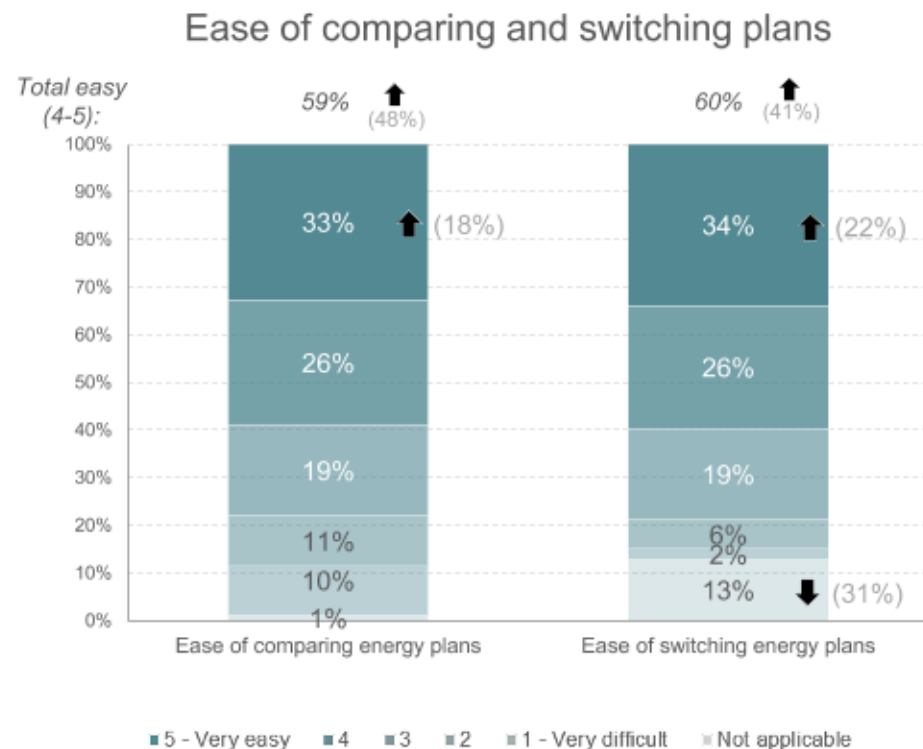
Ways to find a better energy deal by subgroup



* Base n<50, results are indicative only

Ease of comparing and switching plans

Summary of results



- Black arrows: Survey results significantly higher/lower than August 2020
- Grey scores in bracket show result for August 2020
- Due to rounding, totals may not equal sum of components

- 59% of Victorians who tried to find a better energy plan found it 'easy' to compare plans (4-5 out of 5). This was a significant increase from 48% in August.
 - 33% of Victorians found comparing energy plans 'very easy' (5 out of 5), a significant increase from August (18%).
 - 21% of Victorians found comparing energy plans 'difficult' (1-2 out of 5), with 10% finding this 'very difficult' (1 out of 5).
- Of those Victorians who switched energy plans or providers, 60% found this easy (4-5 out of 5), a significant increase on 41% in August.
 - 34% of Victorians found it 'very easy' to switch energy plans, a significant increase from 22% in August.
 - Only 2% of Victorians found switching energy providers or plans 'very difficult' (1 out of 5).

"Prices from each provider should be in the same terms and scales, for easy comparison."

Female, 65+, Melbourne, Superannuation, Owner outright.

"If they change plans or improve deals, I would like them to offer existing customers the deal instead of waiting until they think they might lose business to a competitor."

Female, 50-64, Melbourne, Part-time employee, Renting (private).



Consumer policy implications

Summary of the COVID-19 energy survey module: Victorian consumers' experiences with energy providers



Concern about paying energy bills has risen steadily (**21% Jun, 26% Aug, 29% Oct**) with some consumers more concerned than others (**young people (33%), consumers with disability (37%) and renters (46%) most concerned in Oct**).



Contact with providers has also risen steadily (**11% Jun, 16% Aug and 18% Oct**) over the survey months.

Energy providers have also become more responsive with helpful actions over time. Of the consumers making contact with their provider – the proportion reporting an action was **86% in Jun, 93% in Aug and 95% in Oct**.

Being offered a plan that better suits a consumer's needs was the most commonly reported action – **18% Jun, 26% Aug, 24% Oct**



The most common reason for consumers not contacting their provider was overwhelmingly that they “had not considered it” – **83% June, 80% Aug 76% Oct**. Contact not being “worth the effort” was the next most common reason – **8% Jun, 7% Aug, 8% Oct**.



Perception of providers has been fairly consistent during the survey, with the proportion of consumers giving “high ratings” being: **7 out of 10 consumers = reliability; 6-7 out of 10 consumers = competency; 5–6 out of 10 consumers = honesty; and 5–6 out of 10 consumers = satisfaction**.



Many consumers have views on what energy providers could be doing to improve their experience in the energy market:

Improving the overall energy experience – **many consumers want to be on the best plan by default**

Helping them seek payment assistance – **many consumers thought providers should proactively offer info about support available and how to access it**

What they would change about energy providers, other than prices: **many consumers thought a welcome change would be better customer service**

Summary of the COVID-19 energy survey module: Victorian consumers' experiences in the energy market



Consumers reporting to have attempted finding a better deal within the past 3 months has steadily increased – **17% Jun, 22% Aug, 27% Oct**. Young people were the most active subgroups in **Oct (37%) and Aug (31%)**. Consumers with disability were most active in **Jun (22%)**.



Common methods for finding a better energy deal were mostly through online channels. The Victorian Government price comparison website was the most common method in **Jun (36%) and Aug (34%)**. Energy provider websites were the most common method in **Oct (33%)**



Ease of comparing offers was fairly stable across the past 6 months, with around half of consumers who do try to compare energy deals finding this easy – **Jun 53%, Aug 48%, 59% Oct**



Victorians reporting switching plans (with their current or another provider) in the past 3 months increased in each survey period, with a particularly large increase seen in October – **Jun 7%, Aug 9%, Oct 14%**



Perhaps unsurprisingly given the switching results, the most consumers reporting it was easy switching energy plans occurred in October, with this metric bouncing around over the past six months – **Jun 47%, Aug 41% Oct 60%**.

Consumer policy insights

CPRC's [Consumers and COVID-19](#) report outlines policy building blocks for supporting consumers through various stages of the pandemic, the associated recession and eventual recovery. As health restrictions begin to lift it is likely we will see some signs of recovery. This may impact what issues regulators and policymakers need to focus on. On the following two slides we offer some insights relevant to [these policy themes](#).



Help consumers cope
with the shocks

- Keeping consumers connected to essential services
- Building understanding of lived consumer experiences
- Nurturing consumer trust in markets



Sustain, adapt and
adjust consumer
support measures

- Fostering collaboration and coordination across sectors
- [Adjusting support based on evidence of consumer experience](#)
- [Ensuring basic protections are strong and future-proof](#)



Build resilience
through fairness and
inclusion in recovery

- [Designing policies and markets that drive inclusive growth](#)
- [Ensuring innovation generates real value for consumers](#)
- [Building consumer resilience by ensuring business and policy is prepared for events that trigger large-scale vulnerability](#)

Policy insights – supporting consumers at risk of financial vulnerability

Financial concerns likely to remain high among consumers

64% of Victorians were concerned about their general financial wellbeing in October, with 29% concerned about their ability to pay energy bills. We've seen that concerns are unlikely to subside quickly as the economy "opens up" with large proportions of consumers in QLD (55%) and NSW (60%) remaining concerned about their financial wellbeing in October. Tapering back of Federal Government supports in September will also contribute to concerns.

There is certainly room for improvement in helping "concerned" consumers to engage with the energy market and their energy provider. For example, only 25% of Victorians "very concerned" about their financial wellbeing – and 56% (small sample size) of Victorians very concerned about energy bills – reported taking an action with their provider in October (p. 14 VIC Insights Report).

What does this mean for regulators and policymakers?

It remains very important for policymakers and regulators to continue using their "soft" and formal powers to incentivise energy providers to identify consumers who are at risk of financial vulnerability – and provide them with the support they have a right to access. The Vulnerability Strategy the ESC is developing provides an important opportunity for establishing an approach for vulnerable consumer identification and support that a) increases consumer wellbeing and welfare during the current recession; and b) ensures vulnerable consumer safety-nets are resilient for when future shocks occur.

CPRC is keen to work with the ESC and other stakeholders on how data can be used in more effective, innovative ways to identify consumers who may benefit from support - before their financial vulnerability becomes acute. We note that the [COAG Energy Security Board](#) is also considering how to "pursue improved data and metrics on vulnerable consumers", particularly given that the cohort of vulnerable energy consumers is likely to grow due to the recession.

Policy insights – helping more consumers engage in the market

There's been encouraging increases in consumers looking for better deals and switching

Consumers attempting to find a better energy deal (in the previous 3 months) has increased by 10 percentage points between June (17%) and October (27%) with some groups – such as young people and consumers with disability – showing higher than average levels of engagement (see pp. 25-26). Furthermore, consumers reporting they had switched plans – with their current or another provider – (in the previous 3 months) doubled between June (7%) and October (14%). However, switching rates did differ between different consumer subgroups. For example, in October young people (20%), owners with a mortgage (20%) and males (19%) were switching at higher rates than females (9%) and renters (9%).

What does this mean for regulators and policymakers?

COVID-19 presents an opportunity for policymakers and regulators to analyse and assess what has worked well in terms of helping consumers to engage in the energy market and find better deals. This can help ensure any improvements in engagement (for example, engagement of young people) can be “banked” and built upon, while also providing lessons on what policy and/or regulatory adjustments are needed so retailers' products and customer engagement approaches are delivered in inclusive ways. We note that the Centre for Inclusive Design's 2019 [Designing for Everyone](#) research report found that an inclusive design approach helps companies reach and engage other broader audiences and drives innovation that can benefit a broader range of consumers.

We also note that the energy module survey results over the COVID period have indicated many consumers are likely to welcome improved customer service from their energy providers (see p.23). Many consumers are going to need support from their essential service providers during the ongoing recession – and this represents an opportunity for retailers to step up and proactively support consumers, especially those in vulnerable situations, over the coming months. Soft regulatory signals that incentivise a culture of fair customer service could be explored – such as publishing examples of good and bad retailer practice in relation to inclusive product design and customer service processes. Exploring formal obligations within the Energy Retail Code that incentivise businesses to focus more on delivering good outcomes for all consumers (especially vulnerable consumers) should also occur, as such reforms can help in boosting consumer confidence, trust, and engagement in the market over the long-term.¹