



An Coimisiún
um Rialáil Fónais
**Commission for
Regulation of Utilities**

Findings from 2019 research on attitudes and experiences in the domestic and SME electricity and gas markets in Ireland

Prepared by Behaviour & Attitudes Ltd and The Research Perspective Ltd
On behalf of the CRU

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The Research Perspective



RESEARCH
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1. Executive Summary

The annual survey into attitudes and experiences in the domestic and SME electricity and gas markets in Ireland is an important tool used by CRU to measure customer experiences and attitudes within the energy market to ensure the needs of the residential and business customers are being met, and that the market is functioning in a strong and competitive way. The purpose of the survey is to support the market monitoring activities of CRU and to inform policy discussion, decision and development. The survey provides CRU with insight to customer perceptions and experience of the energy market, and highlights areas which may need attention.

This research has been ongoing since 2011 and this report provides insight to the changes which have occurred since then, as well as providing a more detailed update on attitudes in 2019. The 2019 research was conducted by Behaviour & Attitudes and The Research Perspective under the direction of the CRU. This survey is designed to continue the measurement of customer experience and attitudes in the residential and SME electricity and gas markets, by retaining comparability with previous measurements undertaken since 2011. Whilst maintaining comparability is central, it also extends to update certain metrics to take account of changes in the market and associated attitudes over time.

The scope of the research includes the residential and SME electricity and gas markets. In the case of the residential market, the report is based on the feedback of a sample of customers who use electricity or gas in their domestic premises, including those with night saver meters. For both SME electricity and gas markets, the focus of the research is on enterprises with low to medium consumption, typically meter point categories DG5 and DG6, with 250 or fewer employees. A Computer Based Telephone Interview (CATI) approach was used to get responses from 400 SME's in the electricity market and 250 in the gas market. The research in the residential market is based on a nationally representative sample of households, conducted using a face-to-face Computer Assisted Personal Interview (CAPI) methodology of over 1,000 respondents, in each of the electricity and gas markets (in total 2,000 residential customers were surveyed).

It is evident from the results of the survey's that a number of factors influence customer's perceptions of and engagement in the respective energy markets. These factors include, inter alia, satisfaction with suppliers, understanding of bills and the associated calculation of cost for both electricity and gas consumed, market knowledge and the capability to easily evaluate offers from alternative suppliers and finally the switching process and how easy customers find the comparison of tariffs.

Customers in both the residential and SME energy markets report a high level of satisfaction with the service from their suppliers, with Overall Satisfaction scores of 88% and 89% in the residential market and 82% and 85% respectively for electricity and gas in the SME market. In both markets these scores show remarkable stability, reflected in the satisfaction scores, notwithstanding changes in pricing and variations in service.

It is clear that more work needs to be done to motivate customers' engagement in the market, for both residential and SME customers. While awareness of competitors in the market has increased, in particular for more recent entrants to the markets, close to 30% of residential and between 20% and 30% of SME customers are passive in terms of awareness of offers from other suppliers. Finding a way to motivate customers to consider other offers is dependent on their having the capability to understand and compare alternatives. At present, between 26% and 30% of residential customers and 33% and 36% of SME respondents indicate they have a good understanding of and ability to compare offers in the electricity and gas markets.

Switching rates are showing improvement with 19% of residential electricity customers and 17% of residential gas customers indicating they switched in the past 12 months and reducing proportions who indicate they have never switched (49% electricity and 55% gas). In the case of the SME market 29% of electricity customers and 22% of gas customers switched in the past 12 months, with the totals for never having switched now at 28% for electricity and 34% for gas. This shows considerable improvement in terms of engagement and it is supported by the ease with which customers perceive the process and their experience of the outcome. In the case of the residential market, the switching process is receiving improved scores with 87% and 92% respectively satisfied with the overall ease of switching and improved assessments of the outcomes across all the metrics. Similarly, in the case of the SME market, ease of switching also improved with 91% of SME's in electricity and 87% of SME's in the gas market reporting improved satisfaction with the ease of the switching process, and improvement reported across almost all the outcome metrics.

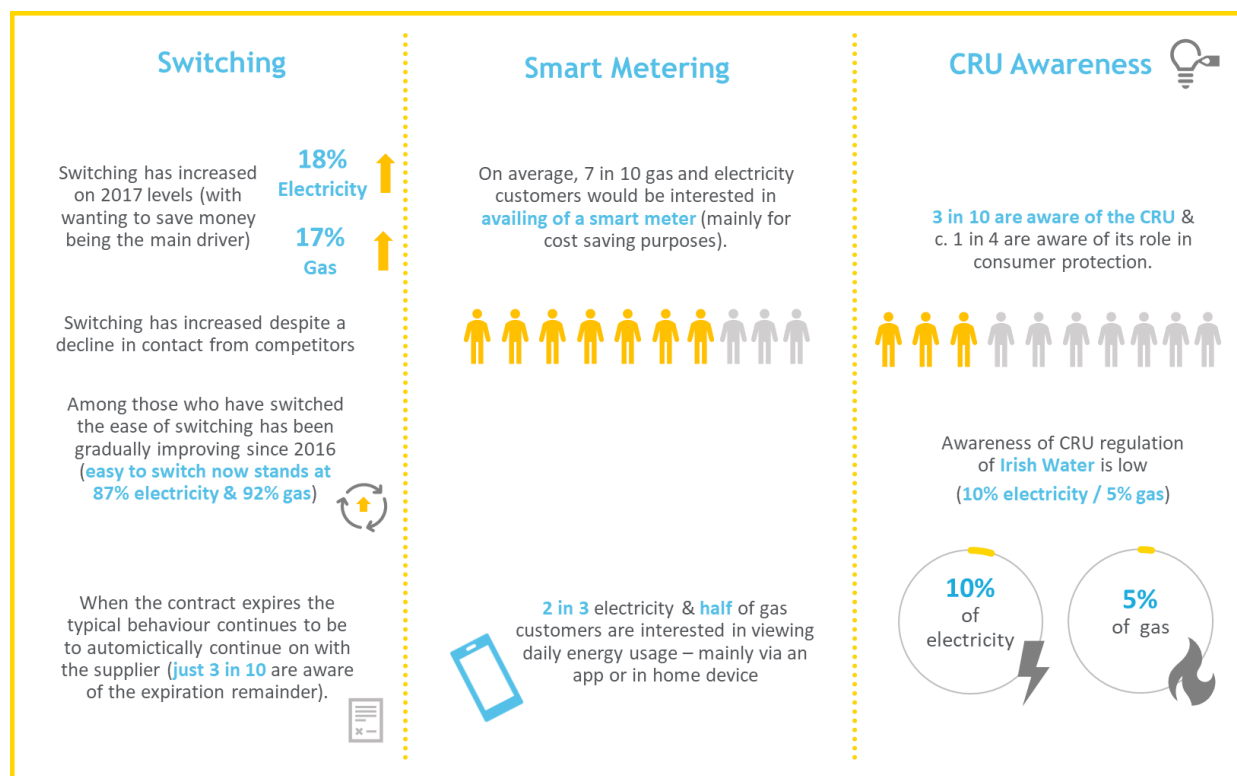
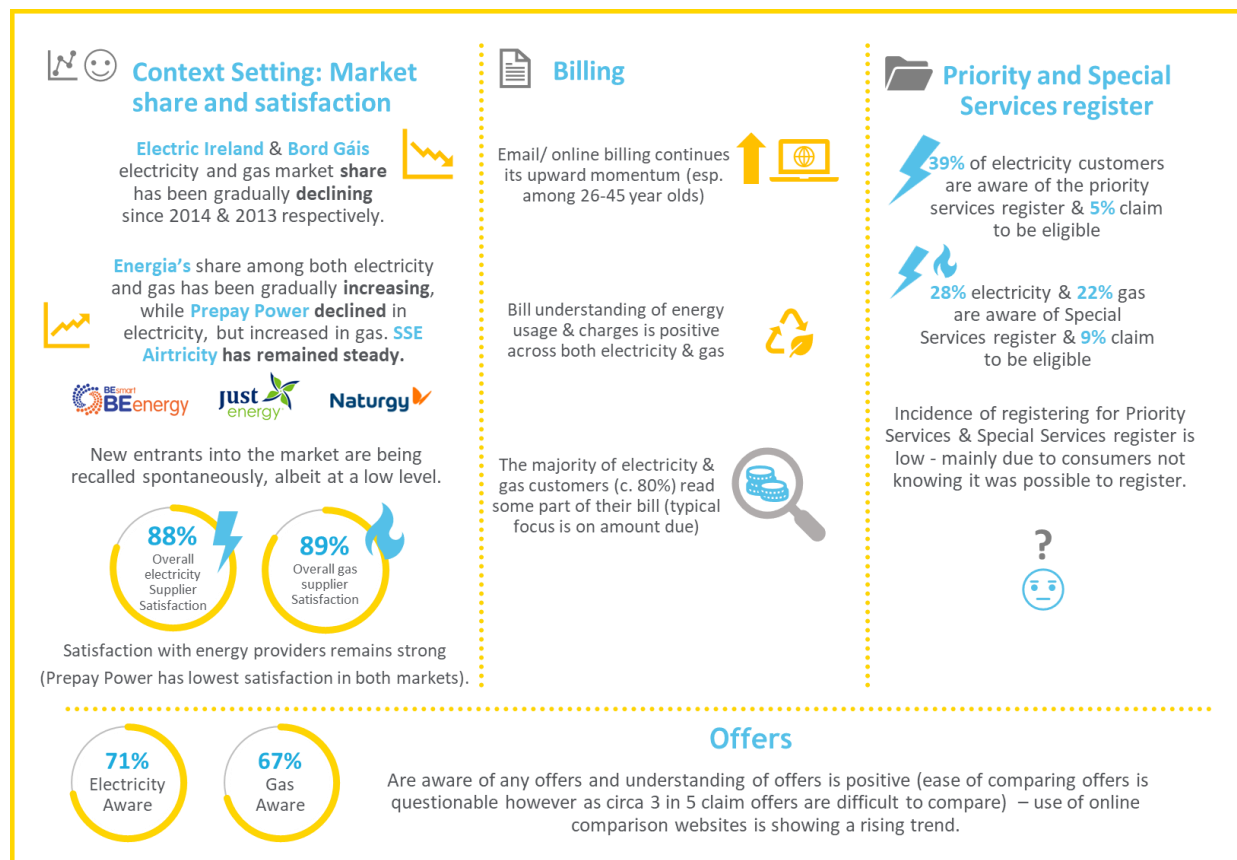
It is important to remain aware that those who switched supplier in the past 12 months tend to be very focused on price savings and are clear that there is price differentiation in the market. By the same token, those who have never switched are likely to be less aware of price differences between suppliers and of differentiated offers, and as such are unlikely to understand that the benefits of switching supplier. The improvement in the switching highlights that barriers to switching are becoming less significant and the ease with which a customer can switch is improving, but that is the case for those who have switched. It is worth recalling that circa 50% of the residential market and close to 25% of the SME market have never switched, and the challenge

remains to ensure there are no structural or process barriers remaining which discourage that segment from switching.

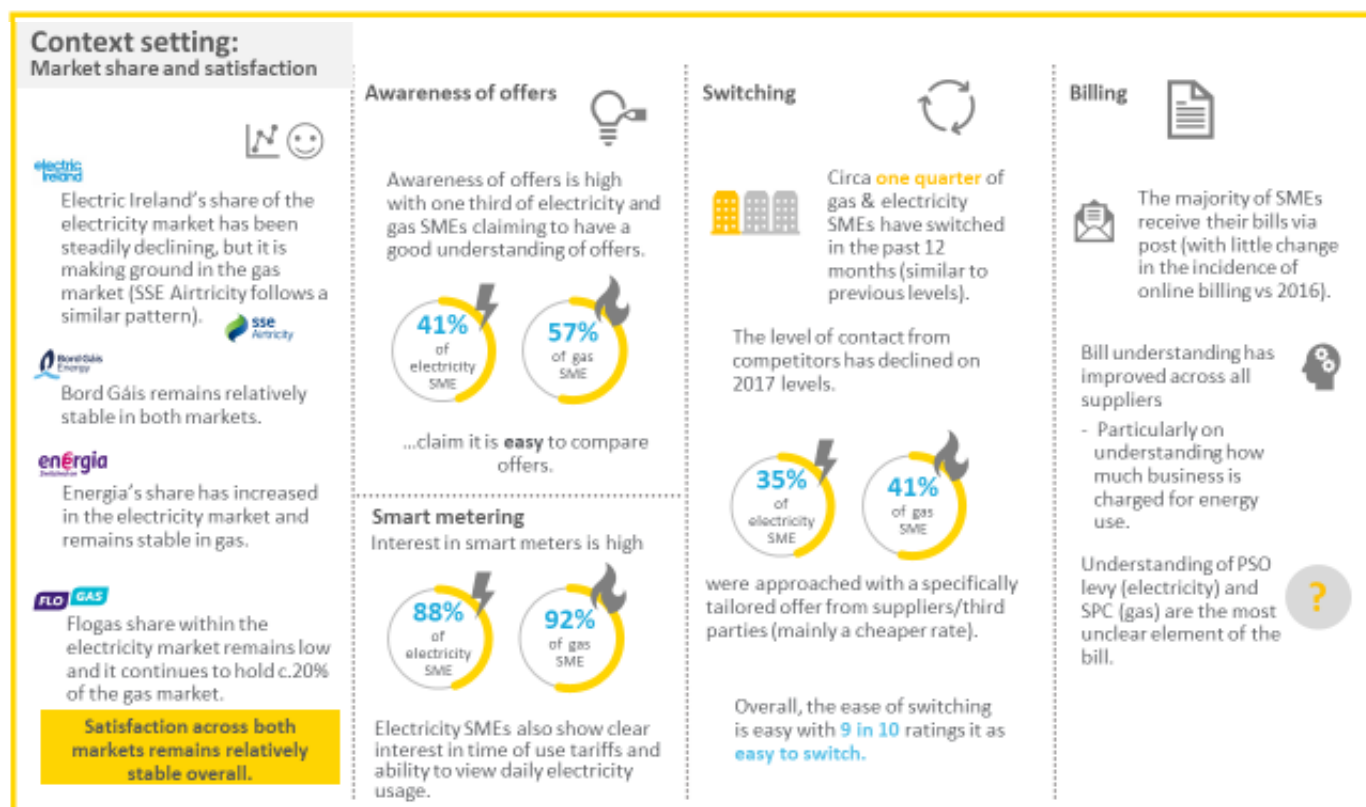
This is more important in regard to the future success of smart meters in empowering residential and SME customer manage their energy consumption and associated cost to best effect. If customers are aware of their consumption and cost thereof, they will be more likely to appreciate the value of a smart meter in enabling them to manage these aspects of their domestic and business affairs. In the 2019 measurement, it is clear that there is an appetite for smart meters with 65% and 73% of residential electricity and gas customers respectively indicating interest in getting a smart meter and 75% of SME's in the electricity market indicating interest in having a Time of Use tariff and furthermore 85% interested in viewing daily electricity usage.

2. Key Findings

The key findings from the **residential** research include:



The key findings from the **SME** research include:



3. Research background

The fieldwork for each survey was conducted during April and May 2019. The research was undertaken by Behaviour and Attitudes in conjunction with The Research Perspective.

This research pays particular focus to the:

- Measurement of the domestic retail electricity and gas market in 2019, with comparable scope to previous research.
- Measurement of the business electricity and gas markets in 2019 with comparable scope to previous research. The business element included both small and medium-sized enterprises (SME), defined as those with 250 employees or fewer.

In the case of the domestic research, the face-to-face survey methodology used is directly comparable to the methodology used for the previous domestic retail electricity and gas market measurements from 2013-2019. There have been changes to question inclusion, order, sequence and format, which is likely to have had an impact on comparability - where this has arisen, attention has been drawn to it in the report.

As part of the 2019 measurement a shorter online study element was also conducted (n=118 electricity and n=59 gas). The objective of this online element was to ensure a broader reach of vulnerable customers in both the electricity and gas markets. Advertising placement seeking participation in the online study was included on Instagram and Facebook sites, which targeted interest groups related to the definition of vulnerable. B&A's online Acumen Panel was also utilised. In order to qualify for the online survey, respondents needed to define themselves as having a disability.

The Computer Assisted Telephone Interviewing (CATI) methodology used for the business research is directly comparable to the methodology used for the business electricity and gas market measurement in 2017 and prior measurements. Respondents were decision makers for electricity/gas supply related decisions within the organisation and included both private sector and public sector, government organisations and sole traders.

Comparisons between the four measurements are presented with the following caveats:

- The two domestic markets are at somewhat different stages of development in terms of the level of competition and the regulatory framework: prices in the domestic electricity market have been deregulated for longer than prices in the domestic gas market;
- The two SME markets are structurally different with electricity universally used by SME's, in comparison natural gas which is used by a minority of SME's.

4. Market background

Since price deregulation of the electricity and gas markets in 2014, a number of new suppliers have entered the market, with a total of 12 electricity suppliers and 9 gas suppliers active at the end of 2018 (with 7 offering dual fuel).

There were nine active suppliers in the domestic (residential) electricity market and eight active suppliers in the domestic gas market.

In 2018, CRU made a number of policy decisions to benefit consumers in the energy market. These included new SEM arrangements and the “Switch On” campaign conducted in late 2018.

5. Purpose of the research

The purpose of this research is:

- To determine the level, quality and benefits of competition in the domestic and business electricity and natural gas markets as perceived by customers within these markets;
- To determine the level of switching occurring, drivers or inhibitors impacting the level of switching and other measures of engagement in the four markets, such as consumer’s understanding of and ability to compare offers;
- To measure issues such as bill clarity, sales process, the complaints process and protection of vulnerable customers;
- To assess other issues related to the transition from *ex ante* to *ex post* regulation as they arise;
- To inform CRU generally about consumer behaviour and attitudes as they emerge within the markets.

The research included the following specific areas:

1. General awareness of and satisfaction with competition and supply companies providing services in each market;
2. Experience of switching within each market including switching rates, reasons for switching or not switching and perceived understanding and ability to compare offers;
3. Level of engagement by customers with suppliers as demonstrated by investigation of alternative tariff packages, changing to alternative tariff packages, changes in payment methods and changes in billing frequency;
4. Assessment of the sales process and advertising from electricity and gas supply businesses;
5. Knowledge of pricing, understanding of billing, and interest in and experience of prepayment;
6. Payment arrears;
7. Understand of the role of supplier;
8. Interest in dual fuel offers (purchasing electricity and natural gas from a single supplier);
9. Awareness and use of complaint handling procedures and experience of those procedures;
10. Awareness of the availability of registration as vulnerable customers (defined by a range of criteria including those who rely on electricity supply for the operation of medical equipment in the home, the elderly and the disabled).

This report is a summary of the findings of the research and is designed to cover the issues assessed at a high level. The full research will be released by the CRU in a set of stand-alone PowerPoint presentations, one covering the domestic electricity and gas markets and a second report covering the business electricity and gas markets.

6. Data Collection Methodology

The data collection methodology followed best practise methods and processes executed under internationally recognised quality standards (ESOMAR).

The domestic surveys methodology was kept consistent with previous years to enable comparability of findings. These surveys consisted of face-to-face interviews in respondents' own homes and were conducted by Behaviour and Attitudes using CAPI (Computer Assisted Personal Interviewing). Sampling locations for the domestic electricity survey were based on 120 paired sampling points throughout the Republic of Ireland. Sampling locations for the domestic gas survey were also based on 120 paired sampling points across locations served by the domestic natural gas network in Ireland.

The SME surveys used a Computer Assisted Telephone Interviewing (CATI) based methodology and were also conducted by Behaviour and Attitudes. Telephone interviewing is particularly appropriate for business respondents because calls can be easily scheduled for times when the respondent is available, and it is also flexible enough to allow rescheduling at short notice at the respondent's request.

The organisations contacted for interview for the electricity and gas business surveys were selected at random from validated lists of businesses and public sector organisations with up to 250 employees. The respondents of the SME electricity survey were distributed across the Republic of Ireland, while the respondents of the SME gas survey were distributed across the areas served by the national natural gas network. These populations of potential respondents included the full range of business categories.

The number of responses achieved with each survey, as shown in figure 1 matched the number of responses included in previous measurements. The sample sizes were selected to ensure that the results are statistically robust and reliable.

Figure A: Number of Respondents in the four market surveys

Sample Size	Electricity	Natural gas
Domestic	1,010	991
SME business	425	250

Research services have been provided annually to CRU by B&A and The Research Perspective since 2011, with the exception of the 2017 measurement. Services were initially provided by The Research Perspective and subsequently by a combined team within Behaviour and Attitudes and The Research Perspective.

7. Representative Sample

For the domestic surveys, the face-to-face surveying methodology used requires careful management to ensure that it is representative. This was achieved by selecting sufficient and representative sampling points. For the domestic electricity survey, the 120 paired sampling locations were randomly selected based upon district electoral divisions. Within each sampling location, interviewers were set strict interlocking quota controls to achieve, calculated on age and class targets within gender. Overall, demographic quota controls were based upon the latest Census / Central Statistics Office population estimates. For the domestic gas survey, a similar approach was used to select the 120 paired sampling points with the restriction that all sampling points were in areas served by the natural gas supply network. In the case of the business surveys, the population from which respondents were randomly drawn was checked to ensure representation across sub-sectors and other demographic dimensions, both during the survey and upon completion of the survey.

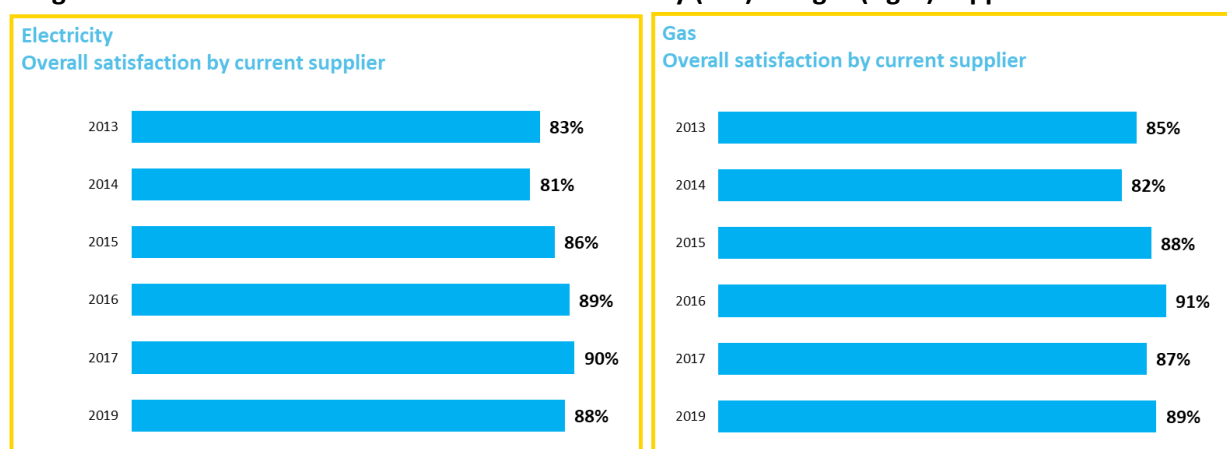
Post-fieldwork, the respondent sets were validated to ensure a representative sample across other market specific dimensions such as use of different electricity suppliers or payment methods. This validated respondent data set was determined to be representative at a household/business level and representative of the distribution of market share by supplier in Quarter 4, 2018.

8. Market Satisfaction Profile

Satisfaction with the service provided by suppliers

Respondents were asked to rate their overall satisfaction with the service provided by their electricity or gas supplier. The focus of this question on respondent's overall satisfaction is likely to include assessment across all facets of the supplier-customer relationship, such as price, tariff, offer etc. In terms of the satisfaction metric, customers continue to express high levels of satisfaction with their own supplier. The marginal decline in Overall Satisfaction within the electricity market is not statistically significant, and equally the marginal increase in the gas market is also not statistically significant.

Figure 1: Overall satisfaction with Domestic electricity (left) and gas (right) suppliers

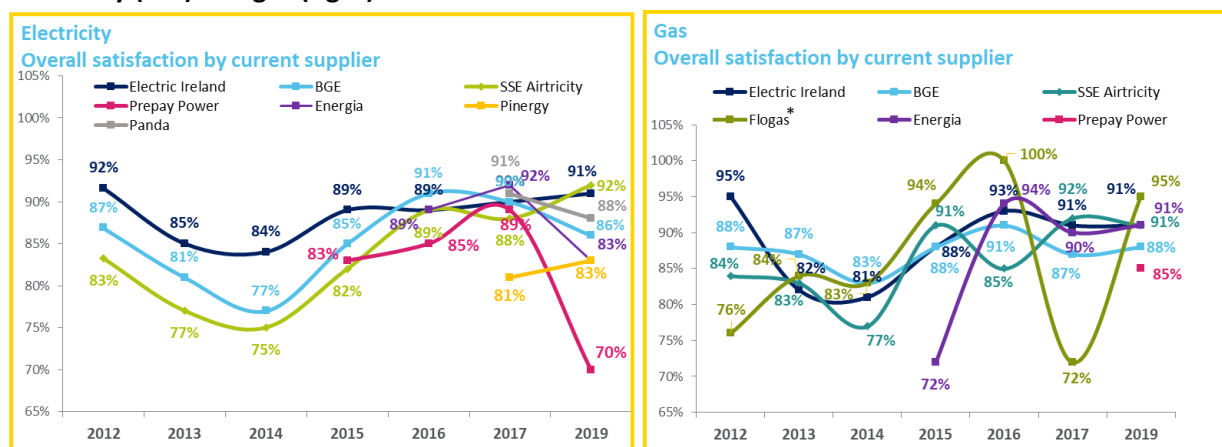


The high level of customer assessment of service is enjoyed by all suppliers in both the electricity and gas markets to a greater or lesser degree, and whilst there is a range of scores by supplier, high levels of satisfaction is not the domain of a single supplier.

Within the electricity market, satisfaction scores have remained relatively stable since the last measure in 2017. Satisfaction is high across electricity providers (total satisfaction at 88%). SSE Airtricity and Electric Ireland customers reported the highest level of satisfaction at 92% and 91% respectively. Prepay Power has suffered a decline in satisfaction versus previous levels however with a comparatively low score of 70% satisfaction.

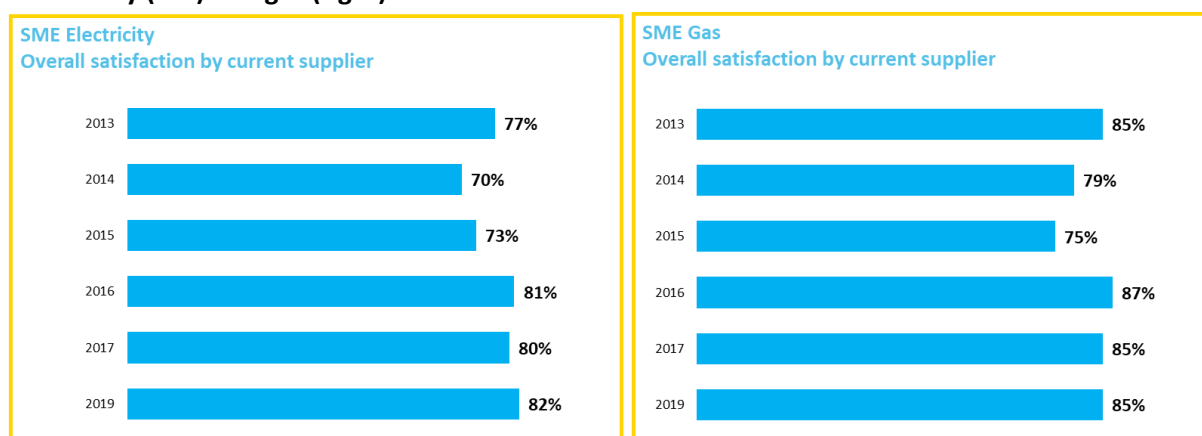
In the gas market, overall satisfaction also remains steady and is also high at 89%. Flogas has experienced the most significant increase in satisfaction, recovering from 2017 levels, albeit off a small base. Prepay Power scores the lowest level of satisfaction at 85%.

Figure 2: Satisfaction amongst domestic customers with the service provided by current supplier of electricity (left) and gas (right)



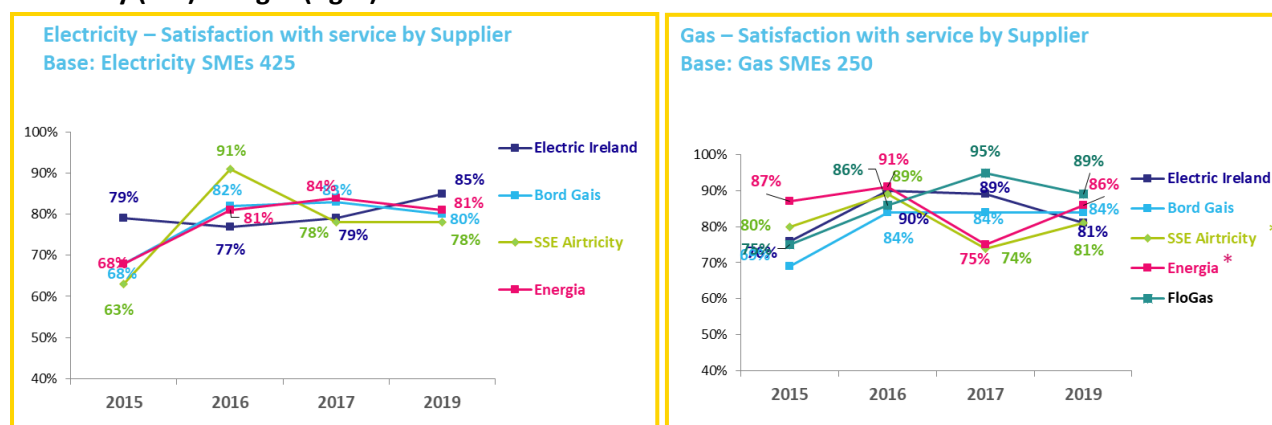
Among businesses, overall level of satisfaction with electricity suppliers remains high at 82%, showing remarkable stability in satisfaction with electricity providers since 2016. With regards to the SME gas market, overall satisfaction with gas suppliers also remains relatively unchanged since 2016, at 85%.

Figure 3: Satisfaction amongst SME business customers with the service provided by current supplier of electricity (left) and gas (right).



Looking specifically at providers within the electricity SME market, satisfaction with service by supplier has remained relatively stable across the various suppliers, with the exception of Electric Ireland which has seen an improvement. Looking at the gas SME market however satisfaction with Flogas and Electric Ireland has fallen back (albeit still high), while Energia and SSE Airtricity satisfaction has improved (note small base). Satisfaction with Bord Gais remains steady.

Figure 4: Satisfaction amongst SME business customers with the service by current supplier of electricity (left) and gas (right).

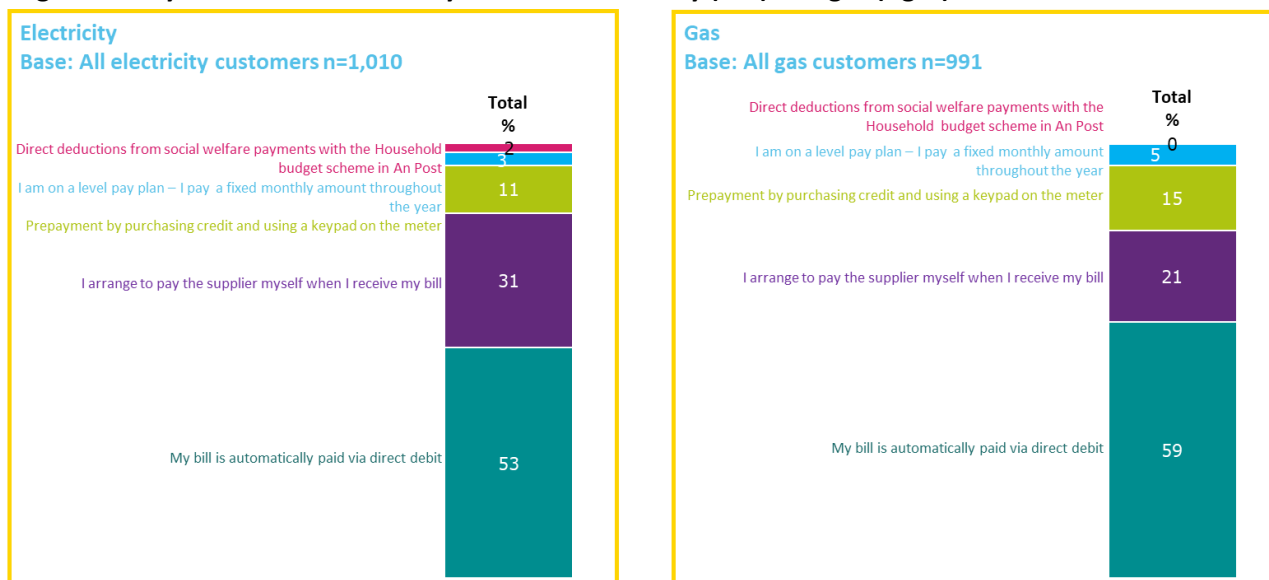


9. Bill Delivery, Clarity and Understanding

The bill is the primary communication to every customer from their electricity or gas supplier, and as such it is an important channel for understanding energy consumption and associated pricing.

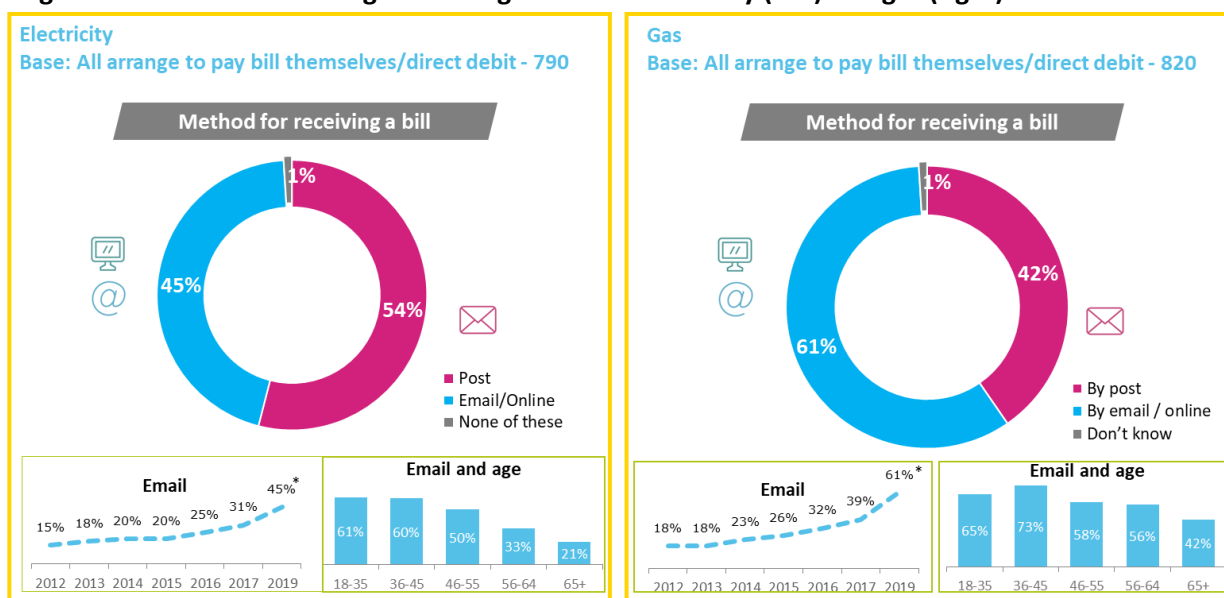
Over half of electricity customers pay their bills via direct debit (higher among Energia and SSE Airtricity). It is interesting to note that 31% of respondents say they arrange to pay the bill once they review it, while 1 in 10 are on a level payment plan and a further 1 in 10 use a prepayment credit meter. In comparison, 59% of gas customers pay their bills via direct debit (higher among SSE Airtricity and Energia) while 1 in 5 pay when they receive the bill and 5% are on a level pay plan. 15% use a prepayment credit meter.

Figure 5: Payment methods used by domestic electricity (left) and gas (right) customers



An interesting finding from the surveys is the incidence of customers receiving their electricity and gas bills via email continues its upward momentum since 2012 (note answer code change 2019) – Energia and SSE Airtricity customers have the highest proportion of customers who indicate they receive their bill online. The 26-45 age group have the highest percentage of email/online billing recipients.

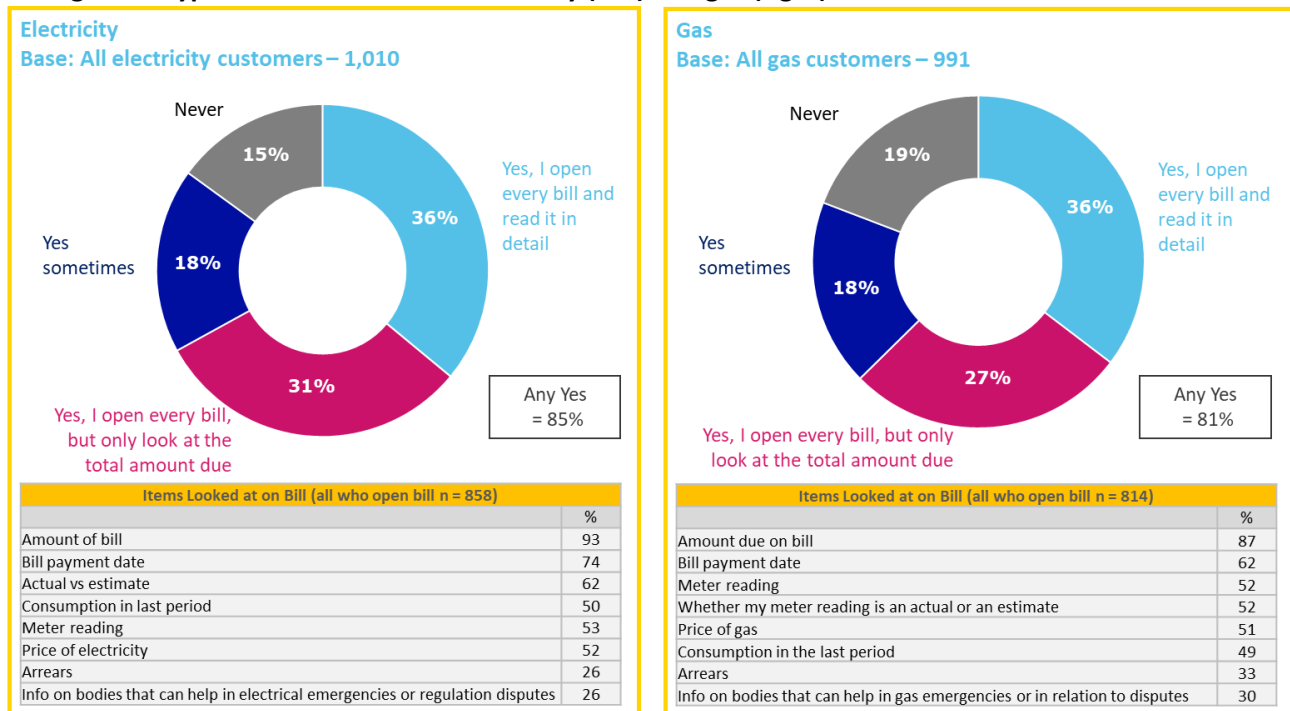
Figure 6: Method of receiving bill among domestic electricity (left) and gas (right) customers



10. Response to the bill

The vast majority of electricity and gas customers open their bill and read at least some part of it, with the main focus being on the total bill amount, followed by bill payment date. Only half claim to look at the actual price of electricity, reflecting the unit cost and number of units consumed. It is noteworthy that just over 50% of gas respondents claim to check whether the meter reading is an actual or estimate, in contrast with 62% of electricity customers.

Figure 7: Typical Bill Behaviour in electricity (left) and gas (right) customers



Customers seem to rate the bill positively across all aspects measured, which relate to their understanding of the bill. However, scores centering on 70% in terms of bill understanding are comparatively low. SSE Airticity, Energia and Bord Gáis customers claim highest level of agreement on bill understanding. There is no evidence of variation in bill understanding between those who receive their bill online and those who receive it via post. Bill rating is also positive across all understanding elements in gas, although the levels are more muted than electricity. Bill understanding is similar across all gas providers. Those who receive their gas bill via post claim a slightly higher level of understanding when compared with those who receive it online. At an overall level, it is noteworthy that close to 25% of electricity and gas customers separately indicate that their bill does not give them an understanding of their consumption and associated pricing. This lack of understanding may compromise these respondent's ability to manage their consumption or decide on the relative value of a switch to an alternative supplier.

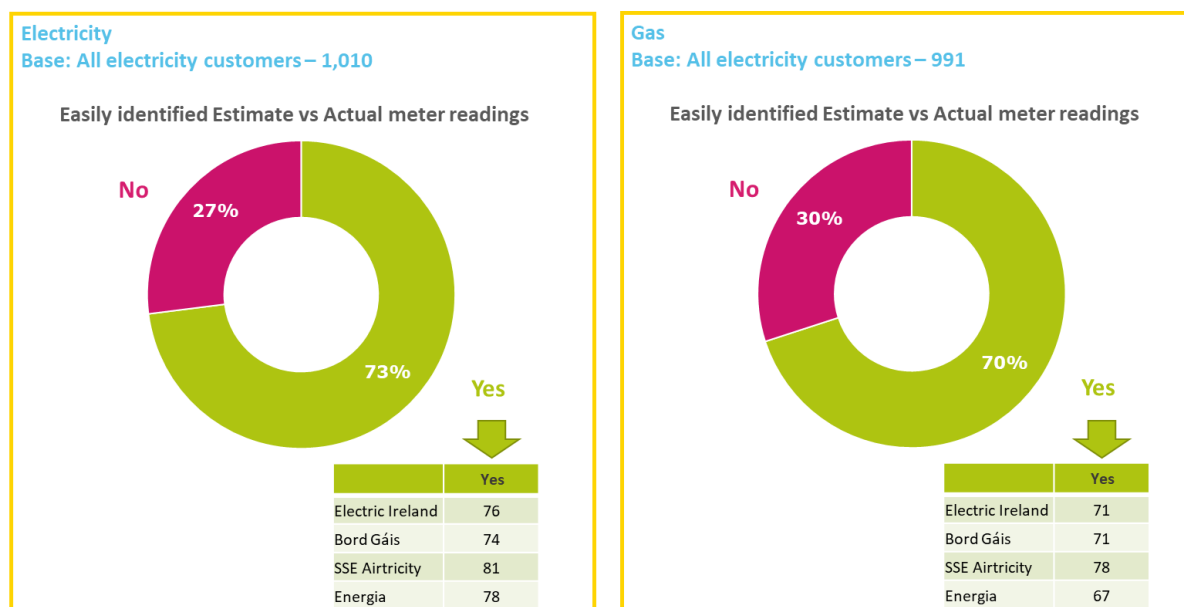
Figure 8: Rating the bill in electricity (left) and gas (right) customers



11. Clarity of bill estimated or actual status

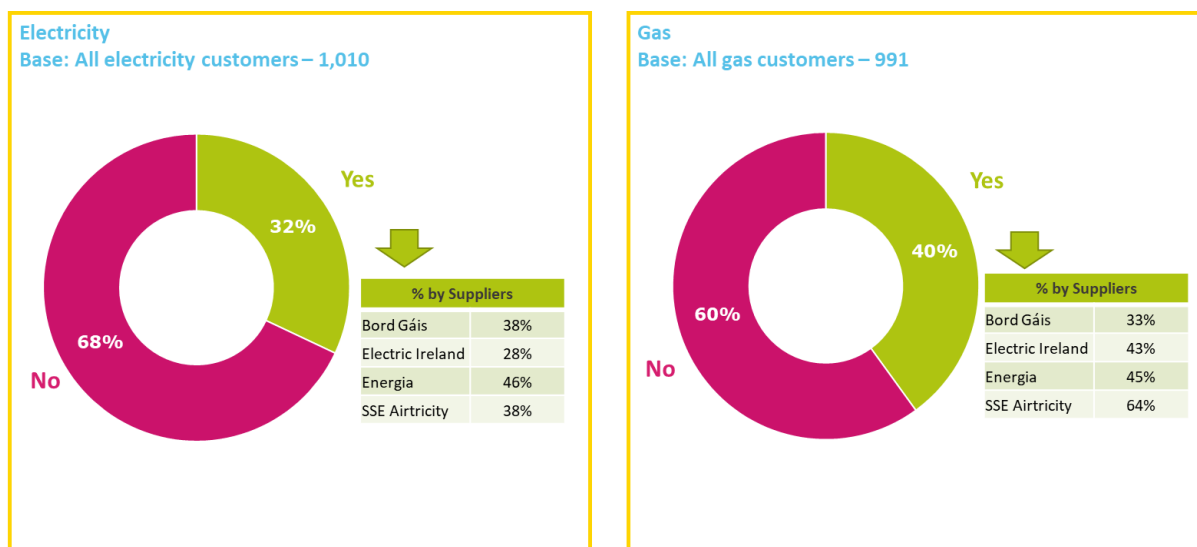
Consumers were asked if they could easily identify if a bill was based on estimated or an actual reading. In both the electricity and gas markets the majority customers claimed they can easily identify if their bill is an actual reading or an estimate (7 in 10). It is obviously a concern that close to 30% of customers from these markets were unable to easily identify this crucial piece of information. Customers of SSE Airtricity seem to evaluate their bill more positively than customers of other suppliers, in terms of this metric.

Figure 9: Bill understanding and impact in electricity (left) and gas (right) SMEs



When it comes to actually submitting their own meter reading, 1 in 3 electricity customers claim to have submitted their own meter reading in the past 12 months. This compares to 2 in 5 gas customers claiming to have submitted their own meter reading in the past 12 months. Energia customers report a higher incidence of submitting their meter readings in both the electricity and gas markets, while Electric Ireland's electricity customers are least likely to do so. In the context of the gas market, SSE Airtricity customers are most likely to submit their own readings, with a very high score of 64%.

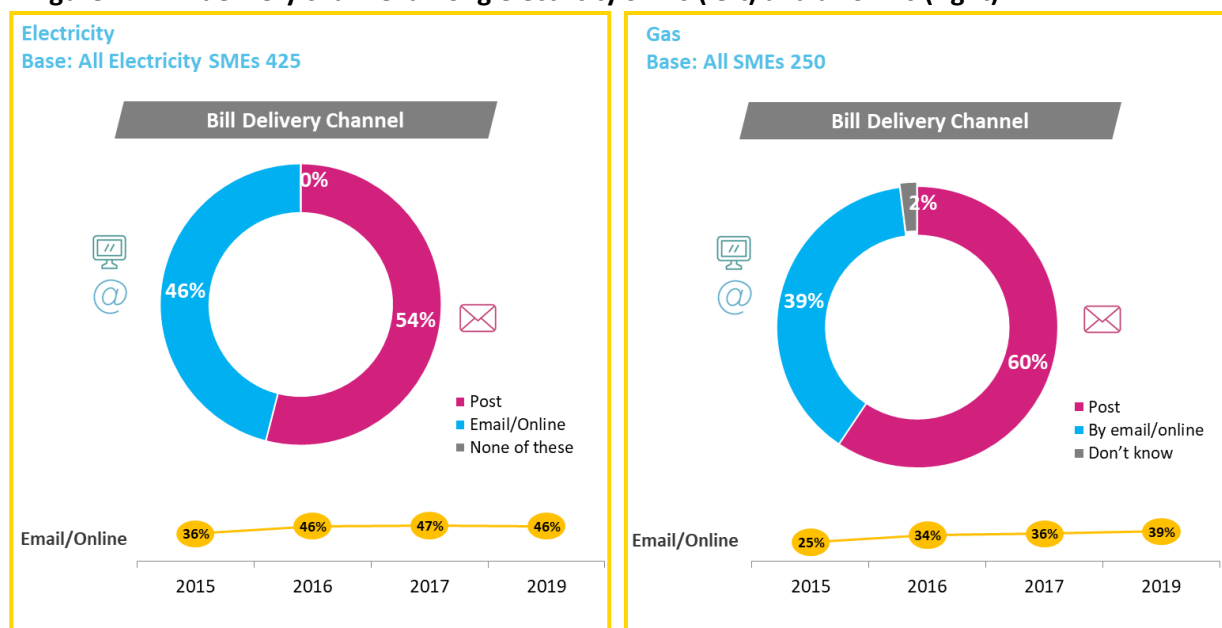
Figure 10: Incidence of submitting own meter reading in electricity (left) and gas (right) customers



2. Bill delivery and rating – SME electricity and gas markets

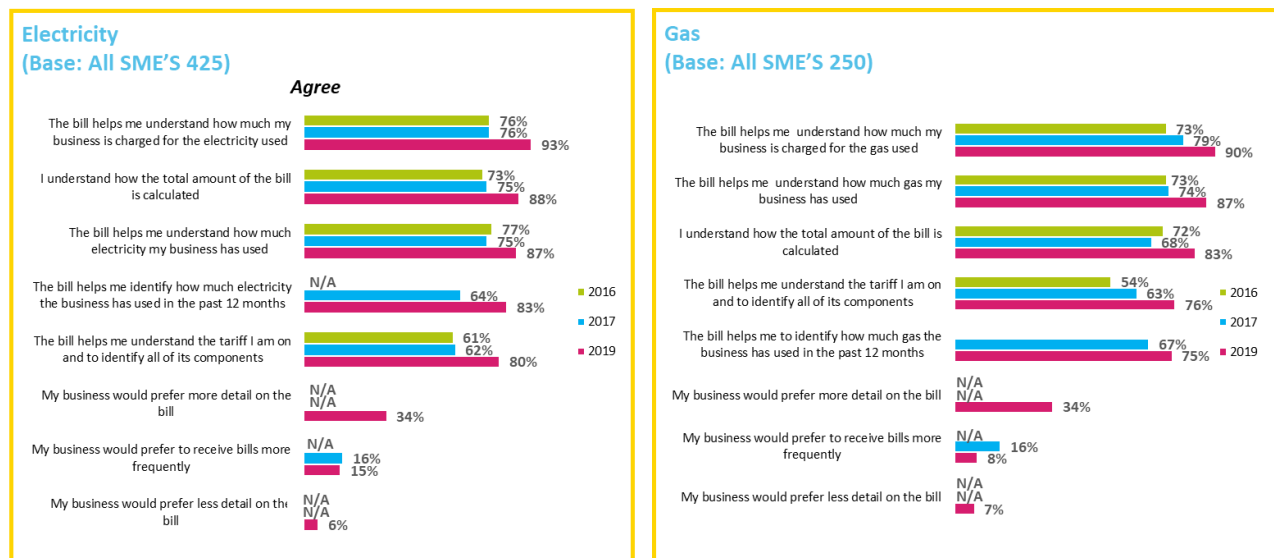
Businesses were also asked how they receive their bills. The majority of SME's continue to receive their electricity and gas bills by post, however among electricity SMEs the proportion receiving bills via online is approaching 50%. In the electricity market in particular, the level of SME's receiving bills online has not changed since 2016.

Figure 11: Bill delivery channel among electricity SMEs (left) and all SMEs (right)



Bill understanding overall has improved on previous levels within the electricity and gas SME market, especially with regards to helping businesses understand how much they are charged for their electricity and gas usage. It should be noted that changes in the wording/coding associated with this question are likely to have had an impact on the 2019 scores, which are substantially higher than the scores recorded in previous years.

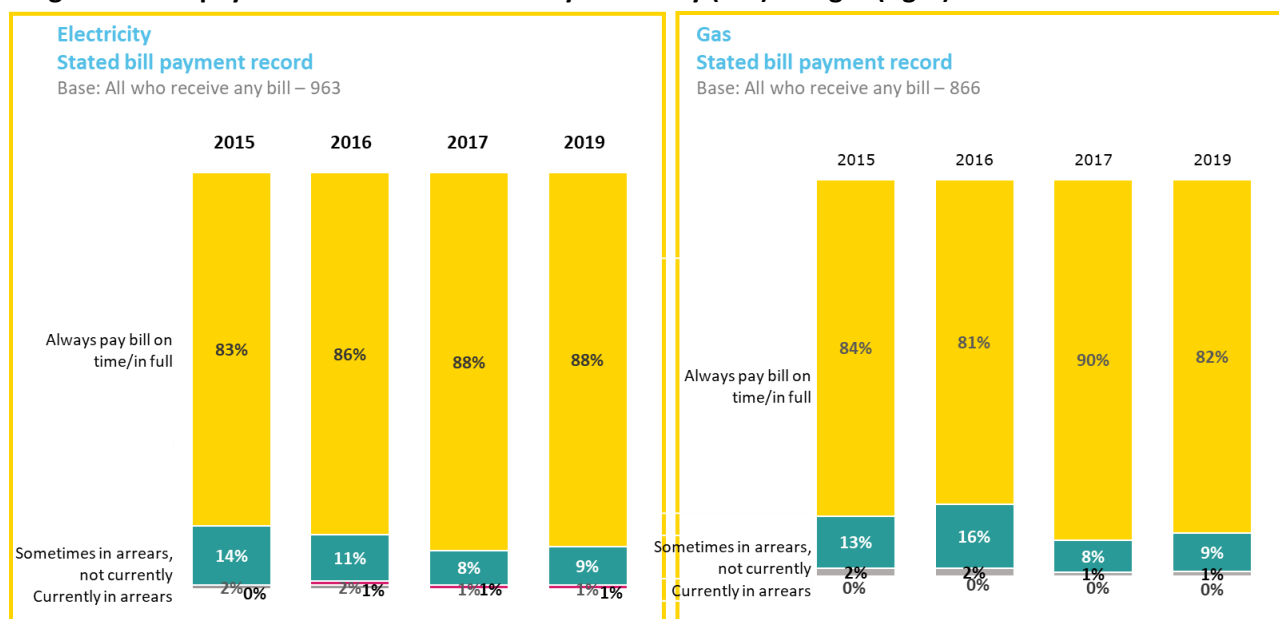
Figure 12: Bill understanding and impact in electricity (left) and gas (right) SMEs



3. Domestic arrears

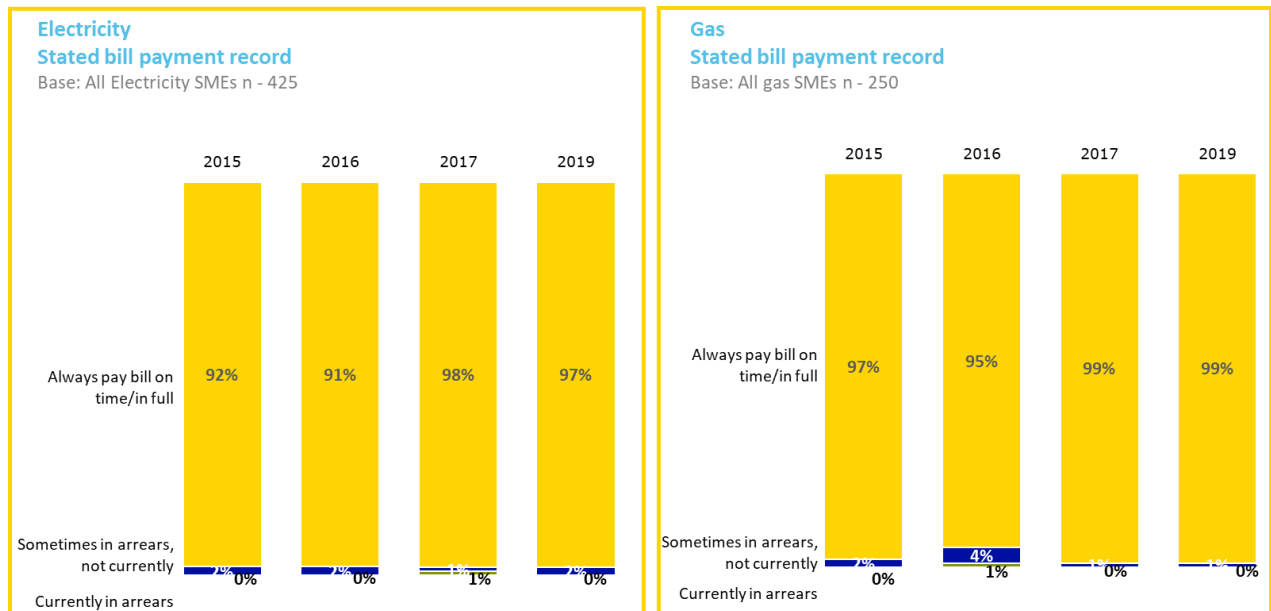
The incidence of those claiming to always pay their bill on time and in full remains high across both the electricity and gas markets. Further research has shown that respondents tend to reflect a somewhat liberal interpretation of what constitutes arrears and perhaps there is evidence of some reluctance to disclose such sensitive information. Consequently, it is likely that these data under represent the degree of arrears, as reported by the suppliers.

Figure 13: Bill payment record and arrears by electricity (left) and gas (right) customers



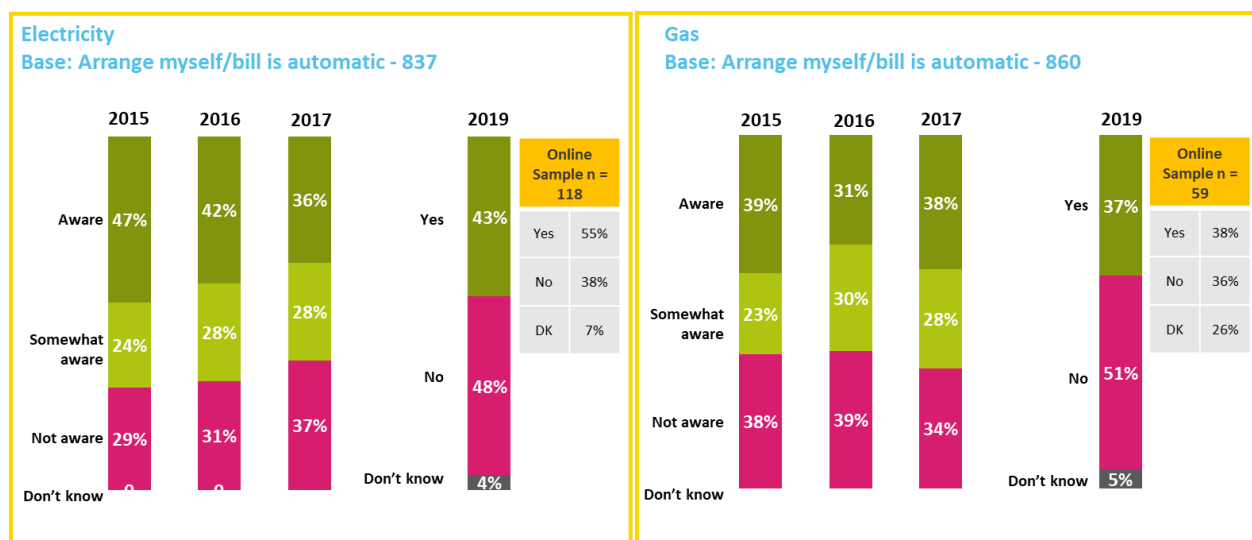
Similarly, nearly all SME's claim to pay their bill on time and in full. As with consumers there may also be a 'broad' interpretation of what constitutes arrears and also some reluctance to disclose such sensitive information.

Figure 14: Bill payment record and arrears by electricity (left) and gas (right) SME business customers



Awareness of the options available to customers in the event of bill payment issues was also covered in this research. The survey found that the incidence of electricity and gas customers who are aware of the potential to make a payment arrangement with their supplier in the event of payment issues is at 43% and 37% respectively. The proportion of respondents who are not aware has been increasing within the electricity market.

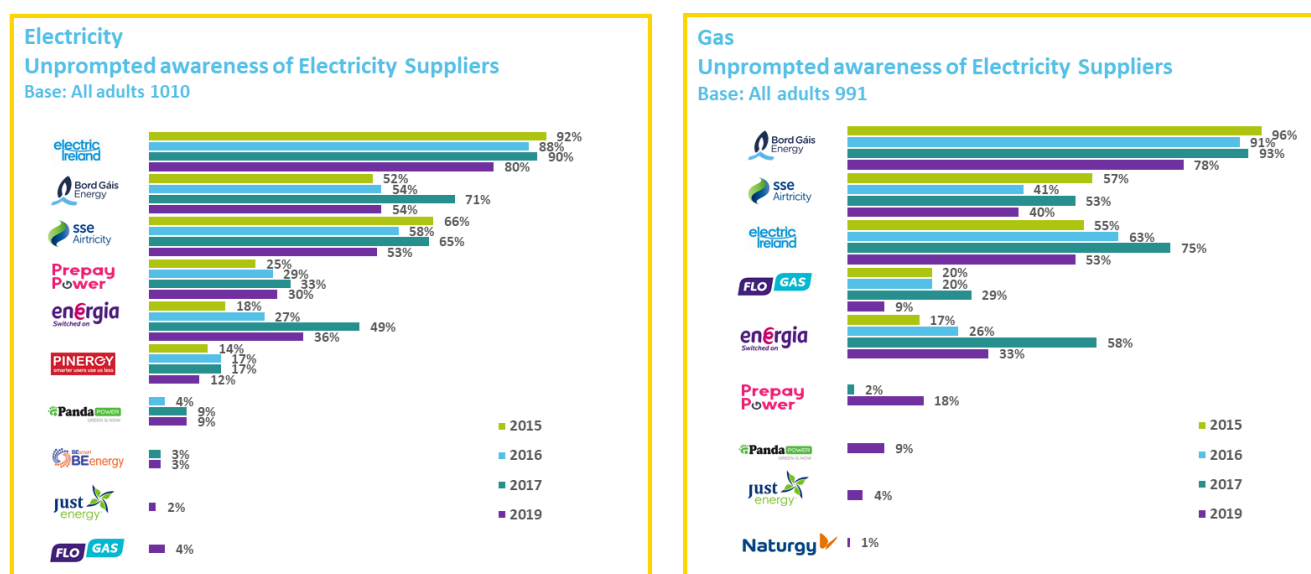
Figure 15: Awareness of availability payment plan arrangements by electricity (left) and gas (right) customers



4. Competition and consumer understanding of market structures

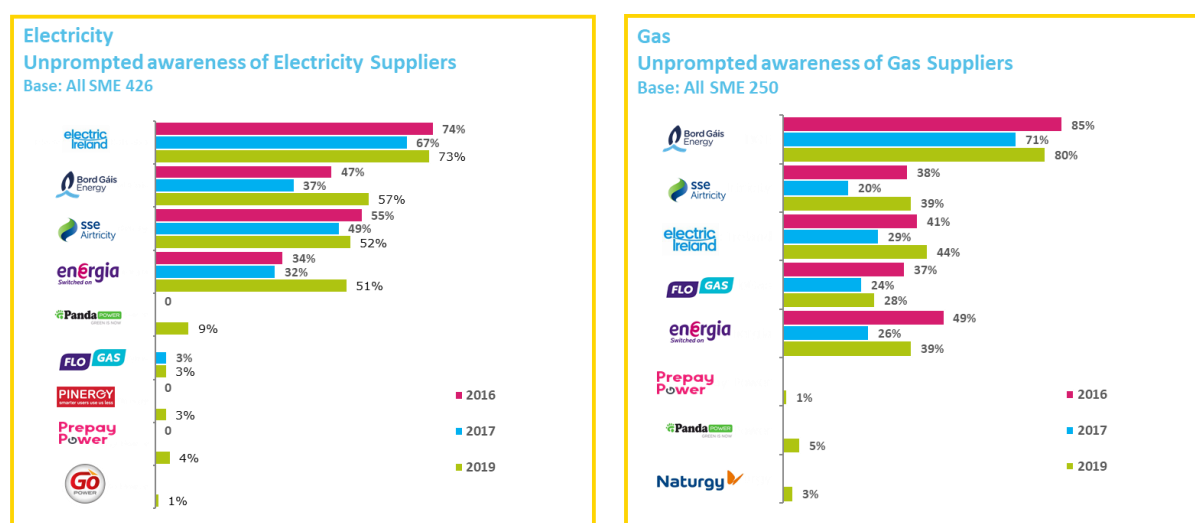
Both original incumbents in the energy market remain strongly present in consumer minds, but spontaneous awareness for these suppliers has declined. More positively from a market awareness perspective, the data show that newer entrants into the energy market are being recalled spontaneously by consumers including BE Energy, Just Energy, Naturgy – this increased engagement with the market is good from a customer perspective since, over time, increased awareness will lead to improved understanding of alternative offerings, including their price, service and value propositions.

Figure 16: Awareness of electricity and gas competitors in customers



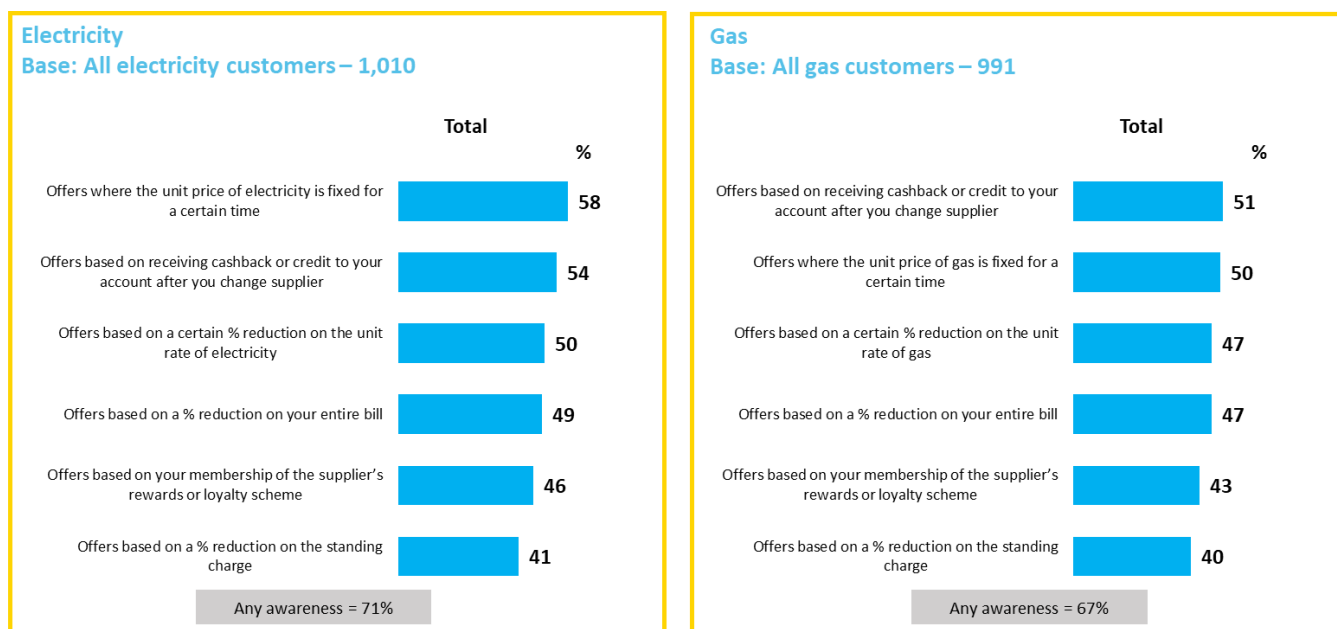
Within the SME electricity market unprompted awareness of electricity providers has improved across all providers in comparison with 2017 levels, especially with regards to Energia. Electric Ireland continues to achieve the highest top of mind awareness within the electricity market at 73%, while Bord Gais is now the second most commonly mentioned electricity supplier at 57%. Within the SME gas market, Bord Gais Energy continues to receive highest unprompted awareness of all gas suppliers at 80%. New providers in the market are now being recalled at a top of mind level.

Figure 17: Awareness of electricity and gas competitors in SME business customers



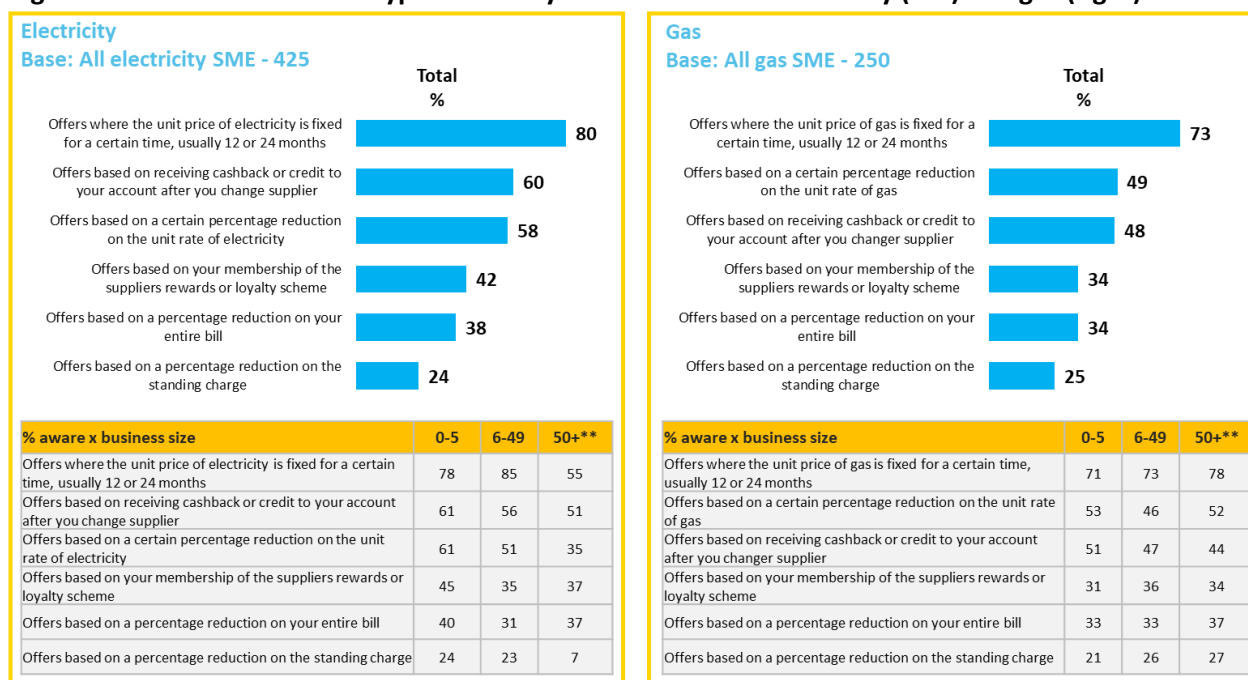
When it comes to consumer awareness of offers currently on the markets almost one third of electricity and gas customers indicate that they are not aware of any offers currently on the market. Current customers of SSE Airtricity and Energia across both electricity and gas show the greatest awareness of offers. Bord Gáis electricity customers also show a higher than average awareness of electricity offers, while current electricity customers of Electric Ireland are less likely to be aware of what offers are currently on the market.

Figure 18: Awareness of offer types currently on the market in electricity and gas customers



Within the SME market, SMEs claim highest awareness of offers which have a fixed unit price for 12-24 months, followed by cash back or credit and a percentage reduction on the unit rate. Interestingly smaller companies generally show a higher awareness of electricity offers on unit rate, while there is little variation in awareness of gas offers across business size.

Figure 19: Awareness of offer types currently on the market in electricity (left) and gas (right) SMEs



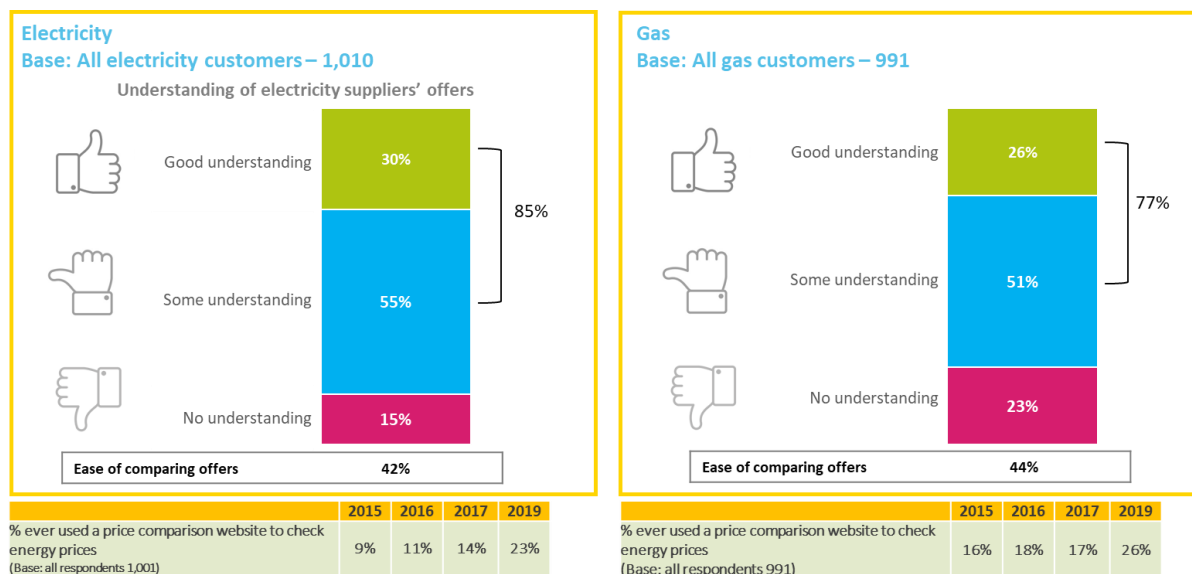
5. Understanding and comparing offers

The level of consumer ability to understand market offers is an important dynamic in a competitive market. The research shows that 85% of electricity customers claim to have some understanding of current electricity offers on the market, with Energia and SSE Airtricity customers claiming the highest level of understanding. Those who switched within the past 12 months also claim to have a higher level of 'good understanding' of current offers vs non switchers (42% vs 27%).

Consumers were asked about the ease of comparing offers, to which 58% of electricity customers claimed that they find it difficult to compare offers. Energia customers claim the highest level of ease. In order to understand the channels used for comparison, the survey investigated the usage of price comparison websites to compare offers, and results showed that 1 in 4 of all adults claimed to have used a price comparison website to compare electricity offers – up significantly over the past number of years.

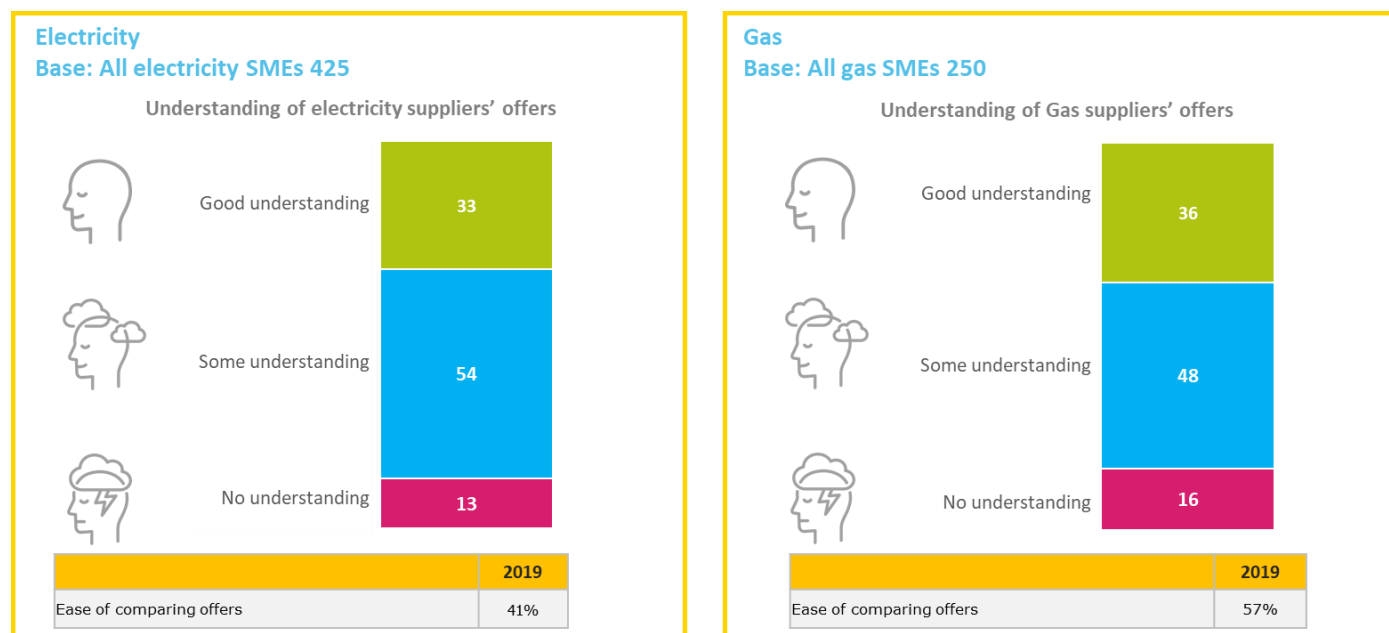
When we examine gas consumers, 77% claim to have some understanding of gas offers, with Energia customers claiming the highest level of 'good understanding'. Electric Ireland and BGE customers claim highest level of no understanding (27% EI, 24% BGE) As with electricity customers, those who switched in the last 12 months also claim a higher level of understanding. 56% of gas customers find comparing offers difficult. Energia and SSE Airtricity customers claim the highest level of ease when comparing offers. In addition, a total of 1 in 4 gas customers have used a comparison website to compare offers – indicating a rising trend.

Figure 20: Ability to compare and understand offers from electricity and gas suppliers in electricity (left) and gas (right) customers



Within the SME market, one third of electricity and gas businesses claim to have a good understanding of offers on the market, while almost half claim to have some understanding. 41% of electricity businesses and 57% of gas businesses report that it is easy to compare offers.

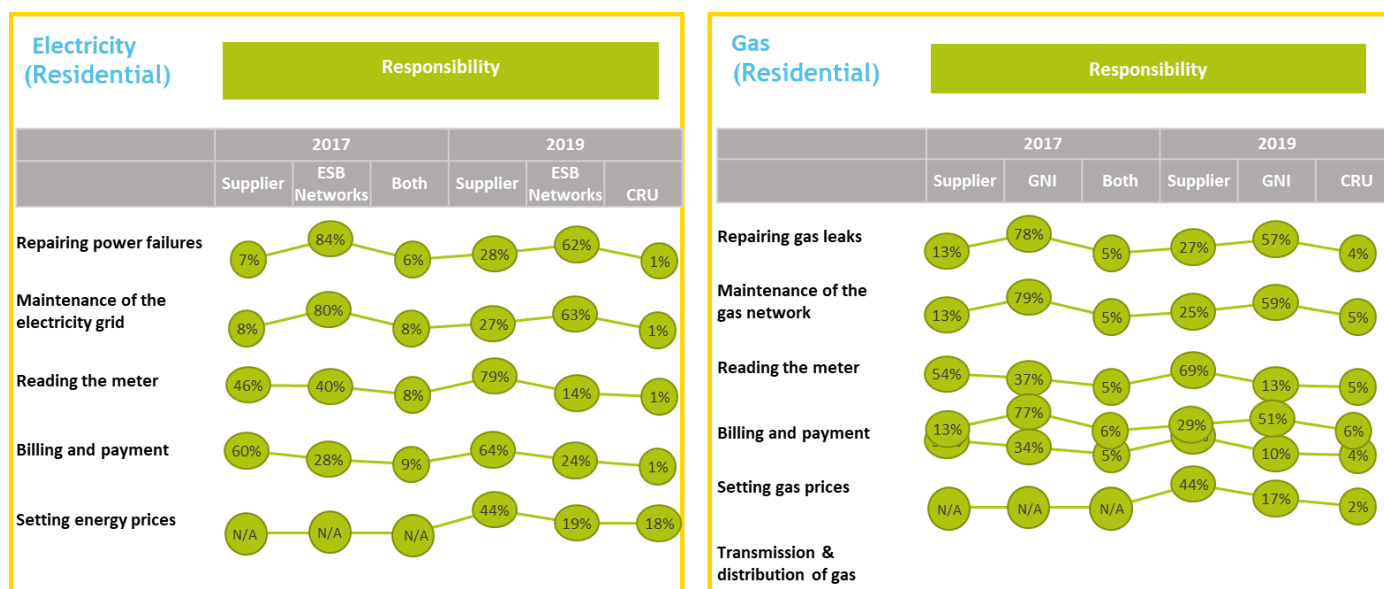
Figure 21: Ability to compare and understand offers from electricity and gas suppliers in electricity (left) and gas (right) SMEs



6. Market Structure and Understanding

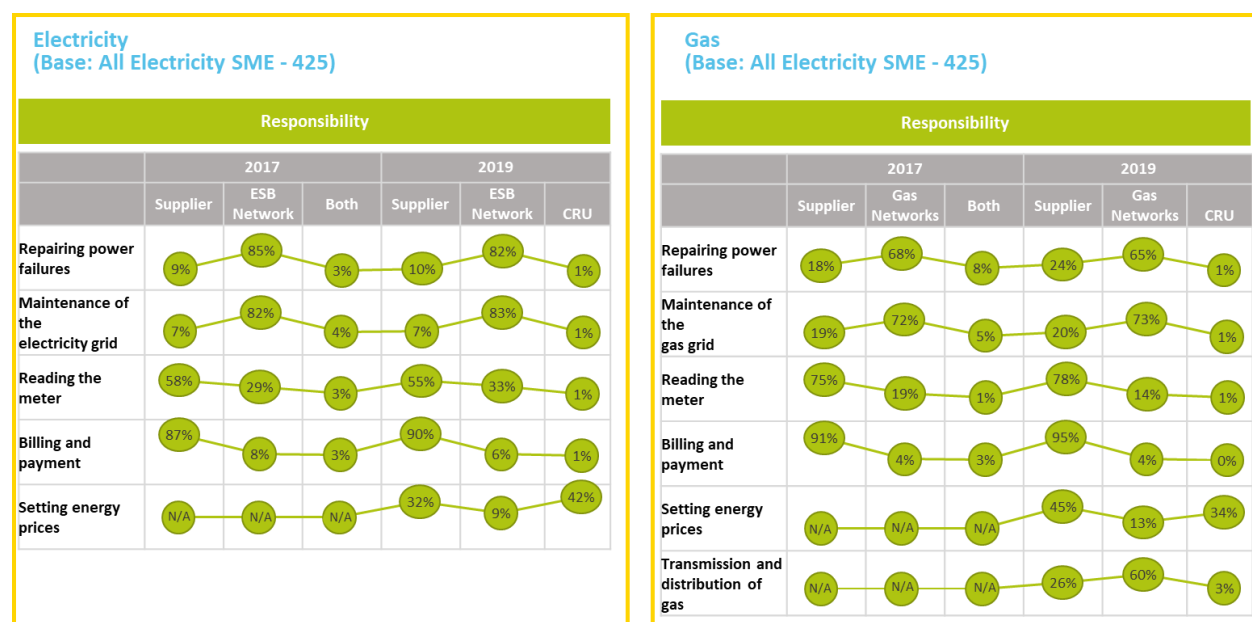
Market structures and differentiation of the roles of Suppliers and Networks companies continues to be a challenge for electricity and gas customers. Awareness of ESB Networks role in repairing power failures and maintaining the grid has fallen back on 2017 levels. Awareness of Gas Networks role in repairing gas leaks and maintenance at the network have also declined on 2017. The meter reading confusion, which has been evidenced in past CRU consumer surveys, is improving for both the electricity and gas markets.

Figure 22: Customer understanding of the roles of energy supplier and Networks in electricity (left) and gas (right) customers



Within the SME market however, awareness of ESB Networks role in repairing power failures, maintaining the grid and reading the meter remains steady. Among gas customers awareness of Gas Networks role of repairing gas leaks and maintaining the gas networks remains strong.

Figure 23: Understanding of the roles of energy supplier and Networks in electricity and gas SMEs, 2017 vs 2019



7. Switching and Engagement

Levels of switching, the ease of doing so and the positive outcome of switching energy providers is a key focus of this research. This research follows the same structure as in previous studies across the four markets. The research includes an assessment of the level of switching, experience of switching and reasons for the decision to switch, or not to switch. The research also includes an assessment of the sales process and sales techniques used by electric and gas suppliers in the domestic market.

Domestic and SME electricity and gas markets

The typical behaviour by both electricity and gas customers is to automatically continue with their supplier when the initial 12-month contract has expired, especially if they have not switched in past 12 months. A quarter of electricity customers automatically remain with their supplier irrespective of the tariff, while 14% of gas customers do likewise.

Figure 24: How consumers typically react when initial 12 month contract expires

Electricity

(Base: All Electricity SME - 424)

Reaction once you contract ends			
	2016	2017	2019
	%	%	%
Look around to see if there are better offers available from other suppliers then switch supplier	38	51	49
Automatically continue with the supplier irrespective of what tariff is applied	28	26	23
Look at any options/offers my existing supplier sends and select the best one for the business	12	8	14
Contact the supplier directly to renew/negotiate the tariff/package you are on	11	10	8
Automatically continue with the supplier knowing the default tariff will be charged	5	1	3

Gas

(Base: All Gas SME - 250)

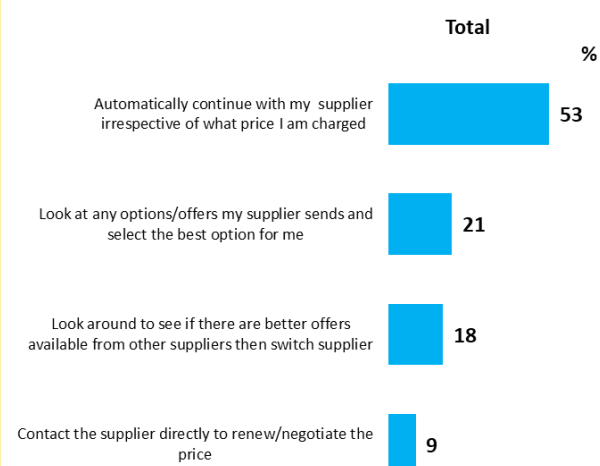
Reaction once you contract ends			
	2016	2017	2019
	%	%	%
Look around to see if there are better offers available from other suppliers then switch supplier	52	55	60
Automatically continue with the supplier irrespective of what tariff is applied	12	20	14
Look at any options/offers my existing supplier sends and select the best one for the business	14	11	13
Contact the supplier directly to renew/negotiate the tariff/package you are on	12	9	8
Automatically continue with the supplier knowing the default tariff will be charged	4	1	2

Among SMEs the typical behaviour is similar to electricity and gas residential customers as over half automatically continue on with their supplier when the initial 12-month contract has expired. Gas SMEs however appear to be more engaged with their gas bill compared with electricity SME's as 3 in 5 gas SMEs claim to look around to see if better offers are available at the end of the contract. This compares with half of electricity SME's doing similar when their contract periods ends. 1 in 4 electricity customers automatically continue with their supplier, compared with just 14% of gas SME's.

Figure 25: How SMEs typically react when initial 12-month contract expires

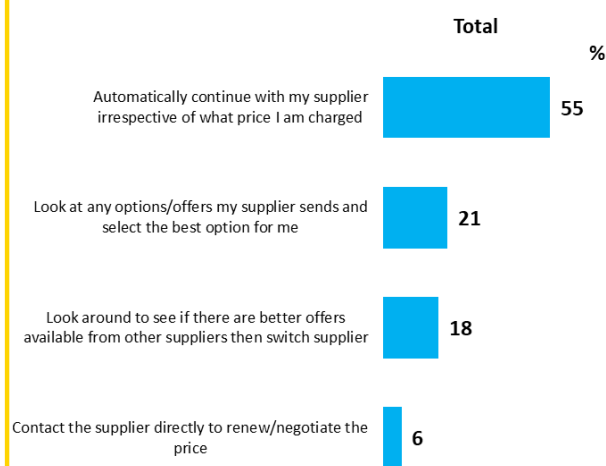
Electricity

Base: All electricity customers – 1,010



Gas

Base: All gas customers – 991

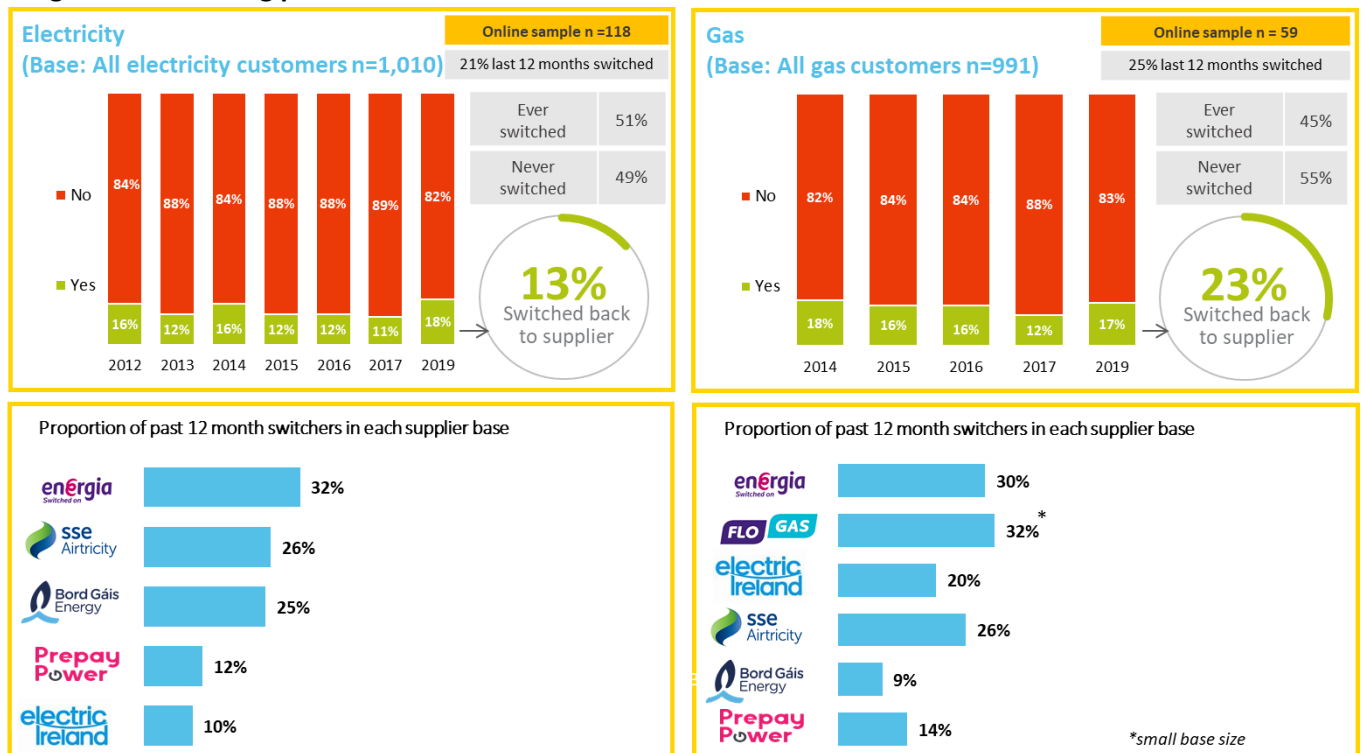


When it comes to switching energy supplier, half of electricity and gas consumers have never switched supplier (51% electricity and 55% gas). Among those who have switched, consumers report similar levels of switching within the last 12 months across both gas and electricity. However, gas customers are more likely to have switched back to previous supplier (23% having switched back to a previous

supplier). Among the online gas and electricity samples, the incidence of last 12 months switching is in line with the population, thus there is no evidence to suggest that switching is an issue for more vulnerable customers.

Electricity and gas switching rates peak among the 25-64-year-old age group, and also among middle socio-economic status cohorts (ABC1s). People living in Dublin are more likely to have switched electricity versus those living outside Dublin, while there is no regional difference in switching gas.

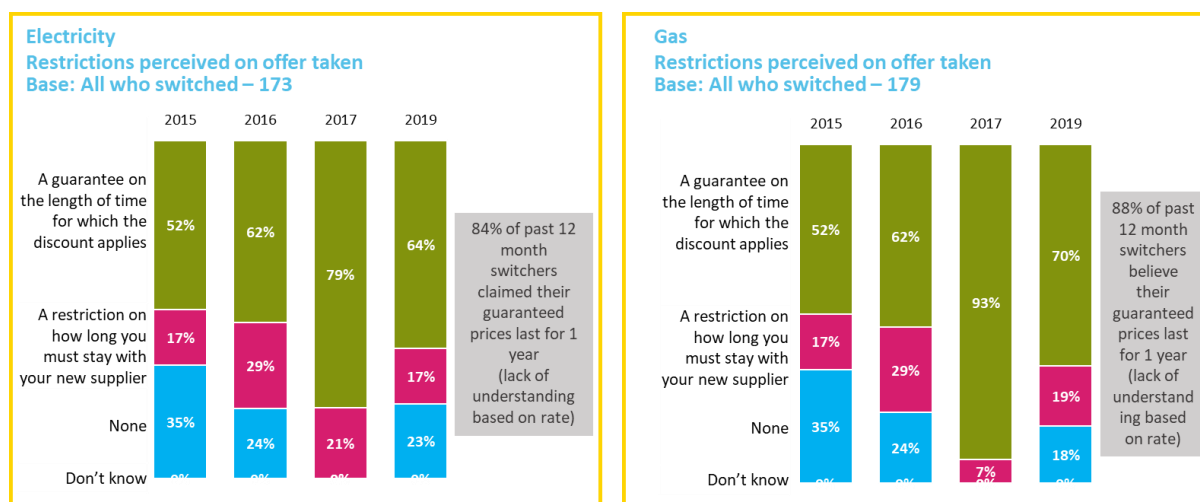
Figure 26: Switching past - 12 months in customers



Within the SME market 28% of electricity SMEs and 34% of gas SMEs have never switched energy provider. The incidence of those SME's who have switched electricity supplier within the last 12 months has been slightly increasing since 2017 but has yet to reach the levels recorded in 2015. Almost 1 in 3 of these was a switch back to a previous supplier. The reported rate of gas switching within the past 12 months remains relatively stable with previous levels. 40% of these was a switch back to a previous supplier. There is little variation in the incidence of SME's ever switching electricity supplier across business size or region. Among gas SME's, larger organisations (50+ emps) and those based in Dublin tend to be slightly more likely to have ever switched gas supplier.

The proportion who believe there is a guarantee on the term of the discount they received now stands at 64% for the SME's who switched electricity supplier and 70% for those who switched gas supplier. Among residential consumers who switched during the previous 12 months, 23% of electricity customers and 18% of gas customers believe that there were no conditions associated with their switch.

Figure 27: Understanding of offer – among switchers (customers)



A website with a calculator and price comparison websites was identified from amongst several options provided as potentially having would have the biggest impact on increasing consumers likelihood to switch.

Figure 28: Impact of information sources on switching likelihood in customers

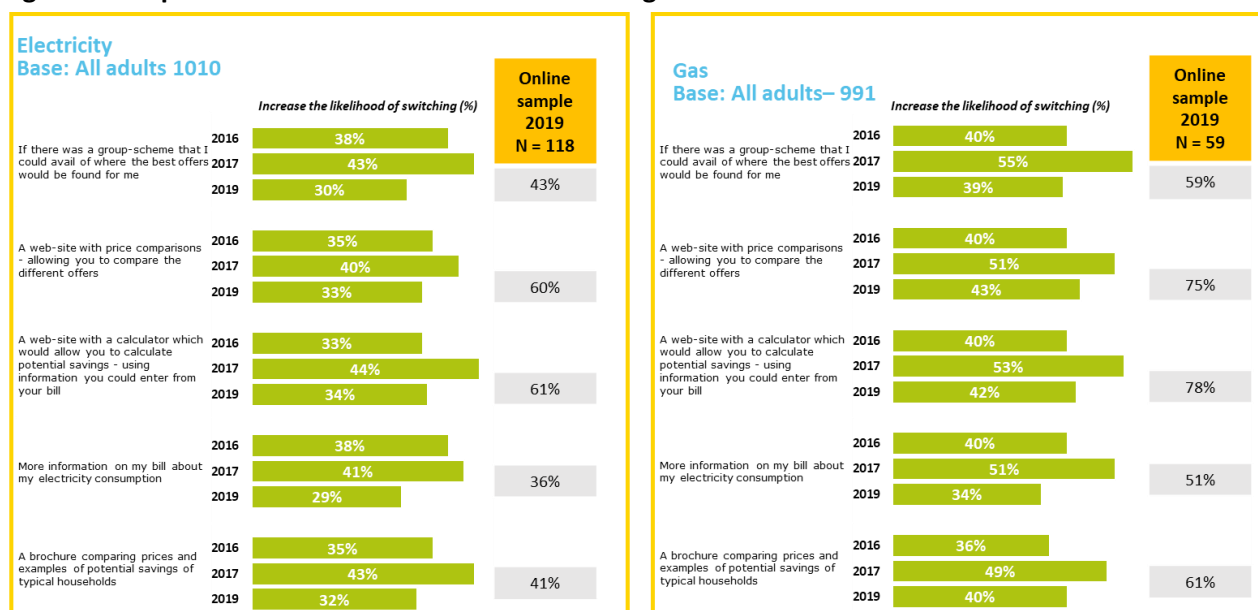
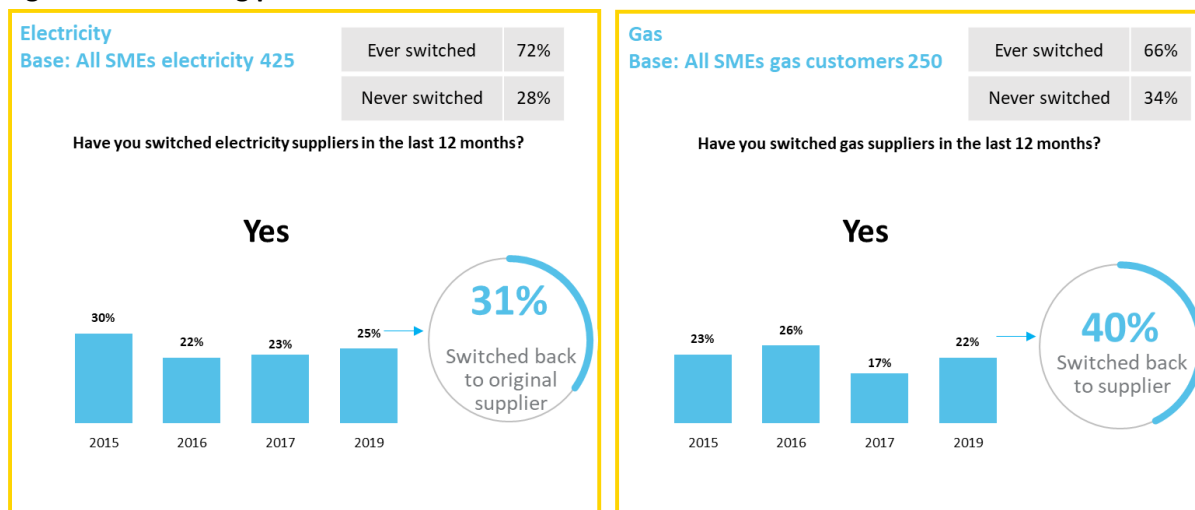
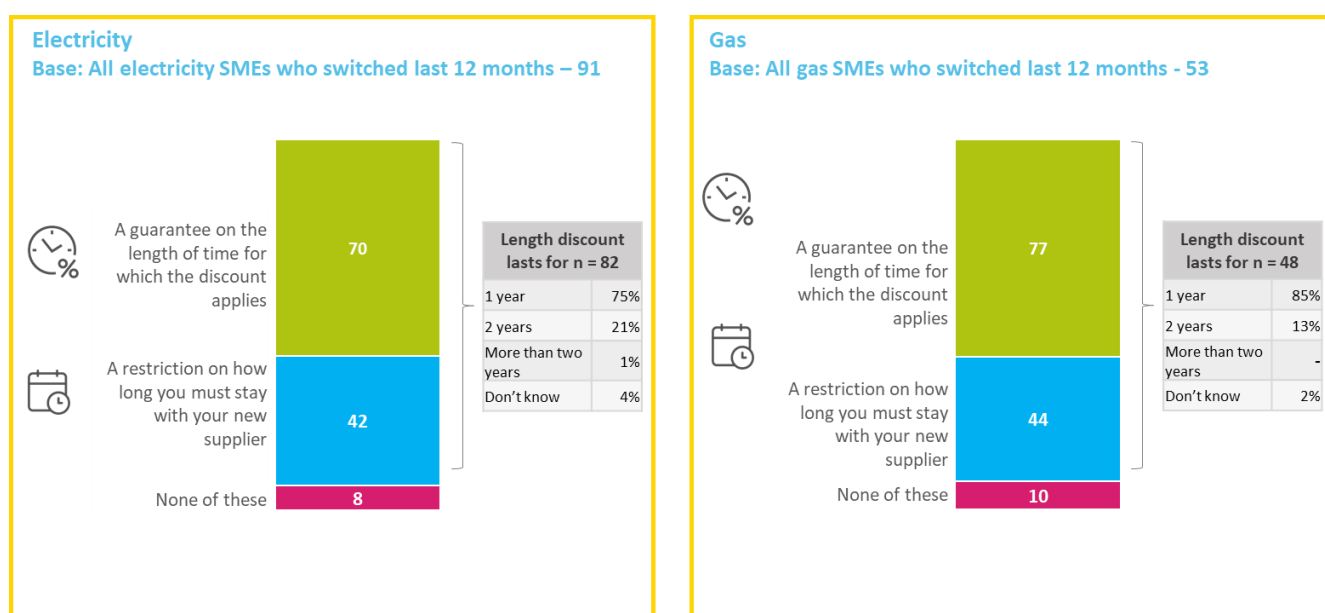


Figure 29: Switching past 12 months in SMEs



Among SMEs switchers were in the main offered a guarantee on the length of time for which the discount applies. The length of time that the discount lasts for is typically one year.

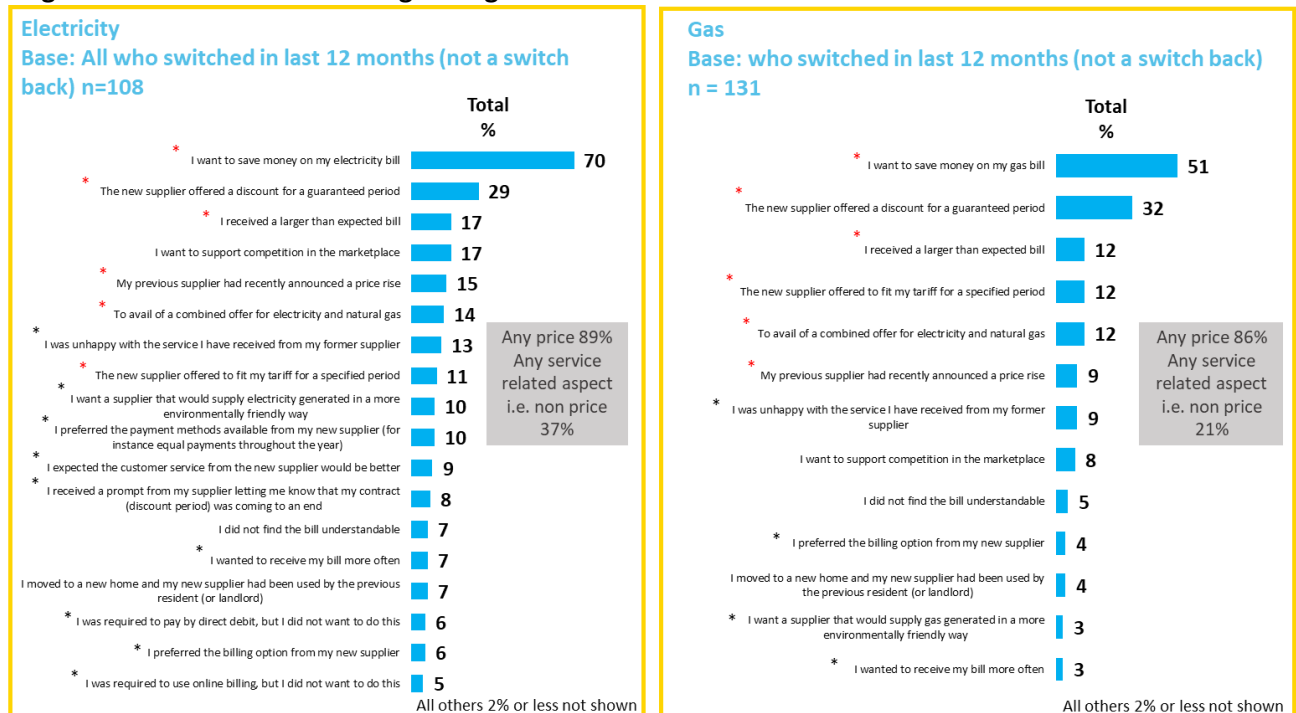
Figure 30: Discount agreement- SMEs



8. Drivers for switching amongst electricity and gas markets

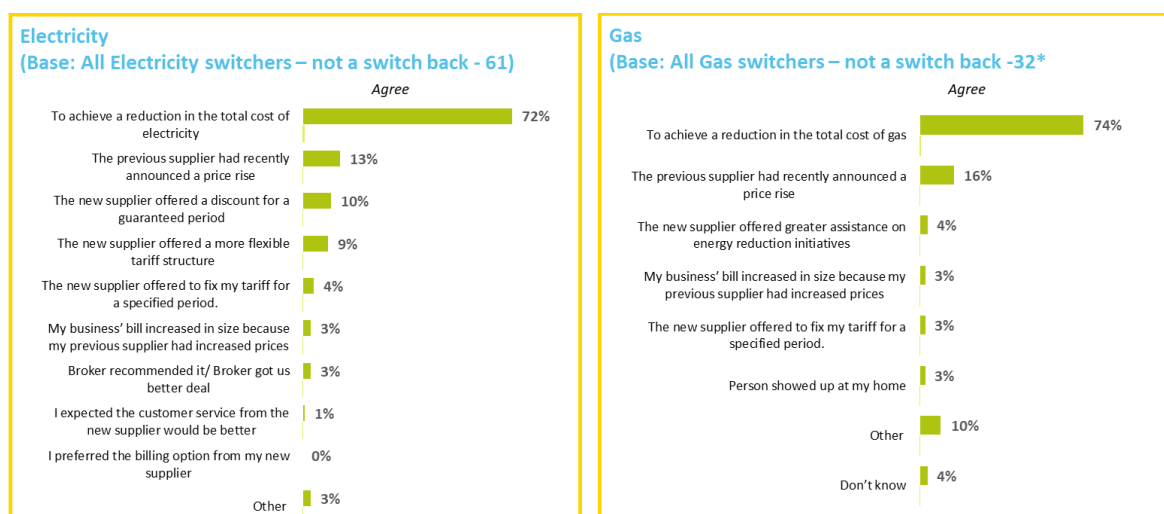
Respondents were asked to give their reasons for switching electricity and gas supplier in order to understand the factors influencing switching in the market. Motivation to save money was the main reason given by both electricity and gas customers as the reason for switching within the last 12 months while 3 in 10 referenced supplier discounts.

Figure 31: Reasons for switching during last 12 months – customers



Amongst SMEs the quest for a reduction in cost was also the main motivation behind changing supplier.

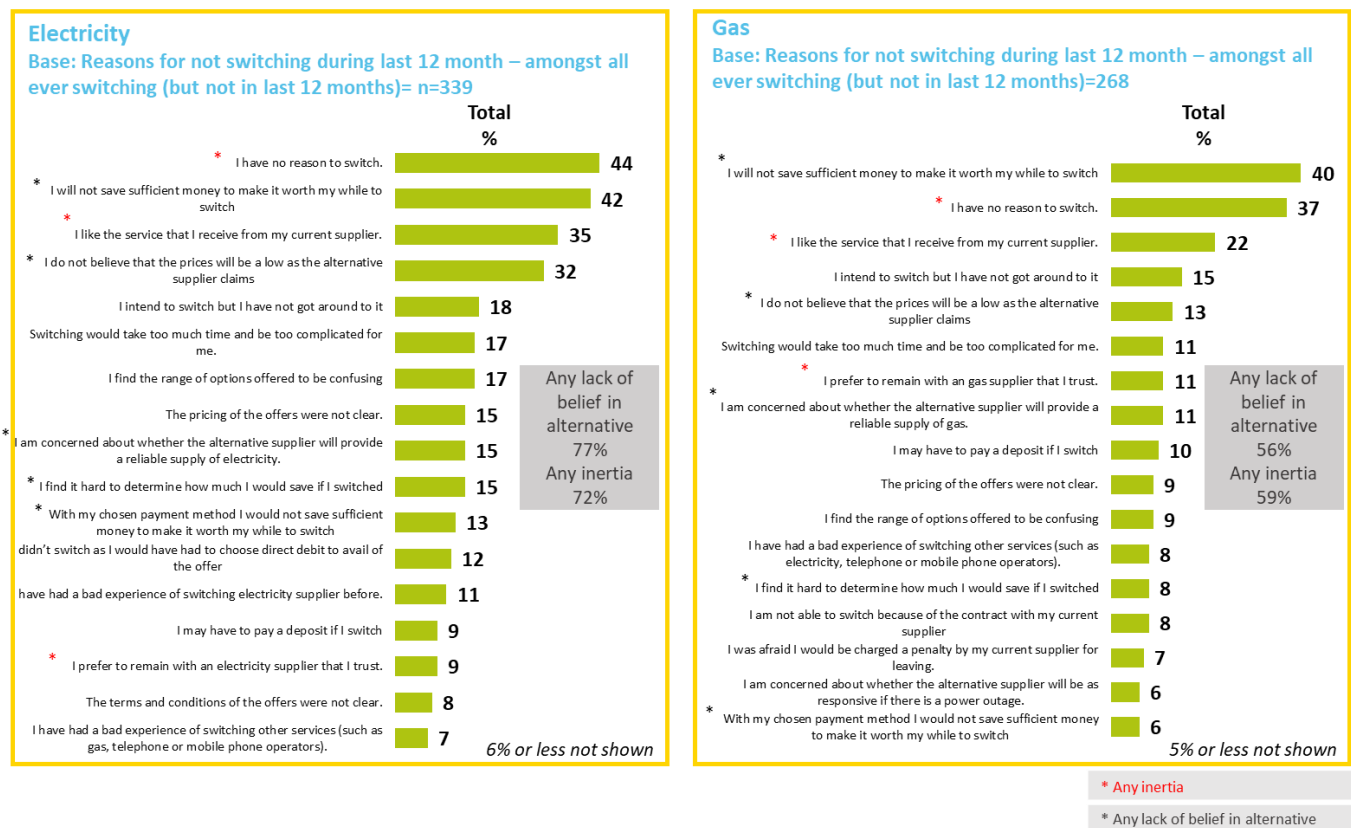
Figure 32: Reasons for switching during last 12 months - SMEs



9. Drivers for not switching

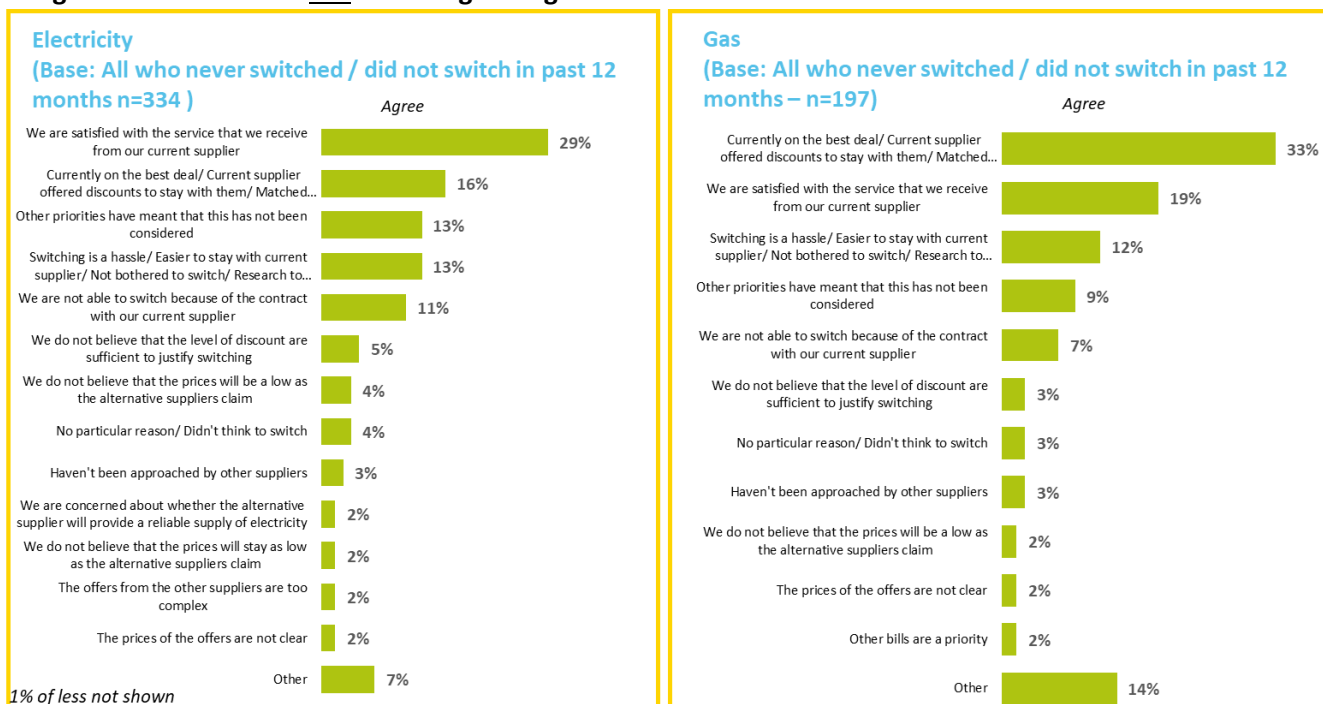
Domestic electricity and gas consumers who had not switched in the previous 12 months were asked why they had not switched their energy supplier. Amongst these customers the options selected most frequently were 'no reason to switch' and 'not saving sufficient amount of money by switching' pointing to these as the two main reasons given for not switching gas or electricity provider in the last 12 months.

Figure 33: Reasons for not switching during last 12 months- customers



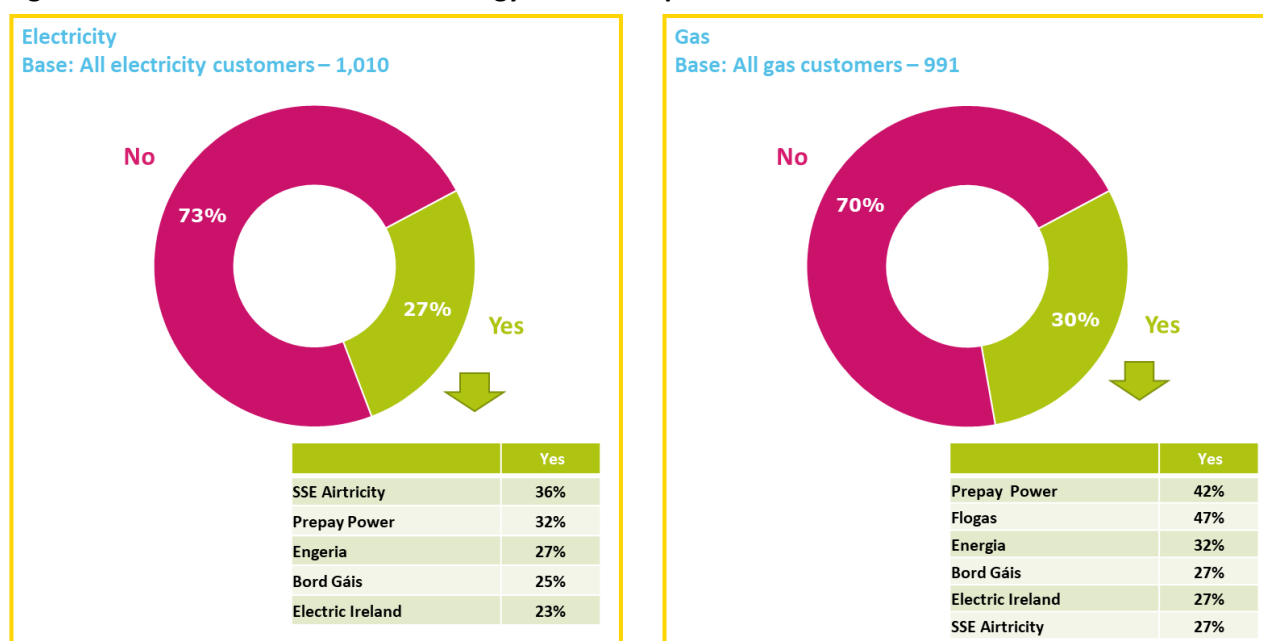
Similarly, among SME non switchers, 'satisfaction with current provider' and 'not believing an alternative would provide savings' were the main reason given for not switching, among both electricity and gas SMEs.

Figure 34: Reasons for not switching during last 12 months- SMEs



Circa 3 in 10 electricity and gas customers are aware of the expiration reminder.

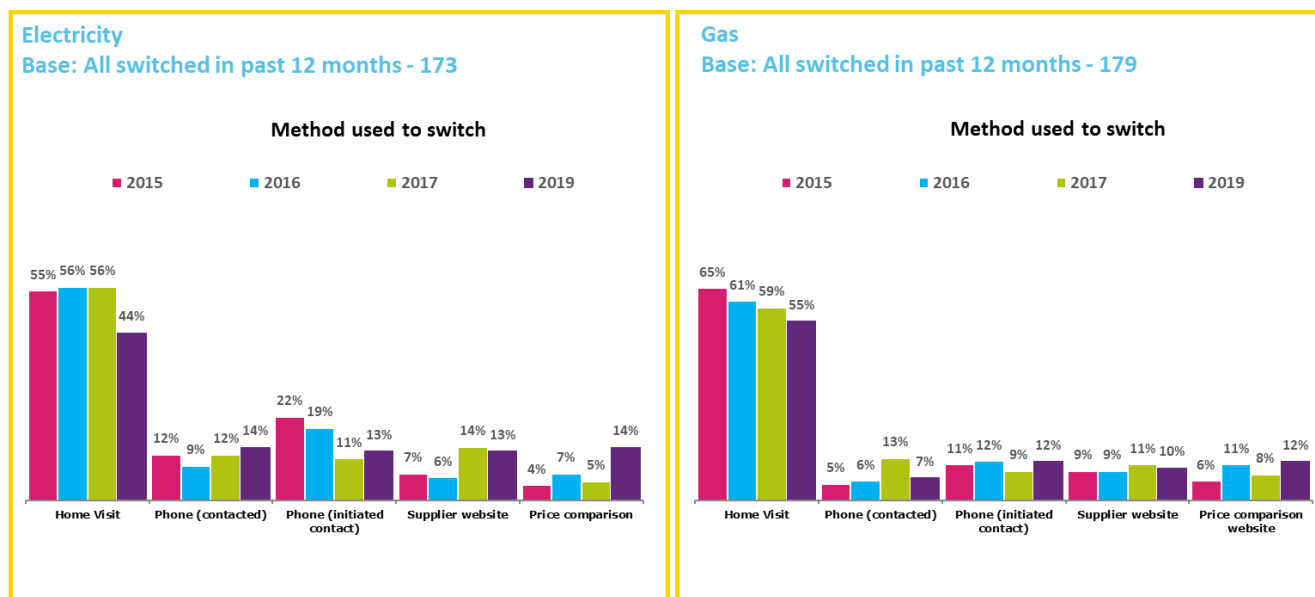
Figure 35: Awareness of fixed term energy contract expiration reminder- customers



10. Overall experience of the switching process

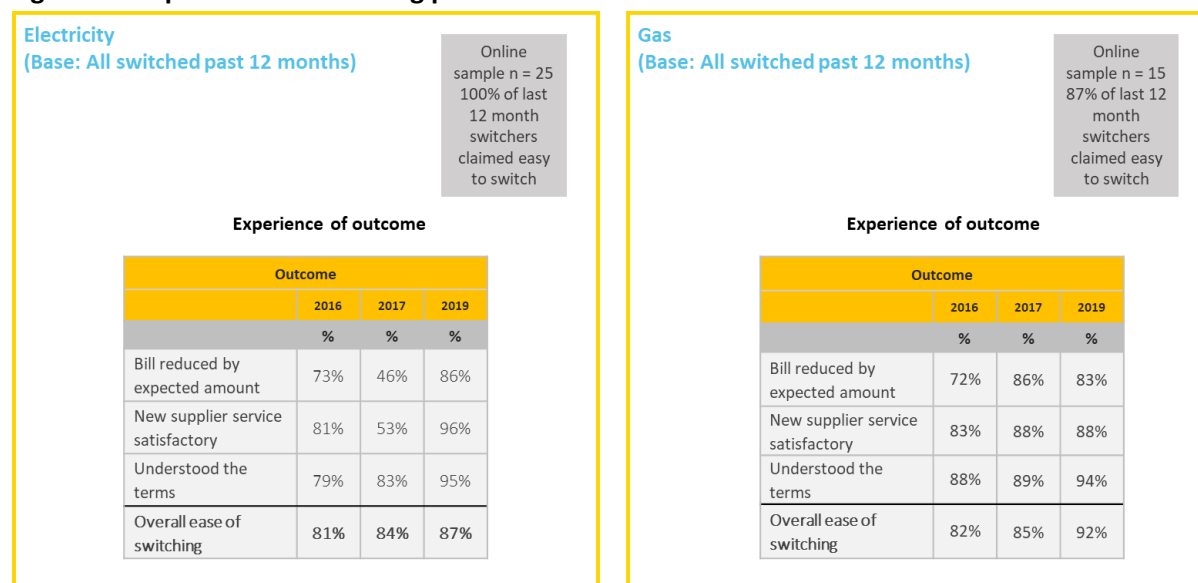
Switching continues to be mainly carried out during a home visit. However, switching via price comparison websites has been gradually increasing, especially in the context of switching electricity suppliers.

Figure 36: Contact method used to switch- customers



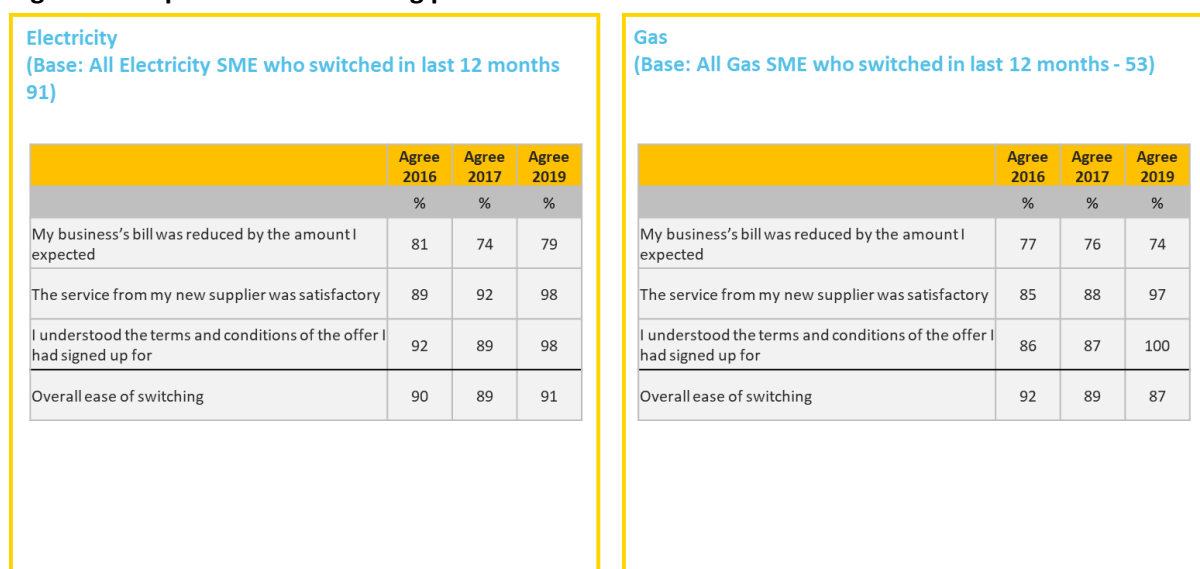
With regards to the actual process of switching energy providers, a positive experience of the switching process is reported by both electricity and gas switchers, especially in relation to understanding of the terms and conditions and satisfactory service from new supplier. The ease of switching across both electricity and gas has been gradually improving since 2016. The majority of online sample respondents who has switched in the last 12 months claim it was easy to do so (note extremely small base).

Figure 37: Experience of switching process- customers



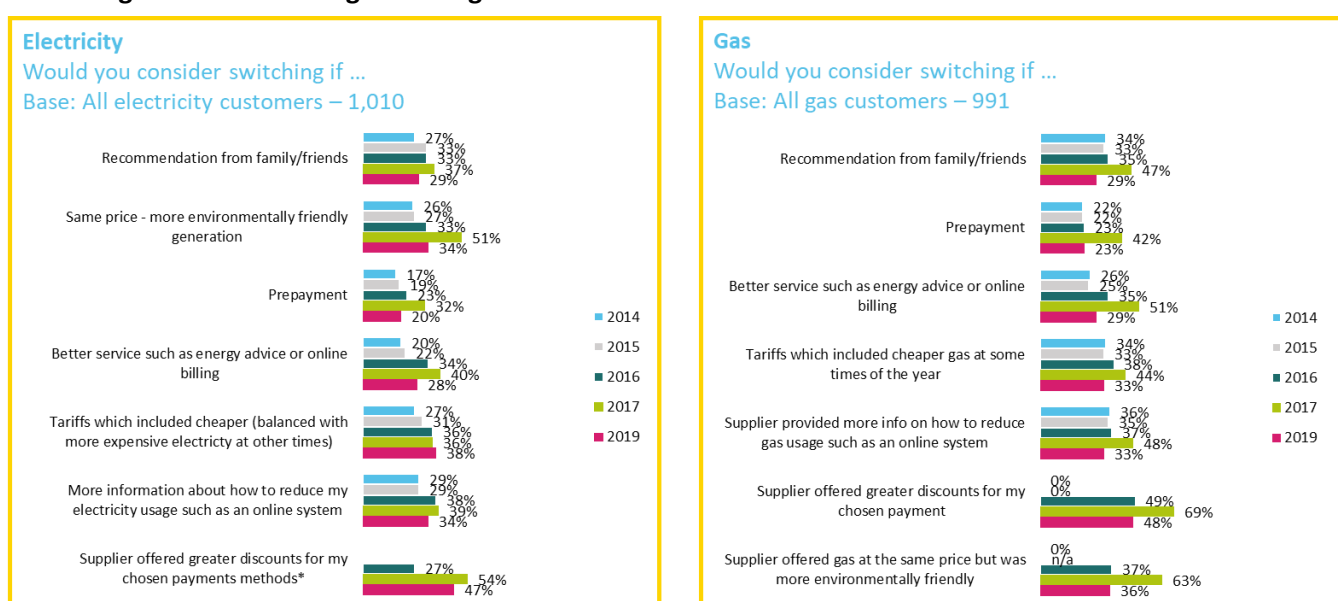
Positive impact of the switching process is also evident across both electricity and gas SME switchers, especially 'understanding of the terms and conditions' and 'satisfactory service from new supplier'. The overall ease of switching electricity and gas remains relatively high overall for SMEs, with 9 in 10 switchers claiming it was easy to switch.

Figure 38: Experience of switching process- SMEs



Residential electricity customers were also asked what factors would encourage them to switch energy provider. Greater discounts for chosen payment methods was identified as the factor that would have the biggest impact on both electricity and gas consumer switching. It is interesting to note that time of use tariffs is increasing in terms of its potential impact in considering changing electricity supplier.

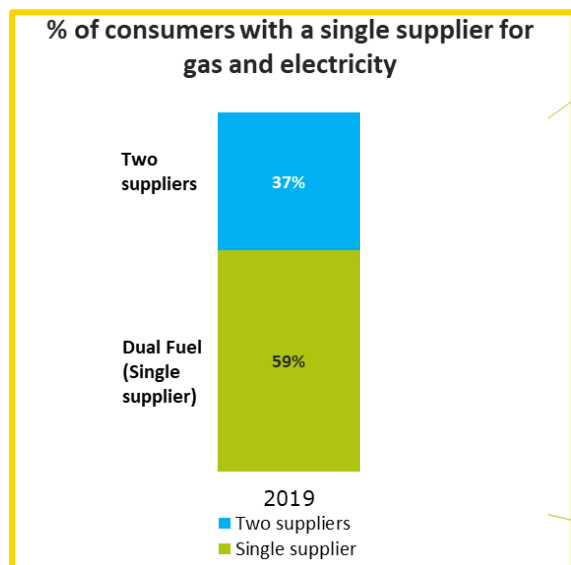
Figure 39: Influencing switching in customers



11. Dual Fuel

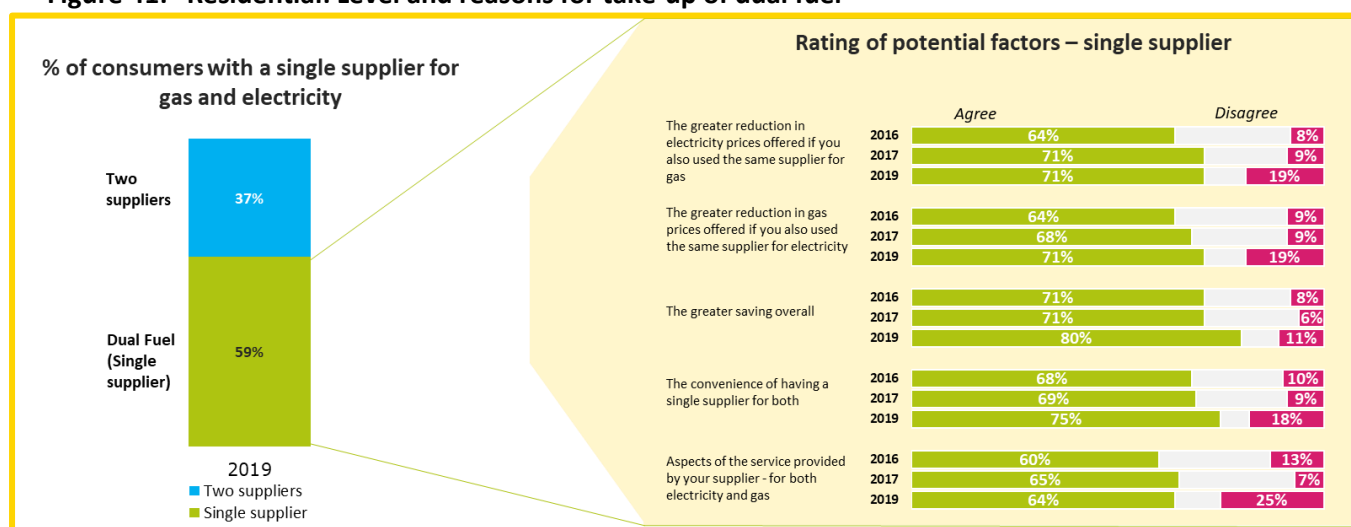
The use of a single supplier to provide both gas and electricity to their home or business is an option that is available to customers and businesses based in areas catered for by the Natural gas pipeline. Dual fuel offers from suppliers typically include additional discounts and offers in order to incentive customers to have their gas and electricity with one supplier. Dual fuel penetration amongst electricity and gas customers is now at 59% (51% in 2016).

Figure 40: Consumers with a single gas/electricity supplier



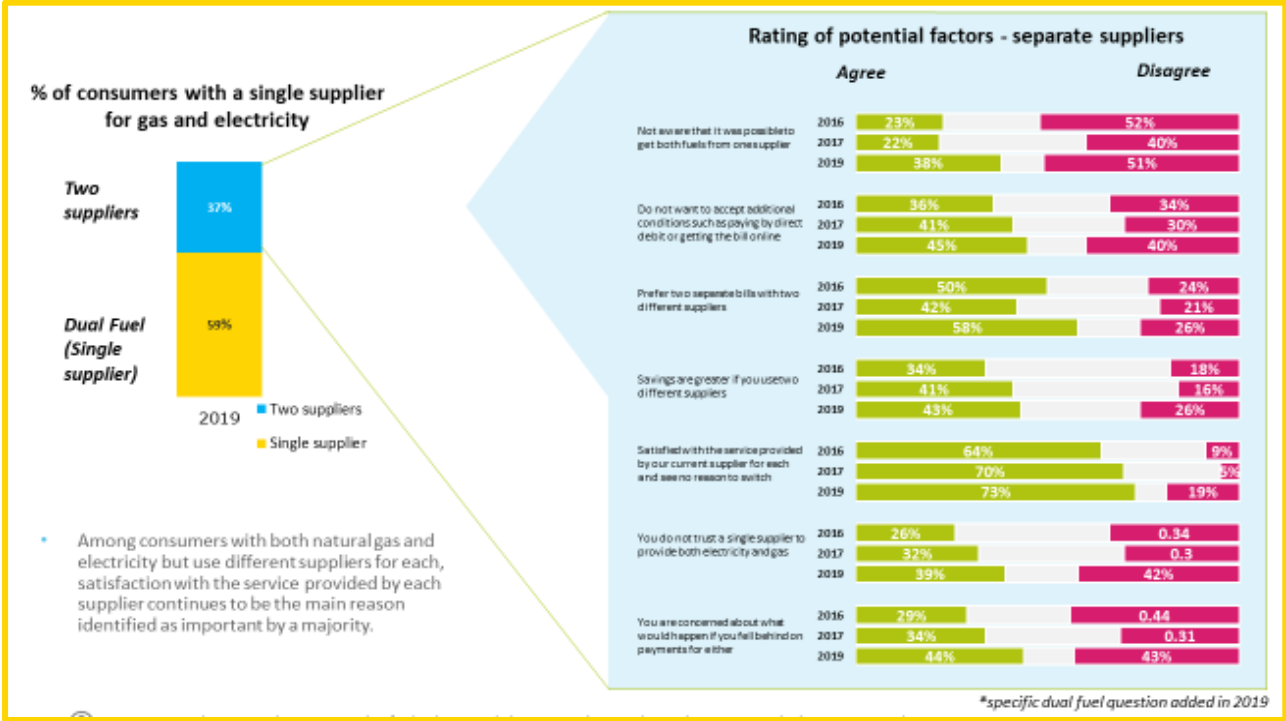
Within the survey, consumers who claimed to be Dual fuel customers were asked to give their reasons for selecting a dual fuel contract. These respondents identified 'greater savings' followed by 'convenience' as the top two factors driving dual fuel customers take up of a dual fuel offering.

Figure 41: Residential: Level and reasons for take-up of dual fuel



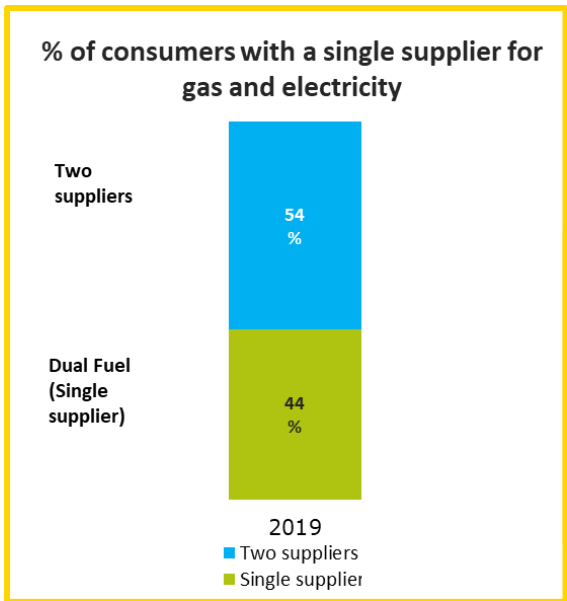
Consumers with both natural gas and electricity but who use different suppliers for each were also asked to give their reason for not selecting a dual fuel contract. In this case, 'satisfaction with the service provided by their supplier' is the main reason identified for not being a dual fuel customer.

Figure 42: SME: Level and reasons for take-up of dual fuel



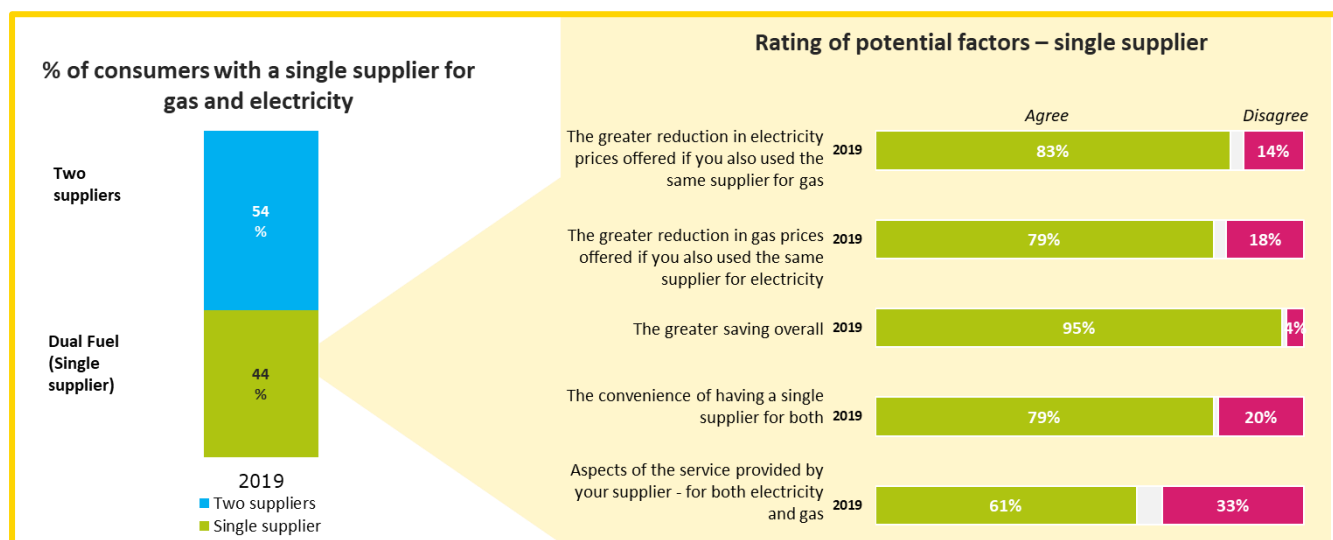
SME customers were also asked about the uptake of Dual fuel contracts. Among SME's, a total of 7% of all electricity SME's use natural gas in their business (5% in 2017), and 45% of these claim to be on dual fuel contracts. Among all electricity SME's with gas and all gas SMEs, 44% indicate they are dual fuel customers. Greater savings overall is indicated as the main driver behind uptake of dual fuel.

Figure 43: SMEs with a single supplier



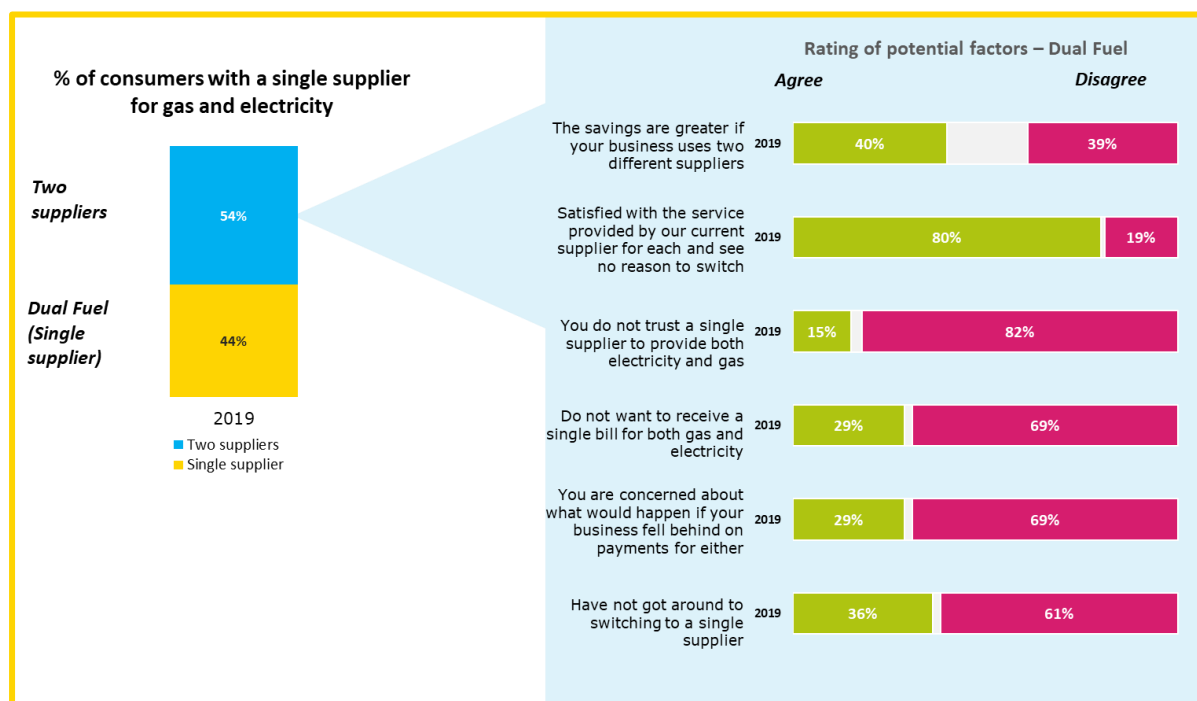
As with the residential market research, SME's who had dual fuel contracts were asked to give their reasons for selecting a dual fuel contract. Among this group, 'greater savings overall' was identified as the main driver for the uptake of dual fuel.

Figure 44: Residential: Level and reasons for take-up of dual fuel



Among consumers with both natural gas and electricity but who use different suppliers for each, 'satisfaction with the service provided by their supplier' was the main reason identified for not being a dual fuel customer.

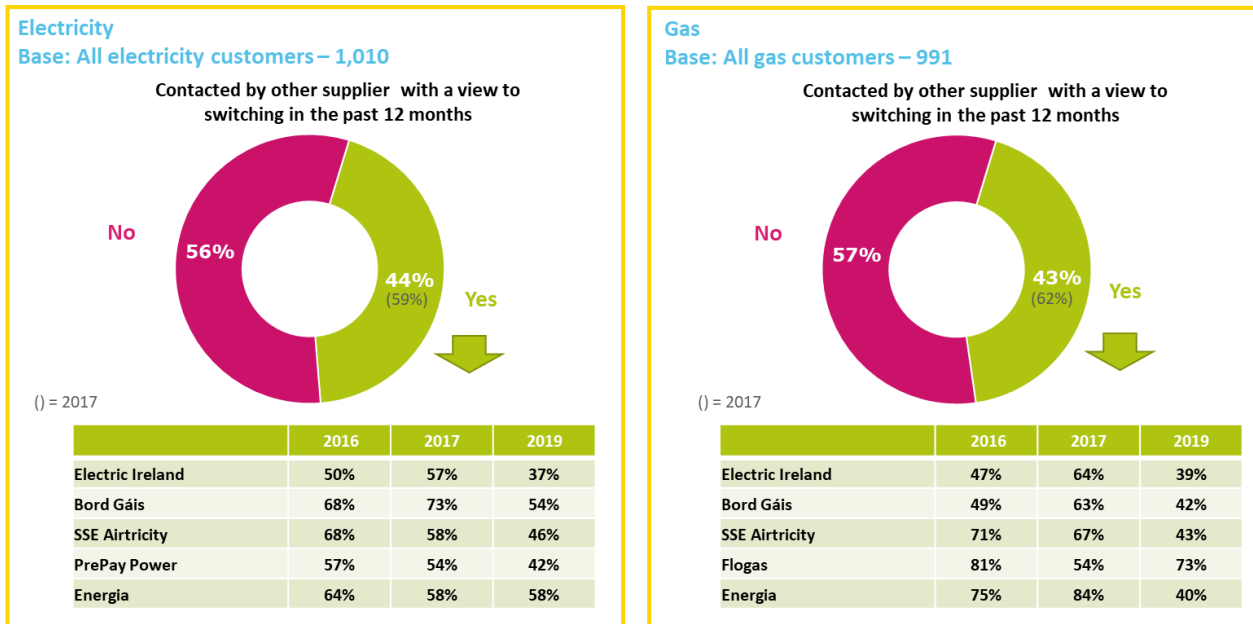
Figure 45: Take-up and interest in dual fuel: Reasons for not taking up dual fuel (SMEs)



12. Assessment of the sales process

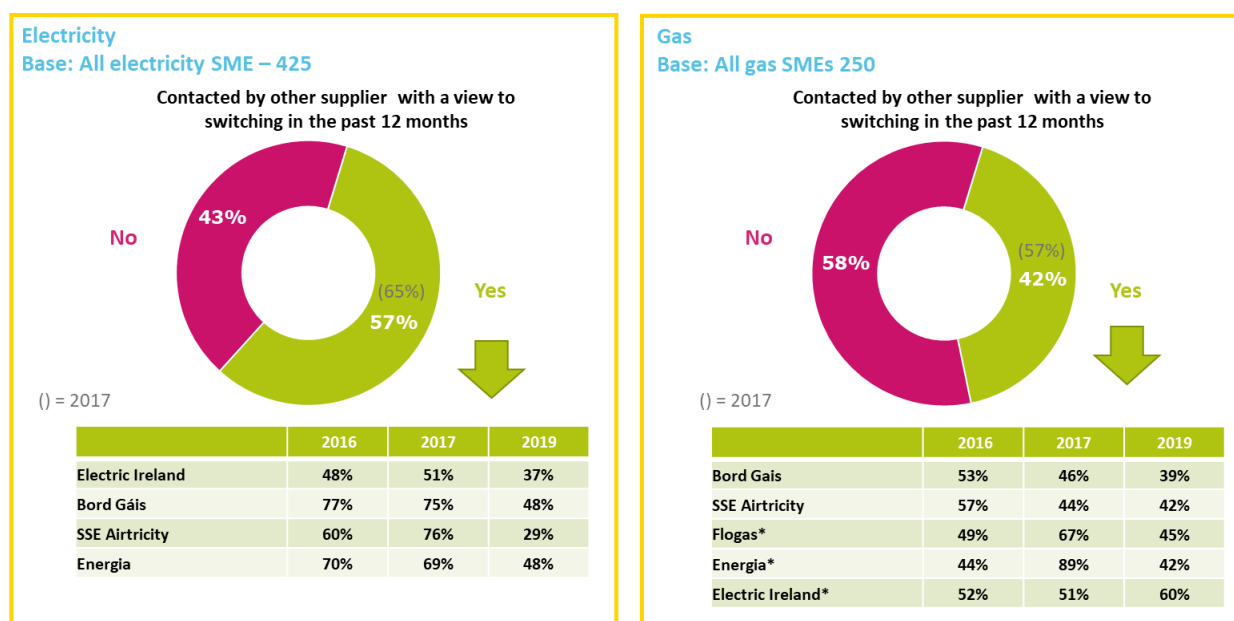
It is interesting to note that the level of contact by other suppliers to encourage switching, while similar for both gas and electricity, has declined from the 2017 levels (note answer code change).

Figure 46: Switching- Contact by Suppliers - customers



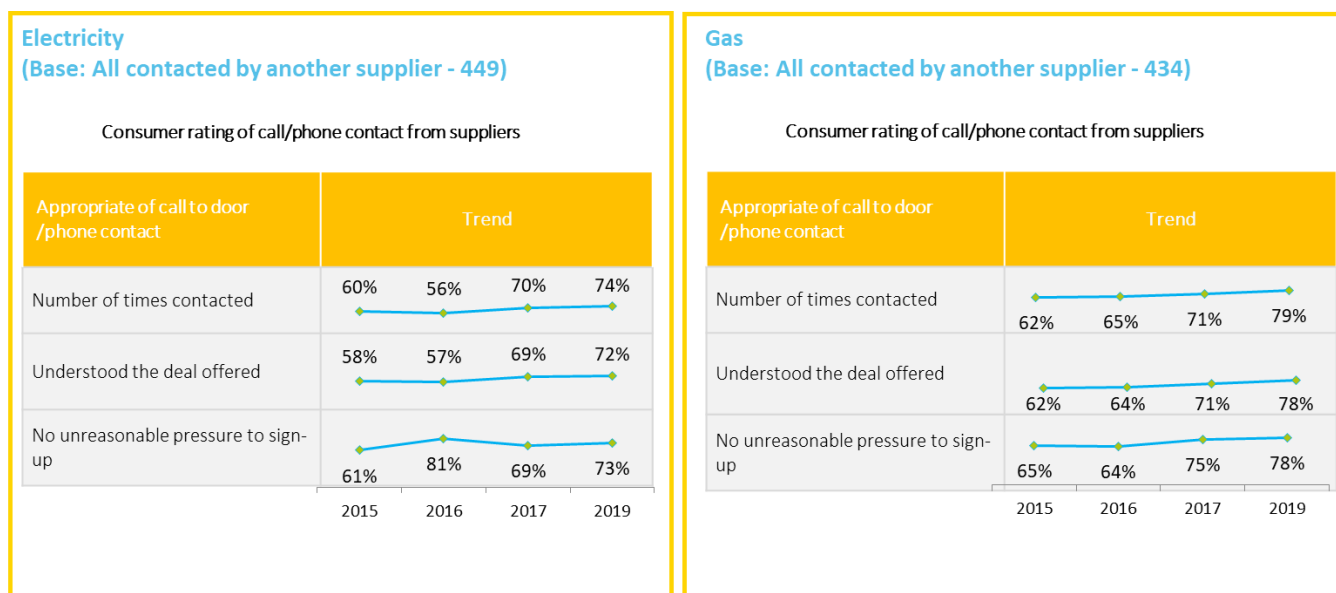
Despite an increase in the level of switching in the SME market, the level of contact from both electricity and gas suppliers with a view to switching has also declined when compared with the 2017 levels. Energia and Bord Gais electricity customers indicate the highest level of contact among electricity customers, while Electric Ireland gas customers have received the most contact when compared with other gas customers (note small base across gas providers).

Figure 47: Switching- Contact by Suppliers - SMEs



Respondents who had received contact from suppliers with a view to switching were asked to rate the salesperson who contacted them. Across both the electricity and gas residential markets the ratings of the salesperson approach are positive and have improved levels reported in previous years.

Figure 48: Consumer acceptance of call/phone contact



Customers of the electricity and gas residential markets were also asked to rate the advertising they were exposed to. Customer assessment of advertising is similar in both the electricity and gas markets. It is noteworthy that the trust component, so central to advertising, recorded scores below the other advertising metrics measured.

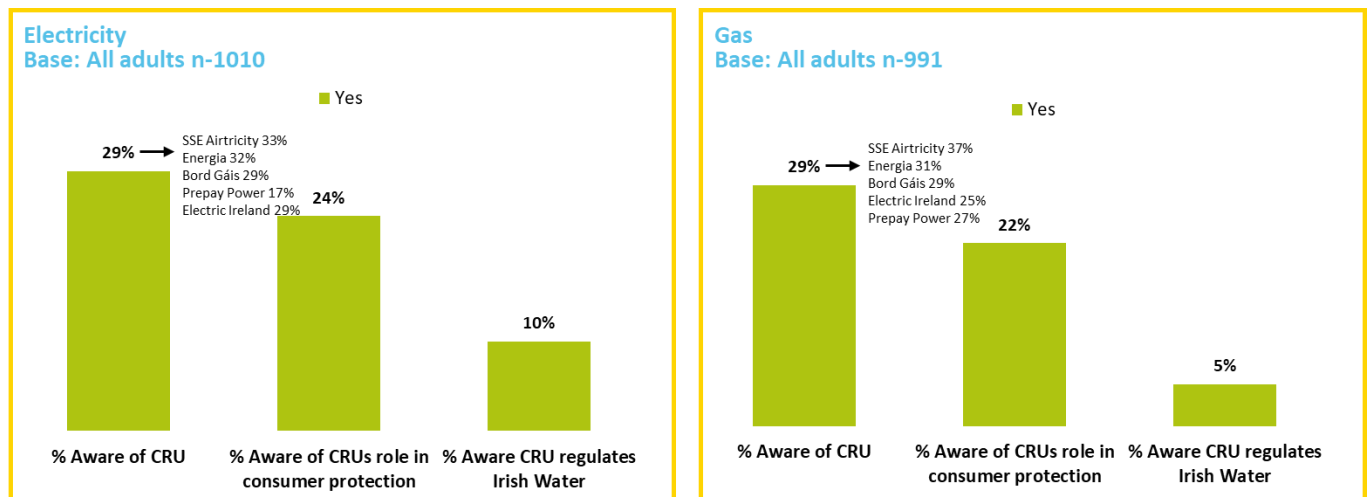
Figure 49: Consumer response to advertising

Electricity Base: All who were contacted by other supplier - 449									
Reaction to advertising	2015	2016	2017	2019	Reaction to advertising	2015	2016	2017	2019
Advertising clear on prices	46%	46%	54%	59%	Advertising clear on prices	47%	48%	59%	57%
Advertising clear on conditions	46%	47%	58%	60%	Advertising clear on conditions	48%	52%	59%	60%
Advertising clear on savings	46%	49%	60%	59%	Advertising clear on savings	47%	52%	61%	59%
I trust the information in these advertisements	n/a	n/a	n/a	52%	I trust the information in these advertisements	n/a	n/a	n/a	50%

13.Awareness of the CRU and Complaint Handling

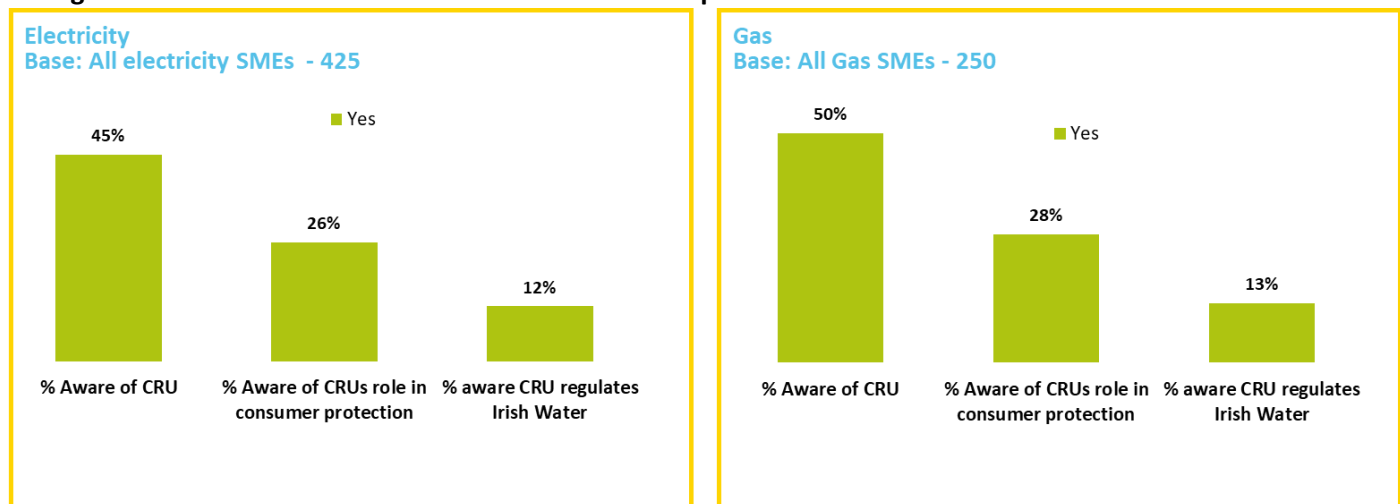
Awareness of the CRU and its role in consumer protection is similar across electricity and gas customers, with 29% indicating awareness. SSE Airtricity and Energia customers across both electricity and gas have marginally higher rates of awareness of the CRU compared with other suppliers. Just 10% of electricity customers and 5% of gas customers, are aware that the CRU regulates Irish Water.

Figure 50: Awareness of CRU and its role in customer protection- customers



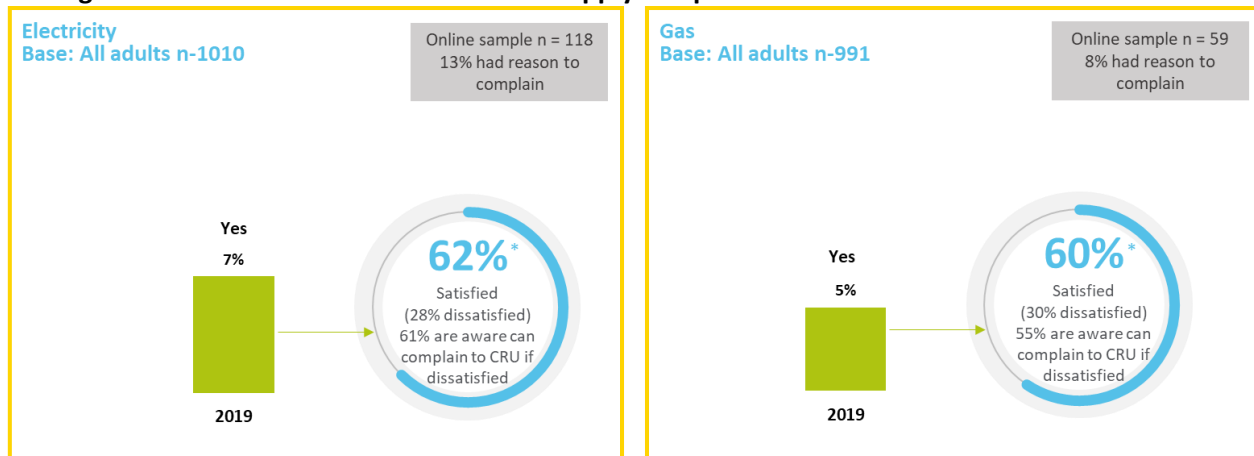
SME respondents were also asked their awareness of the CRU and its role in consumer protection. A total of 45% of electricity SME's and half of gas SMEs are aware of the CRU and just over 1 in 4 are aware of the CRU's role in consumer protection and just over 1 in 10 are aware of CRUs role in regulating Irish Water.

Figure 51: Awareness of CRU and its role in customer protection- SMEs



A total of 7% of electricity and 5% of gas customers report that they had reason to complain about their supplier over the past 12 months (marginally higher among the online electricity sample). 3 in 5 of those electricity and gas customers have been satisfied with the way their complaint was handled, but circa 30% indicated that they were dissatisfied (note small base). 61% of electricity customers and 55% of gas customers who had reason to complain, are aware that consumers can complain to the CRU if they are not satisfied with the outcome of their complaint, as handled by their supplier.

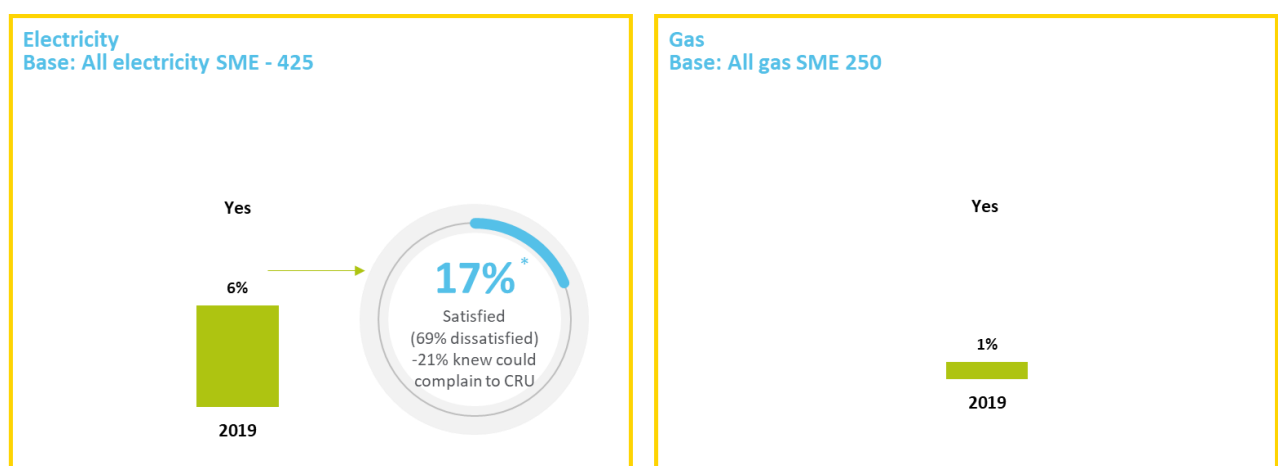
Figure 52: Satisfaction and awareness of supply complaints- customers



Among SME respondents, just 6% of electricity SMEs and 1% of gas SMEs had reason to complain about their supply over the past 12 months. Among electricity SMEs who had reason to complain, 17% were satisfied with the way their complaint was handled (69% dissatisfied). 1 in 5 electricity SMEs who had reason to complain knew they could complain to the CRU if unhappy with how their complaint was handled.

The SME gas base of complainants to CRU is too small for further analysis.

Figure 53: Satisfaction and awareness of supply complaints- SMEs



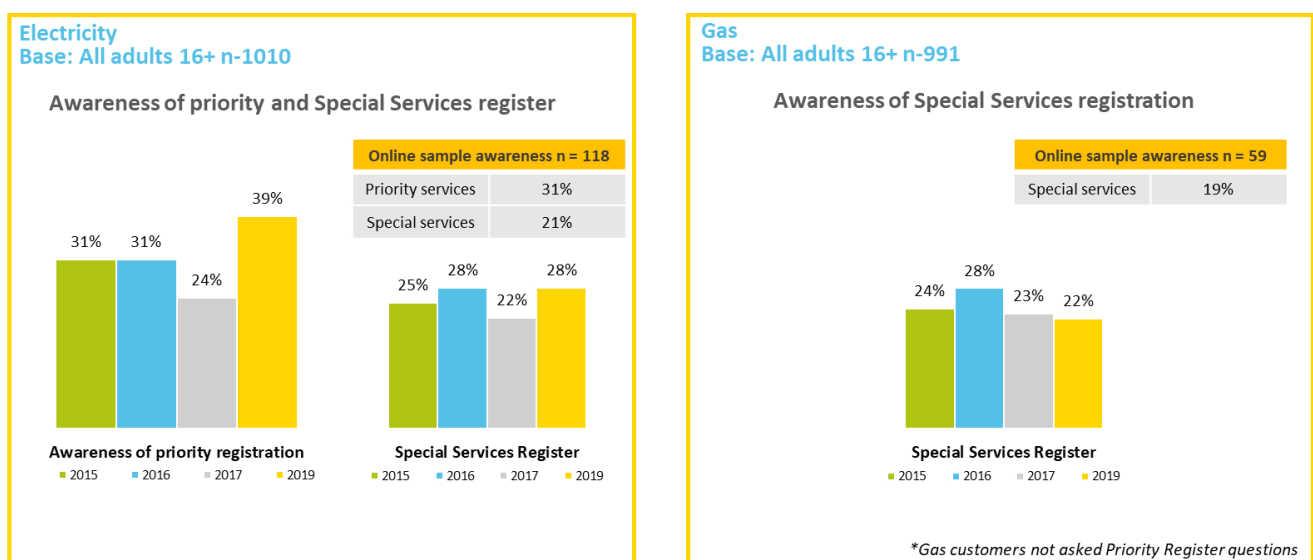
14. Vulnerable and Priority Customers

The CRU's remit includes statutory responsibility to ensure the protection of vulnerable customers, i.e. those who are disabled or elderly and require an enhanced service from their electricity or gas supplier.

Vulnerable customers must register with their electricity and gas supplier, where relevant, in order to avail of the enhanced service and supply guarantees. For instance, registration means that customers who are vulnerable to supply interruption have additional safeguards against de-energisation. For customers who have special communication requirements, suppliers and network operators must develop appropriate methods of communications.

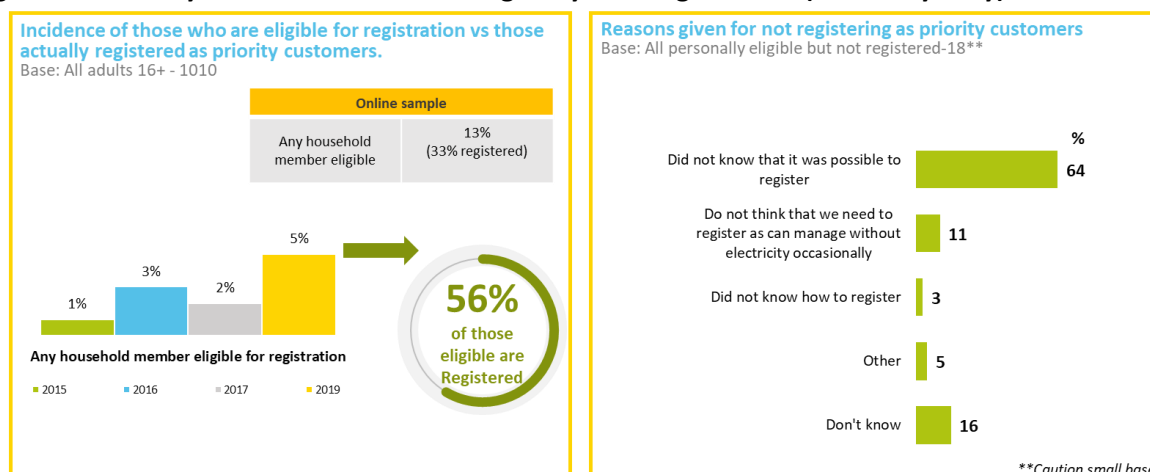
The incidence of consumers who are aware that it is possible to register with the supplier if dependent on electrically powered medical equipment (priority status) has increased and now stands at 39%, with awareness being higher among those aged 65+. Awareness of the Special Services register is similar across electricity and gas consumers, albeit slightly higher awareness is evident among electricity customers. Awareness of the Priority Services and Special Services register is also similar among the online community.

Figure 54: Vulnerable consumers- Awareness of registration categories in electricity (left) and gas (right) customers



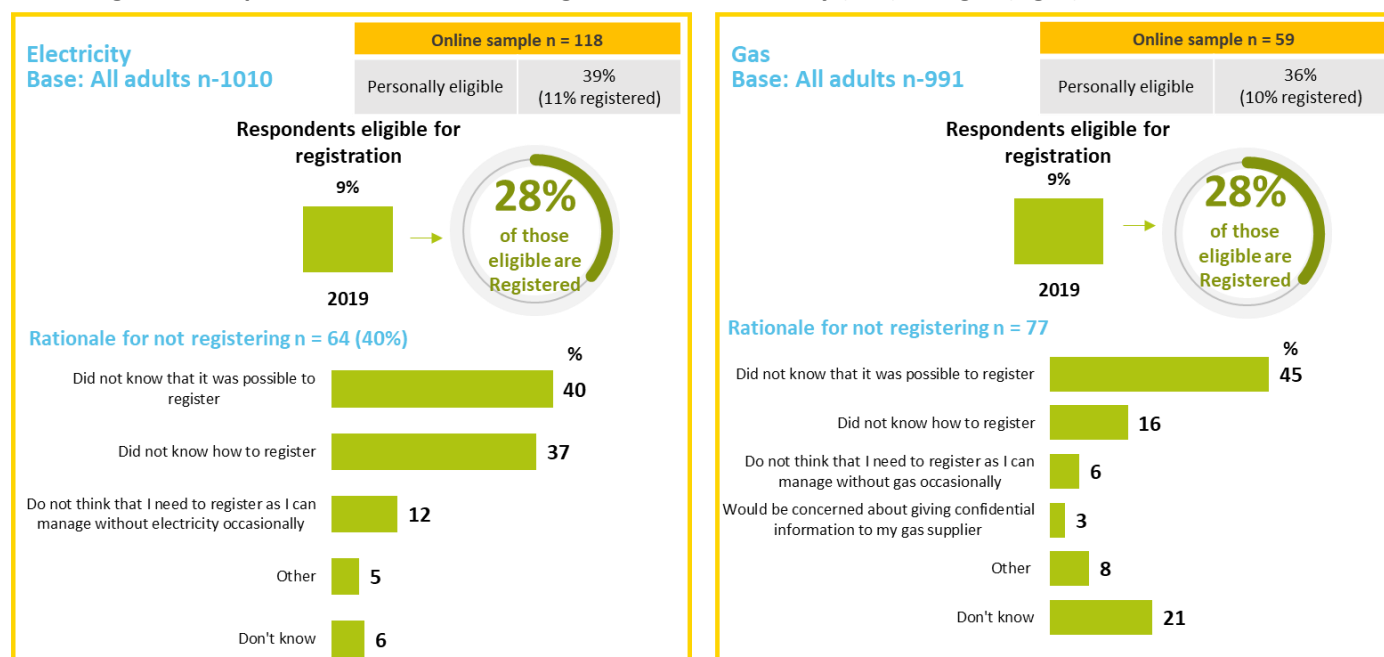
While 39% of electricity customers are aware of the Priority Services register, 5% of electricity respondents claimed that someone in their household is eligible for registration as a priority customer but 56% of those are actually registered. The most common reason cited for not registering was that they were not aware that they could register (small base). A higher proportion of the online sample claim to be eligible to register for the Priority Services register, however a smaller proportion are actually registered (note all online sample have a disability).

Figure 55: Priority consumers- Level of eligibility and registration (electricity only) in customers



Just under 10% of electricity and gas customers claimed that they are personally eligible for the special services register and just 28% of those are registered. The most common reason for not registering was not knowing it was possible to register. 39% of the online electricity sample and 36% of the online gas sample claim to be eligible for the Special Services register, but a much smaller proportion indicate that they are actually registered (note all online sample have a disability).

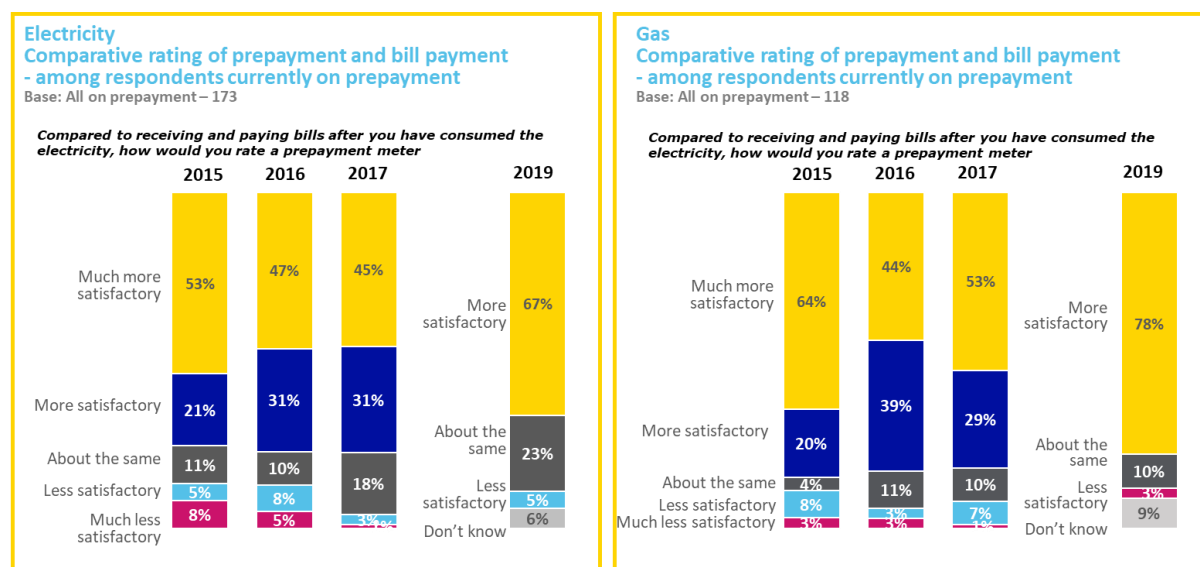
Figure 56: Special services: Level of registration in electricity (left) and gas (right) customers



15. Prepayment

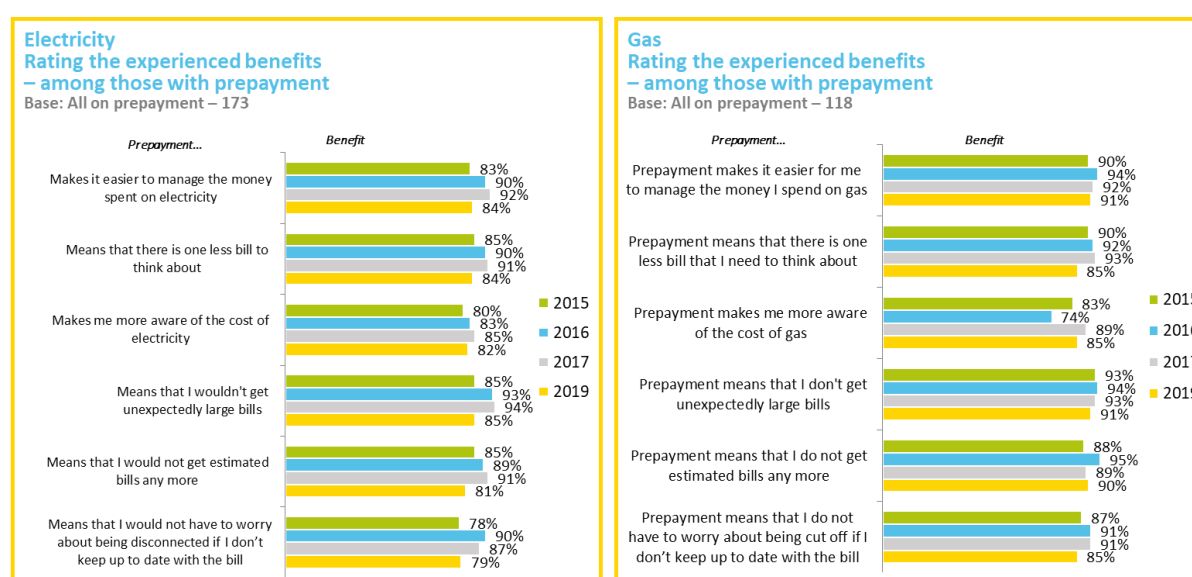
The consumer surveys within the electricity and gas markets identified that 1 in 10 electricity customers and 15% of gas customers use prepayment meters. Among those on prepayment, this method of payment continues to be clearly preferred to bill pay, across both electricity and gas customers, with satisfaction ratings have remained similar across the different years of CRU consumer survey measurement.

Figure 57: Rating of satisfaction among consumers on prepayment in electricity (left) and gas (right) customers



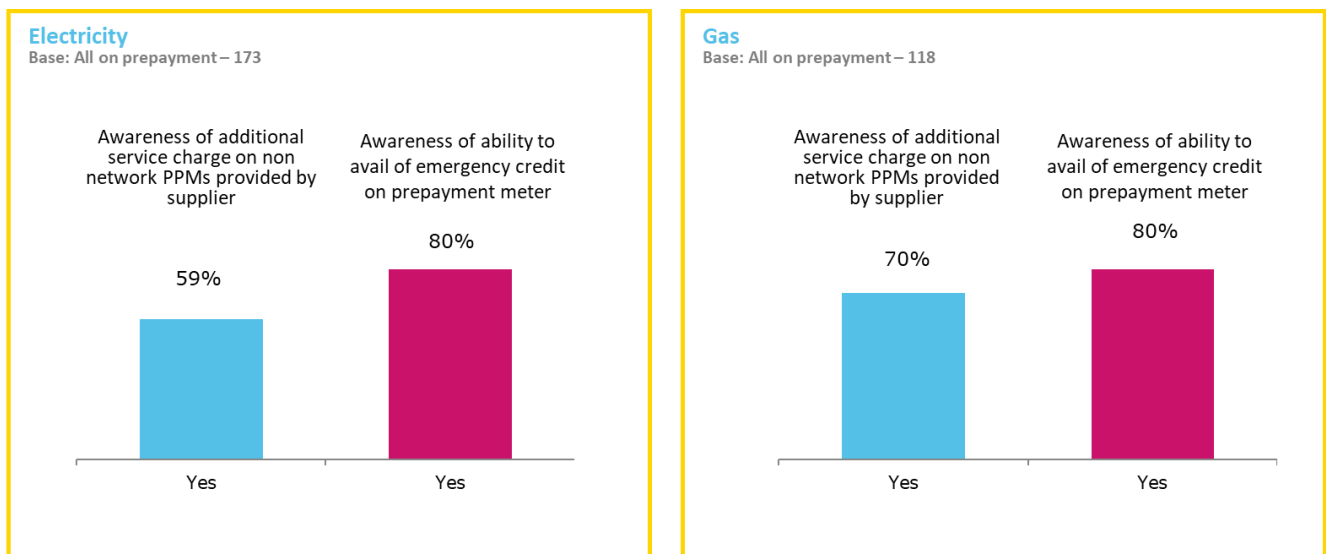
The benefits of prepayment are clearly seen by both electricity and gas customers, although a slight slippage has occurred compared with 2016 and 2017 levels.

Figure 58: Rating of perceived benefits among consumers on prepayment in electricity (left) and gas (right) customers



Respondents on prepayment were also asked about their awareness of additional charges for PPMs. Some 59% of electricity prepayment customers are aware of additional charges for PPMs, with Prepay Power customers being the most aware. A total of 80% are aware of the ability to avail of emergency credit on the meter – Prepay Power customers most aware. 70% of gas prepayment customers are aware of additional charges for PPMs. 80% are aware of emergency credit on the meter.

Figure 59: Prepayment- Awareness of PPMS additional service charge in electricity (left) and gas (right) customers



16. Smart Metering and Renewable Energy

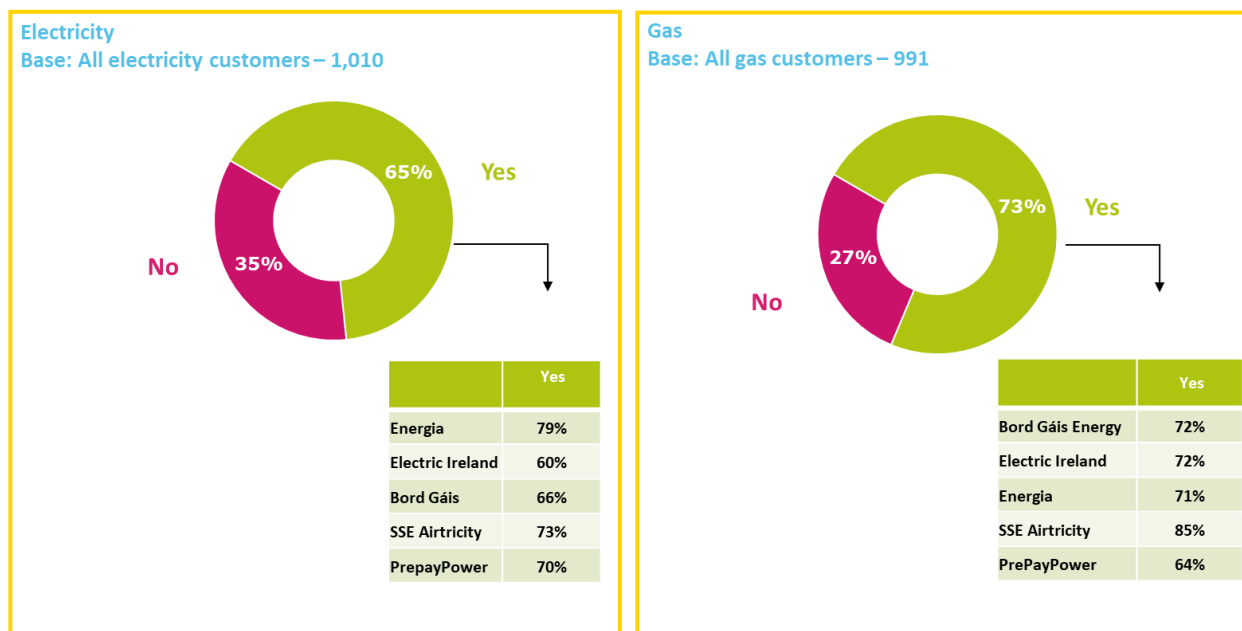
Domestic and SME respondents were asked their opinion on smart metering in order to establish levels of awareness and interest. The following information was read out to all electricity and gas consumer and SME respondents before being asked a series of questions:

Smart Meters are the next generation of energy meter to replace older meters. They will be rolled out over the coming years. Smart meters can give you and your supplier accurate information on your energy usage allowing you to manage your bills with greater accuracy and removing the need for estimated bills.

2 in 5 electricity customers were aware of Smart Meters before the interview. Awareness is higher among Bord Gáis customers, also higher among customers who switched in the last 12 months, and those aged 46-55 years. This compares to 1 in 3 electricity SMEs who indicate they were aware of smart meters before taking part in the survey. Awareness is higher among Bord Gais electricity SMEs.

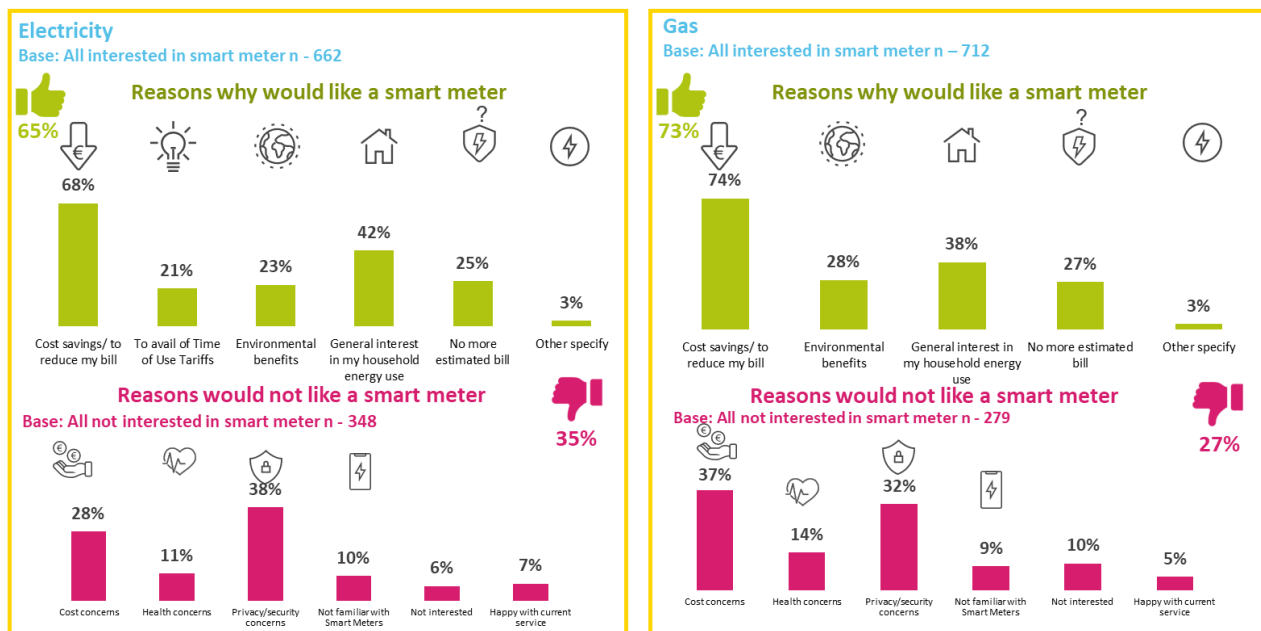
When asked about their interest in getting a Smart Meter, interest is high among both electricity and gas customers, as circa 7 in 10 electricity and gas customers report that they would be interested in availing of a meter.

Figure 60: Interest in getting a smart meter- customers



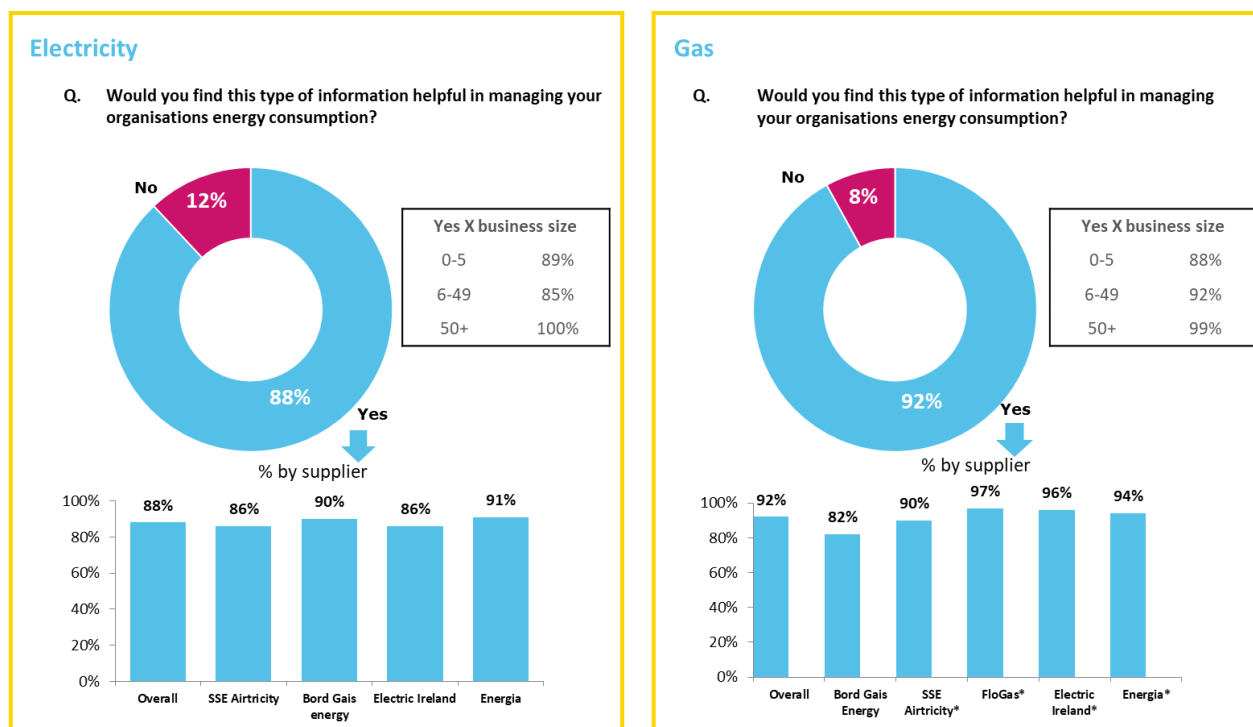
Among electricity customers, cost savings to reduce the bill is the main reason why customers would be interested in getting a smart meter, while privacy/security concerns is the main reason against. Among gas customers the potential for cost savings is also driving interest in smart meters, while cost concerns, followed by privacy concerns, are the main reasons for not liking a smart meter.

Figure 61: Reasons why interested/ not interested in availing of a smart meter- customers



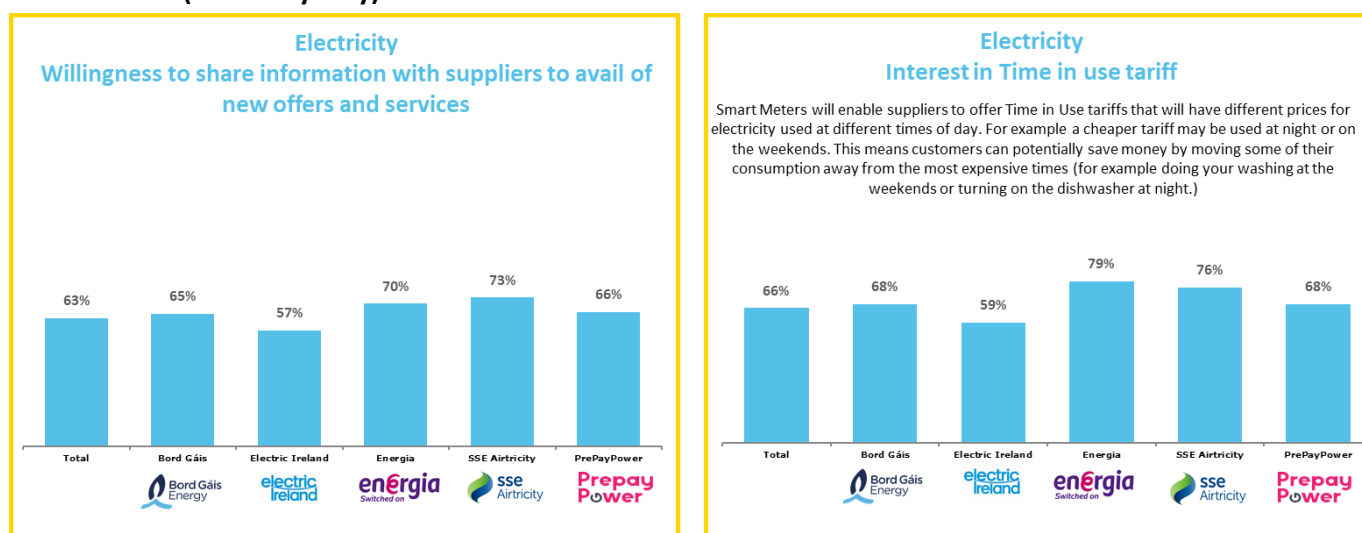
SME's were also asked if they would find this type of information helpful in managing their organisations energy consumption, to which 88% of electricity SMEs and 92% of gas SMEs claimed they would. Interest in Smart Meters is high across electricity and gas businesses, especially larger (50 employee) companies.

Figure 62: Smart Metering Interest in SMEs



Electricity consumers were also asked if they would be willing to share their energy information with suppliers to avail of new offers and services, to which circa 2 in 3 electricity customers claimed they would be. Interest is higher among SSE Airtricity and Energia customers. A similar number of electricity customers claimed to be interested in a Time in Use tariff, again SSE Airtricity and Energia customers claim highest interest.

Figure 63: Willingness to share information with energy providers so they can offer new tariffs and services (electricity only)- customers



Interest in both a time in use tariffs and viewing daily electricity usage is high among SMEs. The preferred method of viewing daily electricity usage is through the use of a mobile app, followed by website. A total of 1 in 4 would prefer a physical device in their office.

Figure 64: Interest in time in use tariffs and viewing daily electricity- SMEs

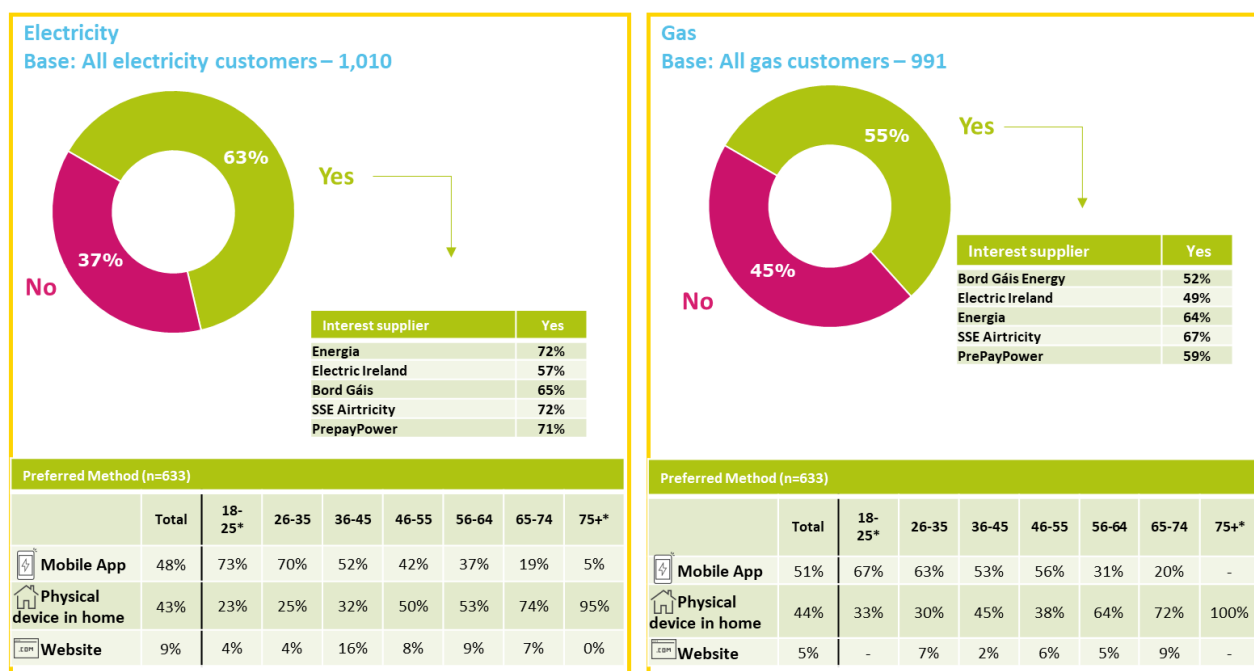
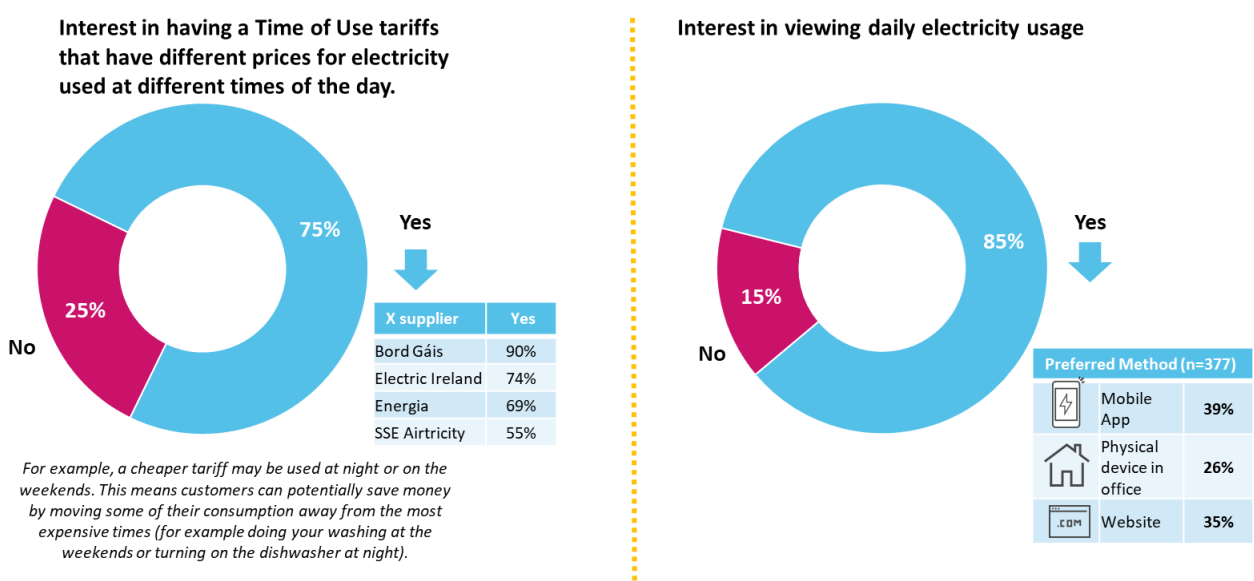


Figure 65: Interest in viewing daily energy usage- SMEs



Almost 2 in 3 electricity customers and over half of gas customers would also be interested in being able to view their daily energy usage. Interest is higher among SSE Airtricity and Energia customers. Prepay Power electricity customers also claim a higher level of interest. Consumers preference is for viewing their daily energy usage via an app (driven by the under 45 age group), but viewing via an in home device is also strong, especially among the over 45 age category.

Almost all residential electricity customers agree it is important that energy is produced from renewable sources, with equal agreement across all suppliers, while over 60% of residential electricity

customers indicate that energy providers ability to provide 'Green Source Products' influence on supplier choice . Almost 7 in 10 electricity customers feel it is important that energy is produced from renewable sources, mainly driven by Energia customers. When it comes to energy providers ability to provide 'Green Source Products' influence on supplier choice, just over half of electricity customers claim they took this into consideration – mainly Energia and Bord Gáis customers.

Figure 66: Importance of renewable energy and influence on supplier decision making (Electricity only)- customers

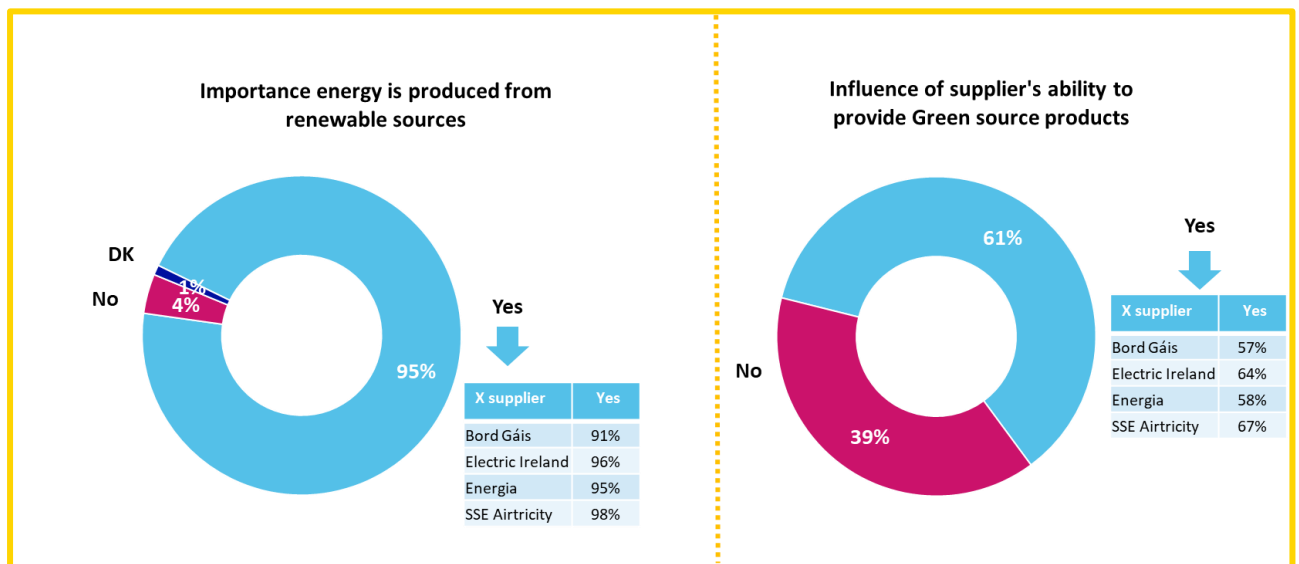
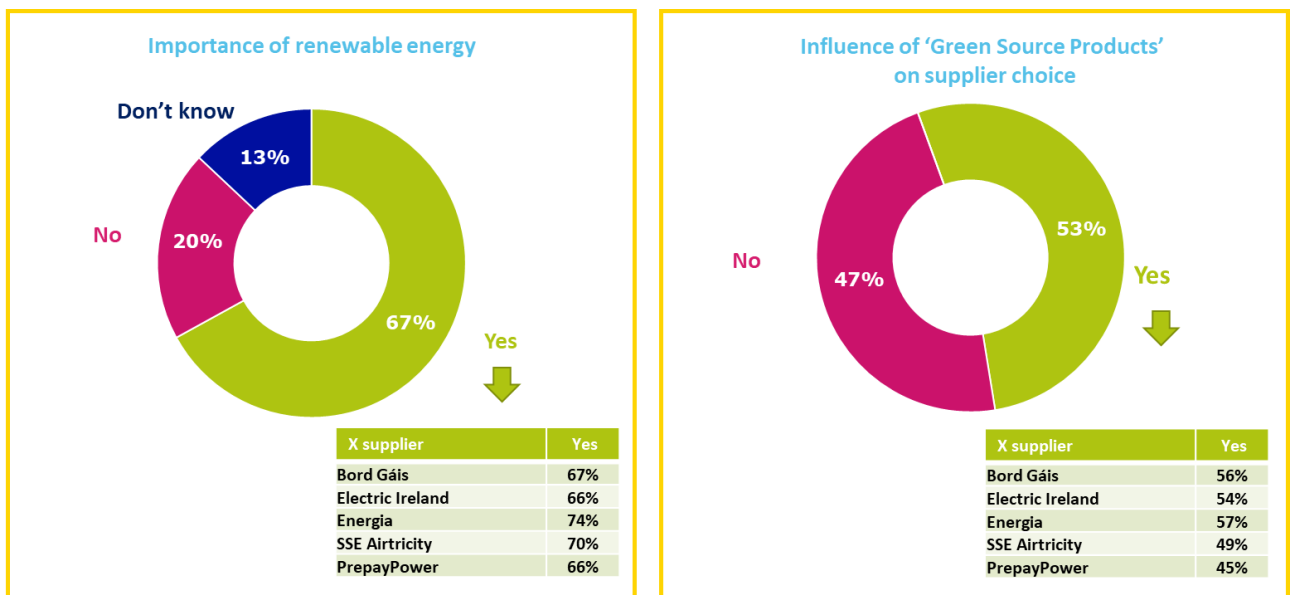


Figure 67: Importance of renewable energy- Residential

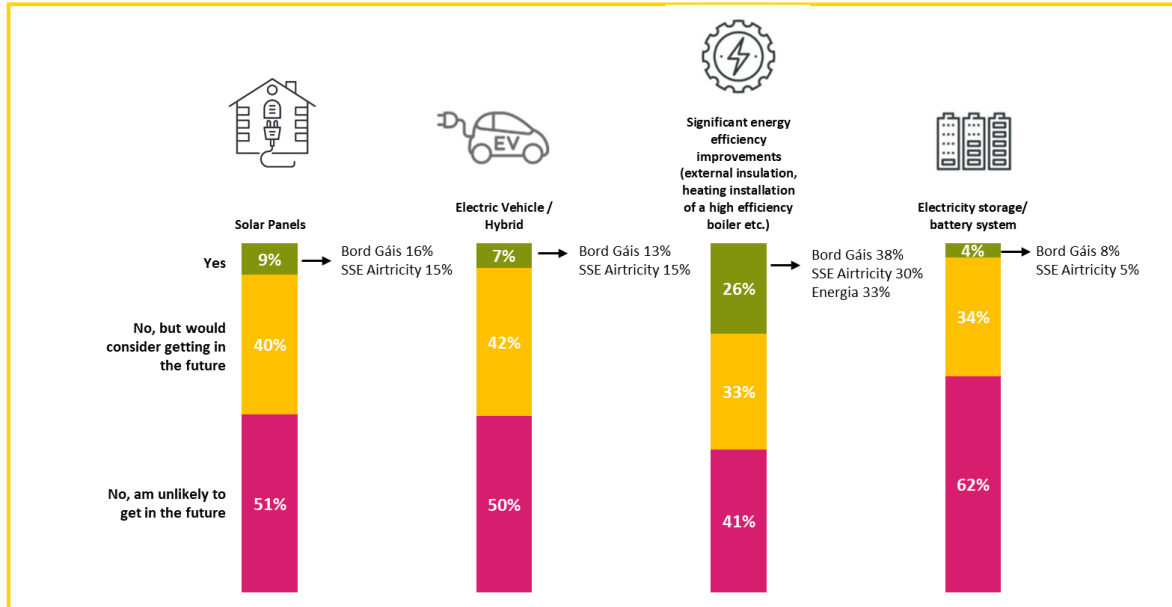


The survey also examined ownership of renewable energy devices in the home. Among electricity consumers, ownership of solar panels, electric/hybrid vehicles and energy efficiency improvements is higher for Bord Gáis and SSE Airtricity customers. Energia customers also claim higher than average rates of having undertaken significant energy efficiency improvements. Ownership of electric/hybrid vehicles and undertaken significant energy efficiency improvements peaks among the 46-55 age category.

Figure 68: Renewable energy devices installed in home (electricity only)- customers

Renewable energy devices installed in home (electricity only)

Base: All Electricity n = 1,010



Among SMEs, levels of having green source products is low but consideration of getting these in the future is high, with SSE Airtricity and BGE customers showing marginally higher scores. Larger companies (50+ employees) and those based in the Rest of Leinster geographic area (RoL) are more likely to have solar panels. Companies based in RoL are also more likely to have made significant energy efficiency improvement and those with 50+ emps are more likely to have electricity/hybrid vehicles.

Figure 69: Renewable energy devices installed in home (electricity only)- customers

