Advertising Tracker Module

UMR Omnibus Survey

July 2011

WELLINGTON
3 Collina Terrace
Thorndon
WELLINGTON 6011
NEW ZEALAND
Tel: +64 4 473 1061
Fax: +64 4 472 3501

AUCKLAND
11 Earle Street
Parnell
AUCKLAND 1052
NEW ZEALAND
Tel: +64 9 373 8700
Fax: +64 9 373 8704

SYDNEY
Level One, Suite 105
332-342 Oxford Street
SYDNEY NSW 2022
AUSTRALIA
Tel: +61 2 9386 1622
Fax: +61 2 9386 1633

Email: umr@umr.co.nz
Website: www.umr.co.nz
Facebook: www.facebook.com/umr.research

Table of contents

1. Methodology

Results in this report are based upon questions asked in the UMR Research nation-wide omnibus survey. This is a telephone survey of a nationally representative sample of 750 New Zealanders 18 years of age and over.

Fieldwork was conducted from the 21st to 26th July 2011 at UMR Research's national interview facility in Auckland.

The margin of error for sample size of 750 for a 50% figure at the '95% confidence level' is ± 3.6%.

2. Report

2.1 Executive summary

■ Almost all key indicators lift with high awareness of advertising campaign

There has been an increase in nearly all key indicators associated with greater awareness and intention to undertake actions consistent with considering switching electricity provider since the advertising campaign began. Awareness of the advertising campaign is very high, particularly of the television advertisements. Almost half of those who have either switched or are considering doing so said this was because of the advertising campaign. However, this only represents 7% of all those who either pay the household electricity bill or have a say on who their electricity supplier is. So, while the campaign has clearly had a positive impact on attitudes toward switching and the benefits of doing so, its impact on actual switching is somewhat more muted.

■ Increase in majority who agree it is easy to switch electricity provider

In July, almost three-quarters (72%) of those responsible for paying the household electricity bill[1] agree[2] it is easy to switch electricity provider compared to 63% in May. Only 11% disagree and 12% neither agree nor disagree with the remainder (5%) unable to give an answer.

■ Increase in majority who say they have a choice of provider

The vast majority (88%) of those responsible for paying the household electricity bill agree they have a choice of electricity provider, a 4% increase since May. Only 4% disagree and 6% neither agree nor disagree with the remainder (2%) unable to give an answer.

■ Increase also among those who agree they can switch provider

There has been a 6% increase to 85% of those responsible for paying the household electricity bill who agree they can switch electricity provider. Only 7% disagree and 6% neither agree nor disagree with the remainder (2%) unable to give an answer.

■ Significant lift in those convinced of savings from switching

Most (62%) of those responsible for paying the household electricity bill agree that they can save money by switching, electricity provider. This is a lift of 13% from the benchmark study. Only 15% disagree (down 8%) and 17% neither agree nor disagree with the remainder (6%) unable to give an answer.

---

[1] All responses in this report are from those who either pay the electricity bill in their household or have a say in who their electricity provider is. This was 88% of the total sample or n=663.

[2] Respondents were asked to rate their level of agreement on a 1-5 scale where 1 meant 'strongly agree' and 5 'strongly disagree'. Those who agree gave a '1' or '2' rating and those who disagree a '4' or '5' rating.

More believe it is worthwhile reviewing their retail provider regularly

Consistent with the movement in the other indicators, 76% of those responsible for paying the household electricity bill believe it is worthwhile reviewing their electricity retailer on a regular basis compared to 69% who thought this in the benchmark with 22% who do not believe it is (down 7%) and 2% are unsure.

In the last three months

Analysis of the data of key indicators of propensity to switch over the last three months suggests that the campaign may be triggering those inclined to consider switching to do so. Despite all the positive changes summarised previously, there has only been a 2% increase in those who have checked their annual savings or they changed to a cheaper plan and as this is not a statistically significant increase it means this indicator has remained static. There has also been a decrease in the number contacting their existing provider (down 6%) or another provider (down 3%) though there has been a 6% increase in those who have switched or are considering switching electricity supplier. The following summarises the change in key indicators:

- 48% discussed electricity options with others; up 6% on the benchmark.
- 39% checked their potential annual savings if they changed to a cheaper plan or provider; up 2%.
- 17% contacted their existing supplier to review their pricing plan; down 6%.
- 16% contacted an electricity supplier other than their current provider; down 3%.
- 17% switched electricity supplier or are just about to switch; up 6%.

This might suggest that the campaign is prompting people to switch though not necessarily to check out cheaper plans or review existing ones. However, the visitation to key websites suggests otherwise.

One fifth aware of advertising visit websites and switching

Of those aware of the campaign, about a fifth say they visited either what'smynumber.org.nz (20%) or powerswitch.co.nz (18%) as a result of the advertising. This represents about 17% of those who pay the household electricity bill or have a say in who the supplier is.

It happens that 17% also say they have switched in the last three months or are about to do so, and of these 43% say this is as a result of the advertising campaign. This though represents only 7% of those who pay the household electricity bill or have a say in who the supplier is.

Unprompted awareness of advertising

There are very high levels of declared awareness (92%) of advertising to encourage people to find out how much they could save if they switched to a different power company. However, over half (54%) were unable to recall the organisation or power saving initiative the advertising was promoting.

Even so, 11% named 'what'smynumber' (10% of all bill payers), 6% named 'powerswitch', while 11% mentioned a website to help you change power company. A further 11% mentioned a power company.

Prompted awareness of advertising

Respondents that did not spontaneously recall 'what's my number' were asked recall on a prompted basis. This resulted in an unprompted recall of 77% and a total recall (unprompted plus prompted) of 87% across all bill payers.

Of those initially unaware, on a prompted basis the television ad was the channel that created the highest awareness (88%) which was well above:

- Radio (28%).
- Newspaper or magazine (25%).
- On a website (23%).
- On a bus back (11%).
- On a billboard (9%).

2.2 Still fewer rural agree they have choice

There was a 4% lift to 88% among those who agreed that they had a choice of electricity provider. While there was also a lift in rural areas of 7% there were still significantly fewer (76%) who agreed they had a choice. Among Māori, 83% agreed they had choice, which was an 11% increase on the benchmark. Similar numbers (85%; up 6%) agreed that they could switch provider with only slightly lower numbers recorded for rural (82%; up 14%) and Māori (78%; up 9%).

Wellingtonians continue to have the highest level of agreement that they could switch provider with 97% in agreement (up 1%) compared with 93% in Auckland (up 13%), 84% in Christchurch (up 3%) and 84% in provincial areas (8%).

Those on higher incomes were more likely to agree they had a choice of provider or that they could switch provider. Of those on a personal income of more than $70,000, 91% agreed they had a choice of provider compared to 81% of those on incomes of less than $15,000. Similarly, 91% of those on more than $70,000 agreed they could switch provider compared to 74% of those on incomes of less than $15,000.

2.3 Fewer Māori say it's easy to switch provider

There was a 9% lift to 72% among those agreed that it was easy to switch provider, but slightly fewer Māori (66%; up 11%) agreed. There was a big increase from the benchmark among those from rural areas agreeing (78%; up 25%) from rural areas (53%) and Māori (55%) who agreed.

A majority (62%; up 13%) now agree they can save money by switching provider. There were also significant improvements among those from rural areas (67%, up 23%) and among Māori (62%); up 9%).

There were no significant differences by age or gender with respect to the ease of switching providers, but there was by income with 80% of those on incomes of more than $70,000 agreeing it was easy, but only 62% of those on less than $15,000.

There were significant differences by age and income with respect to agreeing that savings could be made from switching. While 62% of all agreed money could be saved, only 45% (up 3%) of those over 60 years agreed compared to (66%; up 14%) of those under 30 years. Similarly, while 77% of those on incomes over $70,000 agreed savings could be made, only 56% of those on incomes less than $15,000 agreed.

There was no significant difference in terms of location with between 62%-67% agreeing savings could be made across the main centres, provincial and rural New Zealand.

Those who agree they can save money by switching were significantly continued to be those who were far more likely to have engaged in activities over the last three months that were consistent with checking or comparing prices or switching. They were also more likely to agree that they could switch provider or to agree it was easy to switch.

2.4 Reviewers V non-reviewers of retailers

Slightly over three-quarters (76%; up 7%) believe it is worthwhile to review their retailer regularly and 22% (down 7%) do not. The older people get the less likely they are to believe it is worthwhile with (67%; up 8%) of those over 60 believing it is compared to (85%; up 10%) of those under 30. There was no significant gender or regional difference in responses as there was last time.

Māori (76%) were as likely to believe it was worthwhile than non-Māori and Pacific Islanders (77%).

Those who believed it was worthwhile were also significantly more inclined to have engaged in activities over the last three months that were consistent with checking or comparing prices or switching.

2.5 Advertising

■ Unprompted recall

Almost all (92%) remember any advertising in the last two months to encourage people to find out how much they could save if they switched to a different power company. There is no significant difference by gender, location, age or income.

As noted, 11% thought a power company was behind the advertising, 11% mentioned 'what's my number', 11% mentioned 'a website to help you to change power company' and 6% 'powerswitch' and 55% were unsure.

This equates to 10% unprompted recall for 'what's my number' across the total sample of those responsible for paying their electricity bill.

Women (13%) had a higher recall of 'what'smynumber' than men (8%) while those under 30 had a much higher recall (21%) than those over 60 (4%).

■ Prompted recall and channel sources

Respondents that did not spontaneously recall 'what's my number' were read a description of the ad campaign and asked whether they had read, seen or heard any of the ads. This resulted in an unprompted recall of 77% and a total recall (unprompted plus prompted) of 87% across all bill payers.

Those spontaneously unaware of 'what's my number' were asked recall of specific channels. There was high awareness of the television ads (88%) and though there were no significant regional, gender or income differences in awareness, 92% of those under 30 were aware compared to 83% of those over 60.

Awareness of the campaign on the radio was the next highest (28%). Age was the key differentiator with 46% of those under 30 aware of the radio campaign compared to 21% of those over 60.

A quarter (25%) were aware of the print advertising in newspapers or magazines with a slightly higher number among those over 60 (26%) than those under 30 (22%).

Slightly fewer (23%) were aware of the campaign on websites. Key differences here were by gender (males 28%; females 18%) and by age with 42% of those under 30 aware compared to 10% of those over 60.

11% were aware of the campaign from the back of buses with awareness particularly low among those over 60 (3%).

9% were aware of the campaign from billboards and again awareness was particularly low among those over 60 (4%).

■ Website visits – what'smynumber.org.nz

One in five (20%) of those who were aware of any advertising encouraging people to find out how much they could save if they switched or who were aware of what'smynumber.org.nz visited the website what'smynumber.org.nz. This represents 17% of those who are either responsible for paying the household electricity bill or have a say in who their electricity supplier is.

Of those who had checked potential annual savings in the last three months, 41% had visited the website and 35% of those who have switched or are about to switch their electricity supplier in that time had visited too.

Visitor numbers were slightly lower in Auckland (15%) and higher in rural areas (32%) among those aware. They were also lower among those over 60 (13%) and Māori (10%) and higher among those on incomes over $70,000 (27%) who were aware.

■ Website visits – powerswitch.co.nz

One in five (18%) of those who were aware of any advertising encouraging people to find out how much they could save if they switched or who were aware of what'smynumber.org.nz visited the website powerswitch.co.nz.

Of those who had checked potential annual savings in the last three months, 38% had visited the website and 28% of those who have switched or are about to switch their electricity supplier in that time had visited too.

Visitor numbers were significantly lower among those over 60 (7%), but there were no significant differences by gender or location among those aware. There were no significant differences on a regional, gender or ethnic basis. The picture was less clear on an income basis with 22% of those on incomes over 70,000 who were aware having visited, 26% of those on incomes less than $15,000 though only 11% of those on $30,001-40,000 who were aware had visited.

2.6 Activities in the last three months

■ Discussed options with others

48% (up 6%) have discussed electricity options with others. There is little regional variation or gender variation. However, those over 60 years of age are slightly less likely to have discussed options (43%, up 1%). This is also true of those on low incomes with only 36% of those on incomes less than $15,000 having done so compared to 52% of those on incomes over $70,000. Previously, there was no significant difference by income.

Those who had visited what'smynumber.org.nz (70%) and powerswitch.co.nz (73%) were far more likely to have discussed options with others.

■ Checked annual potential savings if were to change to a cheaper plan or provider

There was a very slight decrease (60%; down 2%) in those who had not checked their potential annual savings if they were to change to a cheaper plan or provider and 37% have.

Rural (54%, down 9%) and provincial people (57%, down 9%) are less likely to have done this than those in urban areas like Wellington (66%; up 9%) and Auckland (62%; up 4%).

While the benchmark found that 71% of those under 30 were less likely to have checked that number has fallen sharply to 53%, the lowest of the age groups. There has been little change among those over 60 (63%; down 2%).

There were no significant differences by gender, but by income 52% (down 6%) of those over $70,000 had not checked compared to 60% (down 2%) of those on incomes less than $15,000.

Those who had visited what'smynumber.org.nz (83%) and powerswitch.co.nz (88%) were far more likely to have checked their savings.

■ Contacted existing supplier to review pricing plan

83% (up 6%) have not contacted their existing supplier to review their pricing plan and 17% (down 65) have. There were large falls in rural areas (19%, down 11%) and among Māori (20%, down 14%) who had made contact.

There were no significant differences by gender or age.

Those who had visited what'smynumber.org.nz (20%) and powerswitch.co.nz (26%) were more likely to have made contact.

■ Contacted a supplier different to current provider

83% (up 2%) have not contacted a supplier different to their current provider and 16% (down 3%) have.

There were few significant differences by gender, age, income, ethnicity or location. Those from rural areas were slightly more likely to have made contact (23%) as were those under 30 years (21%).

Those who had visited what'smynumber.org.nz (28%) and powerswitch.co.nz (31%) were more likely to have made contact.

Switched electricity provider or just about to

82% (down 6%) have not switched electricity supplier nor are they just about to while 17% (up 6%) have or are about to. Of the 30-44 year age group 20% (up 3%) had switched or were about to compared to 19% (up 11%) of those under 30 and 14% (up 4%) of those over 60.

There were no significant differences by gender or income, but 22% (up 11%) of Māori had switched.

3. Topline Tables

RESPONSIBLE FOR PAYING THE ELECTRICITY BILL *Are you responsible for paying the electricity bill in your household or have a say in who your electricity bill is?*		
	May 2011 %	July 2011 %
Yes	88	**84**
No	12	**16**
Unsure	-	**-**

Base: All respondents, n=750

AGREE OR DISAGREE – YOU HAVE A CHOICE OF ELECTRICITY PROVIDER *Using a 1 to 5 scale where 1 means strongly agree and 5 means strongly disagree, how much do you agree or disagree that:* *"You have a choice of electricity provider"*		
	May 2011 %	July 2011 %
1 – Strongly agree	63	69
2	21	19
Total agree	**84**	**88**
3 - Neutral	**8**	**6**
4	2	3
5 – Strongly disagree	4	1
Total disagree	**6**	**4**
Do not know enough / Unsure	2	2

Base: Those who are responsible for paying the electricity bill, n=627

AGREE OR DISAGREE – YOU CAN SWITCH ELECTRICITY PROVIDER *Using a 1 to 5 scale where 1 means strongly agree and 5 means strongly disagree, how much do you agree or disagree that:* *"You can switch electricity provider"*		
	May 2011 %	July 2011 %
1 – Strongly agree	60	66
2	19	19
Total agree	**79**	**85**
3 - Neutral	**11**	**6**
4	3	2
5 – Strongly disagree	5	5
Total disagree	**8**	**7**
Do not know enough / Unsure	2	2

Base: Those who are responsible for paying the electricity bill, n=627

AGREE OR DISAGREE – IT'S EASY TO SWITCH ELECTRICITY PROVIDER		
Using a 1 to 5 scale where 1 means strongly agree and 5 means strongly disagree, how much do you agree or disagree that: "It's easy to switch electricity provider"		
	May 2011 %	**July 2011 %**
1 – Strongly agree	42	47
2	21	25
Total agree	**63**	**72**
3 - Neutral	**15**	**12**
4	5	4
5 – Strongly disagree	8	7
Total disagree	**13**	**11**
Do not know enough / Unsure	9	5

Base: Those who are responsible for paying the electricity bill, n=627

AGREE OR DISAGREE – YOU CAN SAVE MONEY BY SWITCHING ELECTRICITY PROVIDER		
Using a 1 to 5 scale where 1 means strongly agree and 5 means strongly disagree, how much do you agree or disagree that: "You can save money by switching electricity provider"		
	May 2011 %	**July 2011 %**
1 – Strongly agree	31	40
2	18	22
Total agree	**49**	**62**
3 - Neutral	**22**	**17**
4	10	6
5 – Strongly disagree	13	9
Total disagree	**23**	**15**
Do not know enough / Unsure	6	6

Base: Those who are responsible for paying the electricity bill, n=627

RESPONSIBLE FOR PAYING THE ELECTRICITY BILL		
Do you believe it is worthwhile reviewing your electricity retailer on a regular basis?		
	May 2011 %	**July 2011 %**
Yes	69	**76**
No	29	**22**
Unsure	2	**2**

Base: Those who are responsible for paying the electricity bill, n=627

REMEMBER ADVERTISING ABOUT SWITCHING POWER COMPANY	
Can you remember seeing or hearing any advertising in the last two months encouraging people to find out how much they could save if they switched to a different power company?	
	July 2011 %
Yes	**92**
No	**6**
Unsure	**2**

Base: Those who are responsible for paying the electricity bill, n=627

RECALL ORGANISATION IN ADVERTISING	
As far as you can recall – what organisation or power saving initiative was the ad promoting?	
	July 2011 %
A website to help you to change or review power company	**11.3**
What's my number	**10.7**
Power company (Meridian, Genesis, Mercury, Contact, Trustpower)	**10.6**
PowerSwitch	**6.0**
Saving money / power	**1.8**
Powershop	**1.1**
Government or government organisation	**0.9**
Electricity Authority	**0.5**
Consumer magazine	**0.4**
Other	**1.7**
Unsure	**54.9**

Base: Those who said they remember advertising about encouraging people to check how much they could save by switching power company, n=578

AWARENESS OF ADVERTISING – UNPROMPTED/ PROMPTED *BASE: ALL (RESPONSIBLE FOR ELECTRICITY BILL)*		
	July 2011	
	Yes	**No/ Unsure**
Unprompted awareness of 'What's my number'	**10**	**90**
Prompted awareness of 'What's my number' (either TV, radio, print, website, bus back, billboard)	**77**	**23**
TOTAL unprompted + prompted awareness	**87**	**13**

Base: Those who are responsible for paying the electricity bill, n=627

AWARENESS OF SPECIFIC ADVERTISING

*I am going to describe an advertising campaign that show people being asked how much money they could save a year by switching to a different power company. The amount they could save is written on a note stuck to their forehead. The ad directs them to a website called **whatsmynumber.org.nz** to find out the answer. Please tell me if you have read, seen or heard this advertising campaign. Have you read, seen or heard it…:*

	July 2011		
	Yes **%**	**No** **%**	**Unsure** **%**
On television	**88**	**11**	**1**
On the radio	**28**	**69**	**3**
In print such as in a newspaper or magazine	**25**	**70**	**5**
A website	**23**	**75**	**2**
On a bus back	**11**	**87**	**2**
A billboard	**9**	**89**	**2**

Base: Those who had seen, read or heard the advertising campaign in the last two months but didn't mention What's My Number' as the organisation, n=517

WEBSITE VISITATION

As a result of this advertisement, did you…:

	July 2011		
	Yes %	No %	Unsure %
Visit the website **whatsmynumber.org.nz**	**20**	**79**	**1**
Visit the website **powerswitch.co.nz**	**18**	**81**	**1**

Base: Those who had seen, read or heard the advertising campaign in some media form (prompted) or who were aware of the what's my number advertising unprompted, n=524

LAST THREE MONTHS

In the last three months have you…: (IN ORDER)

	May 2011			July 2011		
	Yes %	No %	Unsure %	Yes %	No %	Unsure %
Discussed electricity options with others	42	58	-	**48**	**52**	**-**
Checked your potential annual savings on electricity if you were to change to a cheaper plan or provider	37	62	1	**39**	**60**	**1**
Contacted your existing electricity supplier to review your pricing plan	23	77	-	**17**	**83**	**-**
Contacted an electricity supplier different to your current provider	19	81	-	**16**	**83**	**1**
Switched electricity supplier or are about to switch	11	88	1	**17**	**82**	**1**

Base: Those who are responsible for paying the electricity bill, n=627

SWITCHED BECAUSE OF WHAT'S MY NUMBER CAMPAIGN

Did you switch or are you thinking about switching as a result of the ad campaign "What's my number?"?

	July 2011 %
Yes	**43**
No	**56**
Unsure	**1**

Base: Those who indicated that they have switched or are about to switch electricity supplier, n=108