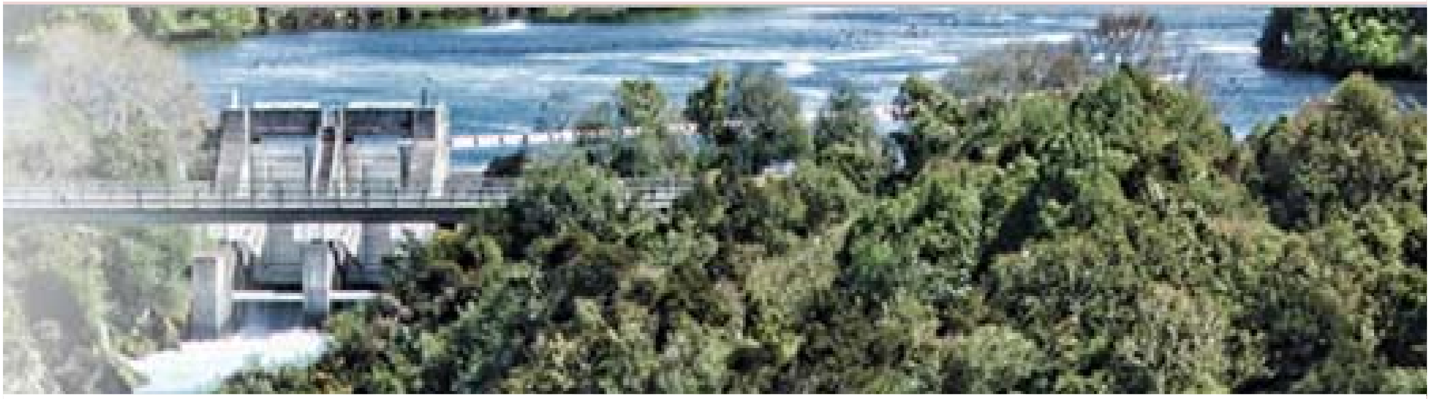
Advertising Tracker Module

UMR Omnibus Survey



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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 13th to 17th October 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

■ Slight decrease across most key indicators, but lift in rural and Māori perceptions

There has been a slight decrease in most key indicators associated with considering switching electricity provider since the last tracking survey in July. The July survey though had followed an intense period campaign advertising which has dissipated somewhat over recent months. Even so, these indicators remain above the levels recorded in the benchmark survey in May which preceded the launch of the campaign. Further, visits to the websites whatsmynumber.org.nz and powerswitch.co.nz have increased with about half of those who have checked potential savings in the past three months having visited whatsmynumber.org.nz

Awareness of the advertising campaign remains very high, particularly of the television advertisements with still almost half of those who have either switched or are considering doing so saying this was because of the advertising campaign. However, this only represents less than 10% of all those who either pay the household electricity bill or have a say on who their electricity supplier is.

This survey also shows a slight lift in awareness of the campaign through the print media, bus backs and billboard channels and a decrease in awareness through television, radio and websites.

■ Slightly fewer agree it is easy to switch electricity provider

Two-thirds (66%) of those responsible for paying the household electricity bill[1] agree[2] it is easy to switch electricity provider compared to 72% in July and 63% in May. Only 10% disagree and 14% neither agree nor disagree with the remainder (10%) unable to give an answer.

■ Choice of provider measure slips back to May benchmark

Although the vast majority (83%) of those responsible for paying the household electricity bill agree they have a choice of electricity provider, this is 5% fewer than the 88% who said this in July and more or less the same (83%) who said this in May. Only 6% disagree and 8% neither agree nor disagree with the remainder (3%) unable to give an answer.

■ Agreement about ability to switch provider also slips back to benchmark

Although 78% agree they can switch electricity provider this is down on the 85% who said this in July and back to around the benchmark figure of 79% in May. Only 7% disagree and 10% neither agree nor disagree with the remainder (5%) unable to give an answer.

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[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 80% of the total sample or n=599.

[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.

No significant change in those convinced of savings from switching

Most (63%) of those responsible for paying the household electricity bill agree that they can save money by switching electricity provider. This is about the same as the 62% recorded in July, but 14% above the benchmark level of 49%. Only 13% disagree, 16% neither agree nor disagree with the remainder (8%) unable to give an answer.

More or less the same believe it is worthwhile reviewing their retail provider regularly

There has been little change in those who believe it is worthwhile reviewing their electricity retailer with 74% saying this compared to 76% in July. This remains above the benchmark figure of 69%.

In the last three months

There were no statistically significant changes in key indicators of the propensity to switch over the last three months. There was a very slight fall (down 1%) among those who contacted an electricity supplier other than their current provider and also among those who had switched or were about to (down 3%). Further, as the indicators remain much in line with the benchmark results, the question remains as to whether the campaign is triggering those who were already inclined to consider switching to do so. The following summarises the change in key indicators:

- 44% (down 4% on July) discussed electricity options with others; up 2% on the benchmark.
- 38% (down 1% on July) checked their potential annual savings if they changed to a cheaper plan or provider; up 1% on the benchmark.
- 18% (up 1% on July) contacted their existing supplier to review their pricing plan; down 5% on the benchmark.
- 15% (down 1% on July) contacted an electricity supplier other than their current provider; down 4% on the benchmark.
- 14% (down 3% on July) switched electricity supplier or are just about to switch; up 3% on the benchmark.

Increase in those aware of advertising visit websites and switching

However, the campaign is clearly having a positive influence in encouraging people to visit the target websites to check out what they are currently paying. Of those aware of the campaign, almost a quarter (24%, up 4%) visited whatsmynumber.org.nz and powerswitch.co.nz (22%, up 4%) as a result of the advertising. This represents about 19% of those who pay the household electricity bill or have a say in who the supplier is which is a 2% increased from July.

Of the 14% who say they have switched in the last three months or are about to do so, 44% (up 1%) say this was as a result of the advertising campaign. This though represents only 6% of those who pay the household electricity bill or have a say in who the supplier is.

Awareness of campaign via print channels up; TV, radio and websites down

There are still very high levels of declared awareness (86%) of advertising to encourage people to find out how much they could save if they switched to a different power company though this is 6% down on the July figure. As was the case in July too, over half (55%) were unable to recall the organisation or power saving initiative the advertising was promoting.

Even so, 10% named ‘whatsmynumber’, 6% named ‘powerswitch’, 9% mentioned a website to help you change power company and another 2% recalled ‘power or money saving’. This amounts to 27% having some unprompted ability to either name the campaign or to express its intention in some way compared to 14% who mentioned a power company.

Prompted awareness of advertising

Respondents that did not spontaneously recall ‘whatsmynumber’ were asked recall on a prompted basis. Of those initially unaware, on a prompted basis the television ad was the channel that created the highest awareness (85%, down 3%) which was well above:

- Newspaper or magazine (28%, up 3%).
- Radio (20%, down 8%).
- On a website (19%, down 4%).
- On a bus back (14%, up 3%).
- On a billboard (10%, up 1%).

2.2 Small falls in those who agree they have choice

There was a 5% fall to 83% among those who agreed that they had a choice of electricity provider. While significantly fewer (75%) in rural areas agreed this is the case, this figure is more or less the same as in July (76%). Among Māori, 81% agreed they had choice, which was a 2% decrease on July. A slightly lower number (78%; down 7%) agreed that they could switch provider with rural (72%; down 10%) and Māori (72%; down 6%).

Wellingtonians continue to have the highest level of agreement that they have a choice of provider with 92% in agreement (down 5%) compared with 85% in Auckland (down 8%), 85% in Christchurch (up 1%) and 80% in provincial areas (down 4%). Similarly, in terms of agreement that they can switch providers, Wellingtonians led with 83% (down 6%) in agreement.

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, (92%, up 1%) agreed they had a choice of provider compared to 73% (down 8%) of those on incomes of less than $15,000. Similarly, 89% (down 2%) of those on more than $70,000 agreed they could switch provider compared to 72% (down 2%) of those on incomes of less than $15,000.

2.3 Older people, Māori, rural and lower incomes less sure of savings

There was a 6% fall to 66% among those who agreed that it was easy to switch provider. There was little difference between this figure and that for Māori (64%; down 2%) or among those in rural areas (66%; down 12%) who agreed.

Men (69%) are now more likely to agree it’s easy to switch provider than women (62%) when previously there was no significant gender difference. There were no significant differences by age with respect to the ease of switching providers, but there was by income with 69% (down 11%) of those on incomes of more than $70,000 agreeing it was easy, but only 60% (down 2%) of those on less than $15,000.

A majority (63%; up 1%) agree they can save money by switching provider. There was a sharp decline among those from rural areas (53%, down 14%) and a smaller fall among Māori (59%; down 3%).

There continue to be significant differences by age and income with respect to agreeing that savings could be made from switching. While 63% of all agreed money could be saved, only 50% (up 5%) of those over 60 years agreed compared to (72%; up 6%) of those under 30 years. Similarly, while 70% (up 3%) of those on incomes over $70,000 agreed savings could be made, only 53% (down 3%) of those on incomes less than $15,000 agreed.

There was a difference in terms of location with 53% (rural) and 71% (Wellington) agreeing savings could be made.

Those who agree they can save money by switching continue 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 vs non-reviewers of retailers

Slightly less than three-quarters (74%; down 2%) believe it is worthwhile to review their retailer regularly and 23% (up 1%) do not. The older people get the less likely they are to believe it is worthwhile with (61%; down 6%) of those over 60 believing it is compared to (78%; down 7%) of those under 30. There was no significant gender or regional difference in responses.

In a reversal from July, Māori (86%, up 10%) were more likely to believe it was worthwhile than non-Māori (72%, down 4%).

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

A high proportion (86%, down 6%) 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, 14% thought a power company was behind the advertising, 10% mentioned ‘whatsmynumber’, 9% mentioned ‘a website to help you to change power company’ and 6% ‘powerswitch’ and 55% were unsure.

Those under 30 had by far the highest recall of ‘whatsmynumber’ (23%, up 2%) than any other age group and a lot more than those over 60 (1%, down 3%).

- ### Prompted recall and channel sources

Respondents that did not spontaneously recall ‘whatsmynumber’ were read a description of the ad campaign and were asked whether they had read, seen or heard any of the ads.

Awareness of the television ads remained high (85%, down 3%) and though there were no significant regional, gender or income differences in awareness, 90% (down 2%) of those under 30 were aware compared to 76% (down 7%) of those over 60.

Awareness of the campaign on the radio fell 8% to 20%. Age was the key differentiator with 30% (down 16%) of those under 30 aware of the radio campaign compared to 14% (down 7%) of those over 60. There was also a gender difference with 23% of men and 17% of women aware of the radio advertising.

There was a 3% lift to 28% of those aware of the print advertising in newspapers or magazines with a higher number among both those over 60 (32%, up 6%) and those under 30 (40%, up 18%).

Slightly fewer (19%, down 4%) were aware of the campaign on websites. The key differences here were by age with 28% (down 14%) of those under 30 aware compared to 9% (down 1%) of those over 60 and income with 25% of those on incomes over $70,000 aware compared to 14% of those on incomes less than $15,000.

14% (up 3%) were aware of the campaign from the back of buses with awareness lowest among those over 60 (10%, up 7%) and highest among those under 30 (21%, up 7%).

10% (up 1%) were aware of the campaign from billboards and with awareness higher among those under 30 (19%, up 9%) and lowest among those over 60 (7%, up 3%).

■ Website visits – whatsmynumber.org.nz

Almost a quarter (24%, up 4%) 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 whatsmynumber.org.nz visited the website whatsmynumber.org.nz. This represents 19% (up 2%) 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, 52% (up 11%) had visited the website and 39% (up 4%) of those who have switched or are about to switch their electricity supplier in that time had visited too.

Visitor numbers were higher in Auckland (25%, up 10%) where previously they had been lowest and were highest in rural and provincial areas (27%) among those aware. They were also lower among those over 60 (8%, down 5%), but were much higher among Māori (34%, up 20%) though care should be taken with this change due to the small sample size (n=49).

■ Website visits – powerswitch.co.nz

Similarly, (22%, up 4%) 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 whatsmynumber.org.nz visited the website powerswitch.co.nz.

Of those who had checked potential annual savings in the last three months, 47% (up 9%) had visited the website and 36% (up 8%) 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 (10%, up 3%) than those under 30 (36%, up 14%), but there were no significant differences by gender, ethnicity or location among those aware. The picture remained less clear on an income basis with 32% (up 10%) of those on incomes over $70,000 who were aware having visited, 27% (up 1%) of those on incomes less than $15,000 though only 16% (down 2%) of those on $40,001-50,000 who were aware had visited.

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 %	Oct 2011 %
Yes	88	84	**80**
No	12	16	**20**
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 %	Oct 2011 %
1 – Strongly agree	63	69	**69**
2	21	19	**14**
Total agree	**84**	**88**	**83**
3 - Neutral	**8**	**6**	**8**
4	2	3	**2**
5 – Strongly disagree	4	1	**4**
Total disagree	**6**	**4**	**6**
Do not know enough / Unsure	2	2	**3**

Base: 80% of respondents, those who are responsible for paying the electricity bill, n=599

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 %	Oct 2011 %
1 – Strongly agree	60	66	**63**
2	19	19	**15**
Total agree	**79**	**85**	**78**
3 - Neutral	**11**	**6**	**10**
4	3	2	**2**
5 – Strongly disagree	5	5	**5**
Total disagree	**8**	**7**	**7**
Do not know enough / Unsure	2	2	**5**

Base: 80% of respondents, those who are responsible for paying the electricity bill, n=599

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 %	Oct 2011 %
1 – Strongly agree	42	47	**48**
2	21	25	**18**
Total agree	**63**	**72**	**66**
3 - Neutral	**15**	**12**	**14**
4	5	4	**5**
5 – Strongly disagree	8	7	**5**
Total disagree	**13**	**11**	**10**
Do not know enough / Unsure	9	5	**10**

Base: 80% of respondents, those who are responsible for paying the electricity bill, n=599

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 %	Oct 2011 %
1 – Strongly agree	31	40	**44**
2	18	22	**19**
Total agree	**49**	**62**	**63**
3 - Neutral	**22**	**17**	**16**
4	10	6	**7**
5 – Strongly disagree	13	9	**6**
Total disagree	**23**	**15**	**13**
Do not know enough / Unsure	6	6	**8**

Base: 80% of respondents, those who are responsible for paying the electricity bill, n=599

WORTHWHILE REVIEWING ELECTRICITY RETAILER

Do you believe it is worthwhile reviewing your electricity retailer on a regular basis?

	May 2011 %	July 2011 %	Oct 2011 %
Yes	69	76	**74**
No	29	22	**23**
Unsure	2	2	**3**

Base: 80% of respondents, those who are responsible for paying the electricity bill, n=599

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 %	Oct 2011 %
Yes	92	**86**
No	6	**12**
Unsure	2	**2**

Base: 80% of respondents, those who are responsible for paying the electricity bill, n=599

RECALL ORGANISATION IN ADVERTISING

As far as you can recall – what organisation or power saving initiative was the ad promoting?

	July 2011 %	Oct 2011 %
Power company (Meridian, Genesis, Mercury, Contact, Trustpower)	10.6	**13.8**
What's my number	10.7	**9.7**
A website to help you to change or review power company	11.3	**9.1**
Powerswitch	6.0	**5.6**
Saving money / power	1.8	**2.5**
Government or government organisation	0.9	**1.2**
Powershop	1.1	**1.1**
Consumer magazine	0.4	**0.6**
Electricity Authority	0.5	**0.3**
Other	1.7	**1.5**
Unsure	54.9	**54.6**

Base: 69% of ALL respondents, those who said they remember advertising about encouraging people to check how much they could save by switching power company, n=516

AWARENESS OF 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			October 2011		
	Yes %	No %	Unsure %	Yes %	No %	Unsure %
On television	88	11	1	**85**	**14**	**1**
In print such as in a newspaper or magazine	25	70	5	**28**	**67**	**5**
On the radio	28	69	3	**20**	**76**	**4**
A website	23	75	2	**19**	**79**	**2**
On a bus back	11	87	2	**14**	**82**	**4**
A billboard	9	89	2	**10**	**87**	**3**

Base: 62% of ALL respondents, 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=468

WEBSITE VISITATION

As a result of this advertisement, did you...:

	July 2011			October 2011		
	Yes %	No %	Unsure %	Yes %	No %	Unsure %
Visit the website **whatsmynumber.org.nz**	20	79	1	**24**	**75**	**1**
Visit the website **powerswitch.co.nz**	18	81	1	**22**	**77**	**1**

Base: 63% of ALL respondents, 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=476

LAST THREE MONTHS

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

	May 2011			July 2011			October 2011		
	Yes %	No %	Unsure %	Yes %	No %	Unsure %	Yes %	No %	Unsure %
Discussed electricity options with others	42	58	-	48	52	-	**44**	**56**	**-**
Checked your potential annual savings on electricity if you were to change to a cheaper plan or provider	37	62	1	39	60	1	**38**	**61**	**1**
Contacted your existing electricity supplier to review your pricing plan	23	77	-	17	83	-	**18**	**82**	**-**
Contacted an electricity supplier different to your current provider	19	81	-	16	83	1	**15**	**85**	**-**
Switched electricity supplier or are about to switch	11	88	1	17	82	1	**14**	**85**	**1**

Base: 80% of respondents, those who are responsible for paying the electricity bill, n=599

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 %	Oct 2011 %
Yes	43	**44**
No	56	**55**
Unsure	1	**1**

Base: 11% of ALL respondents, those who indicated that they have switched or are about to switch electricity supplier, n=85