

What's My Number

A changing landscape for New Zealand
electricity consumers



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Greater retail competition benefits electricity consumers



When the Electricity Authority launched the *What's My Number* programme in 2011, it was with a strong belief that encouraging New Zealanders to shop around for their electricity – on a scale that had not been done before – had the potential to change the retail electricity landscape.

Thousands more New Zealanders than ever before took the opportunity to change electricity suppliers in 2011. Collectively, they stand to save an estimated \$8.7 million in annual savings. While making savings is important for all consumers, the focus for the Authority is to promote greater competition in the retail electricity market.

As the independent Crown entity responsible for regulating New Zealand's electricity market, it is our statutory objective to promote competition for the long-term benefit of consumers, in addition to promoting reliable supply and efficient operation of the electricity industry.

Barring a major gas find or technology breakthrough, retail electricity prices are likely to continue to rise as demand increases over the next few decades. That is simply the reality of a natural resource-based industry, where generators tap the cheapest resources first and then the next cheapest and so on over time. However, promoting competition can and has made a difference. Retailers have responded to the *What's My Number* campaign by sharpening their offerings to customers.

Indeed, increased competition and consumer switching has been credited with electricity prices dropping during two consecutive quarters for the first time in almost 13 years. The Statistics New Zealand Consumers Price Index showed power prices dropped by 0.5 percent in the December 2011 quarter and by 0.3 percent in the previous quarter. These price reductions saved consumers another \$8 million for the 6 months to 30 December 2011.

While *What's My Number* is just one of numerous measures the Authority is implementing to increase competition, it is critical to empowering consumers to get the best value they can. The campaign has led to growing numbers of New Zealanders being aware of their ability to switch electricity retailers, which, in turn, has resulted in higher switching rates and demonstrable savings to consumers. Through the tools available, they are finding it easy to access the best deal and then to switch to achieve it.

Our research shows that, in 2010, the average household could have saved \$150 per year by switching to the cheapest retail offer in their region. Nationwide, this equated to annual savings of \$240 million. In 2011, increased competitive behaviour has resulted in even more opportunity to save, with the average savings now reaching \$165 per household.

The Authority acknowledges the work of our key partners in the campaign – notably the Ministry of Consumer Affairs (MCA) and Consumer NZ – and also the many other people and organisations who are part of this culture change. Many electricity retailers have responded as we had hoped, and of course, it is the Kiwi households that are really in the driver's seat. We are expecting this year's campaign to bring additional benefits to consumers, which, with other pro-competition initiatives we are pursuing, should deliver lasting benefits to consumers.

Carl Hansen
Chief Executive
Electricity Authority

Campaign to engage 'sticky' customers

This is the first review of the *What's My Number* campaign and of the broader Consumer Switching Fund. The review focuses on the first 7 months of activity from 1 June to 31 December 2011.

The campaign was active in the market through television and other advertising channels for the 3 months from 1 June to 31 August 2011, with limited activity for the remainder of 2011.

What's My Number is the central programme activity of the Consumer Switching Fund. The fund is \$5 million per year, over 3.5 years. The purpose of the fund is to promote to consumers the benefits of comparing and switching electricity retailers and to improve the capability of the Powerswitch website. It was established by the government after its 2009 Ministerial Review of the New Zealand Electricity Sector, with the cost being met from the levy on electricity retailers. Specifically, it allows for:

- \$3.5 million per year for the Authority to develop and administer cost-effective programmes to facilitate and promote to consumers the benefits of comparing and switching retailers; and
- \$1.5 million per year administered by the MCA to upgrade and promote the Powerswitch website.

The fund's purpose is to increase retail competition by creating more informed and active electricity consumers and increasing their propensity to switch. This is being achieved by promoting to consumers the benefits of comparing and switching electricity retailers, with the *What's My Number* campaign as the primary vehicle.

Customers' propensity to switch will increase as they become more prepared and adept at shopping around amongst electricity retailers and look for competing offers. This puts pressure on retailers to ensure they are always pricing competitively for their level of service and product or risk losing customers.

The fund was prompted by the fact that the inclination among consumers to change retailers was low. Surveys conducted in 2011, prior to the campaign, showed only 5 percent of eligible New Zealanders were actively looking at switching electricity providers, but 50 percent said they would switch if approached with a better deal. The survey findings, along with customer behaviour, showed that the market was characterised by customer 'stickiness', with most Kiwis remaining unengaged and electing to stay with the default retailer that supplied their region after the deregulation of the electricity market in 1999.

This 'stickiness' remained, despite great improvements in the ease of switching, including faster timeframes, and the availability of comparison tools such as Consumer Powerswitch. Saving on electricity was not a priority for consumers, and there tended to be a belief, borne out in the surveys, that all power companies were the same.

Generally, customer 'stickiness' means that dominant¹ retailers can charge prices that are above other competitive offers without losing significant market share. Based on 2010 data, the average household could save \$150 per year by switching electricity retailer, and collectively, this equates to New Zealand households annually paying \$240 million² more than they need to for their electricity.

There is still considerable potential for New Zealanders to save money by taking control of their electricity bills and shopping around. It only takes a few minutes to initiate the switching process, and according to market research,³ 90 percent of people who switched in the last 2 years said they found the process easy.

Further background on the fund can be found at www.ea.govt.nz/consumer/csf.

1 The dominant retailer in a region is typically the retailer who was the incumbent retailer after the reforms of 1999 that prevented power boards from retailing and distributing electricity.

2 The average annual household savings and national savings figures are based on each consumer switching to the cheapest retailer in their region each month during the 2010 calendar year.

3 2011 consumer switching survey of consumers' attitudes and awareness to switching can be found at www.ea.govt.nz/consumer/csf.

What's My Number: how it works

What's My Number has been developed to encourage New Zealanders to 'shop around' for electricity and switch if they can achieve a better deal. It provides consumers with information about:

- their ability to switch electricity suppliers;
- the ease of switching; and
- potential savings they can make on electricity bills by switching.

Central to the approach is an online tool that allows consumers to see how much they may be able to save on their electricity bills by switching retailers (www.whatsmynumber.org.nz). A simple calculator, provided by Consumer Powerswitch, helps consumers assess their potential savings from changing electricity retailers. People can then click through to the Consumer Powerswitch website to see details of the different offers available and decide whether to switch. This allows consumers to search out the best deal for themselves. Consumers who are better informed about their electricity supply choices and actively consider switching suppliers encourage retailers to become more competitive.

The *What's My Number* campaign was launched on 29 May 2011, with the initial focus on a 3-month intensive public awareness and action programme.

The campaign included television, radio and print advertising, online channels including social media and outdoor locations such as on the back of buses and billboards.

Information was also provided for shoppers on the back of sales dockets and on digital screens in PAK'nSAVE supermarkets and through online savings websites such as Grabaseat and PriceMe, as well as through mobile databases such as Vodafone top up/balance text messages.

Interest from the news media in the campaign also helped spread the word via news pages and airwaves.

Partnering for success

A key part of the success of achieving this programme is building and maintaining good relationships with individuals and other agencies focused on achieving the same long-term benefits for consumers.

The joint approach undertaken by the Authority and MCA ensured a coherent and coordinated approach that not only made efficient use of funds, but also promoted the best outcome for consumers. At the outset of the project, both organisations agreed how they would work together to ensure the success of this government policy objective. This led to the development of a joint strategy and then a memorandum of understanding between the Authority, MCA and Consumer NZ, outlining the part each had to play to deliver a campaign with high impact.

The Authority has also engaged the Citizens Advice Bureau (CAB) to assist its clients to compare and switch electricity retailers by explaining to them the choices available, how to compare offers and the switching process.

Training organisation Vendor Sales Support Ltd has come on board to provide training to the CAB and budget advisory services nationwide, such as the New Zealand Federation of Family Budgeting Services, to ensure frontline staff understand how online tools can help their clients.

This training, along with the association with the CAB, will help to ensure that as many New Zealanders as possible know about the potential for savings on their electricity bills, including those who do not have internet access or who prefer to use a personal service.

A successful first campaign

The *What's My Number* campaign has achieved significant results in a relatively short timeframe. While designed as a 3-year programme, the first 7 months have produced rapid and encouraging change.

A number of measures are used to monitor the success of *What's My Number*. While behavioural change takes time, the 2011 campaign was measured on the following.

- **Consumer awareness** of the options available and the benefits of regularly reviewing electricity supplier offers as well as changes to attitudes over time (source: UMR research monitors).
- **Switching volumes** including switching requests generated and actual switches completed (source: registry⁴).
- **Retailer behaviour** including changes to consumer pricing offers as well as promotional activity and entry and exit from retailing in regions (source: market observation).

An overview of outcomes of consumer switching programmes for the 7-month period from 1 June to 31 December 2011 is outlined in the table below.

Savvy Kiwi households save an estimated \$8.7 million through switching

The projected annual savings resulting from increased switching from June to December 2011 is estimated to be \$8.7 million.

This figure is based on 52,862 additional switches over the same period in 2010 and the average national savings available of \$165 per switch for the 2011 year.⁵

Greater competitive pressure on retailers has delivered new pricing plans, increased discounts and may have deferred price rises in some situations. These factors provide indirect benefits for electricity consumers regardless of whether they have switched supplier or not.

Statistics New Zealand Consumers Price Index figures showed a reduction in electricity prices in the September and December 2011 quarters of 0.3 percent and 0.5 percent respectively. This was the first time in almost 13 years that there had been falls in electricity prices in consecutive quarters and equates to an estimated saving of \$8 million⁶ to residential consumers and provides a measure for some of the indirect benefits.

Prompted by this year's campaign we expect even more consumers to shop around and ensure they are taking advantage of any savings available to them.

Measure	Outcome (for the 7-month period 1 June to 31 December 2011)
Visitors to <i>What's My Number</i> website	There were 397,762 unique visitors to the website.
Powerswitch	There was a 400 percent increase in switch initiations ⁷ (42,687 in the period versus 8,500 for all of 2010). There were 465,486 visitors to the Powerswitch website versus 191,376 in 2010. Of these, 249,361 visitors originated from the <i>What's My Number</i> website.
Switching rates	There was a 28 percent increase in switching rates (244,199 in the period versus 191,337 switches over the same period in 2010).
Retailer response	Retailers changed their pricing and marketing strategies, for example, Contact Energy increased its Online OnTime plan discount from 12 percent to 22 percent.

4 The registry is a national point-of-connection database that allows retailers and distributors to manage the process of switching customers between retailers by facilitating the exchange of information.

5 The average potential savings available to residential consumers by switching retailers in 2010 was \$150. This has been revised to \$165 per annum based on 2011 data.

6 Percentage reduction in prices of 0.3 percent and 0.3 percent + 0.5 percent are applied to the third and fourth quarter retail cost respectively. The 2011 quarterly retail cost is estimated by evenly apportioning the annual cost figure for residential consumers (\$2,897 million) and assuming no change from the 2010 March year cost from the Ministry of Economic Development New Zealand Energy Data File. This annual cost figure was the most recent figure available at the time of this publication.

7 This is referring to users who (via Powerswitch) have begun the process of contacting retailers, to switch.

Switching activity increased by 39 percent during first 3 months of campaign

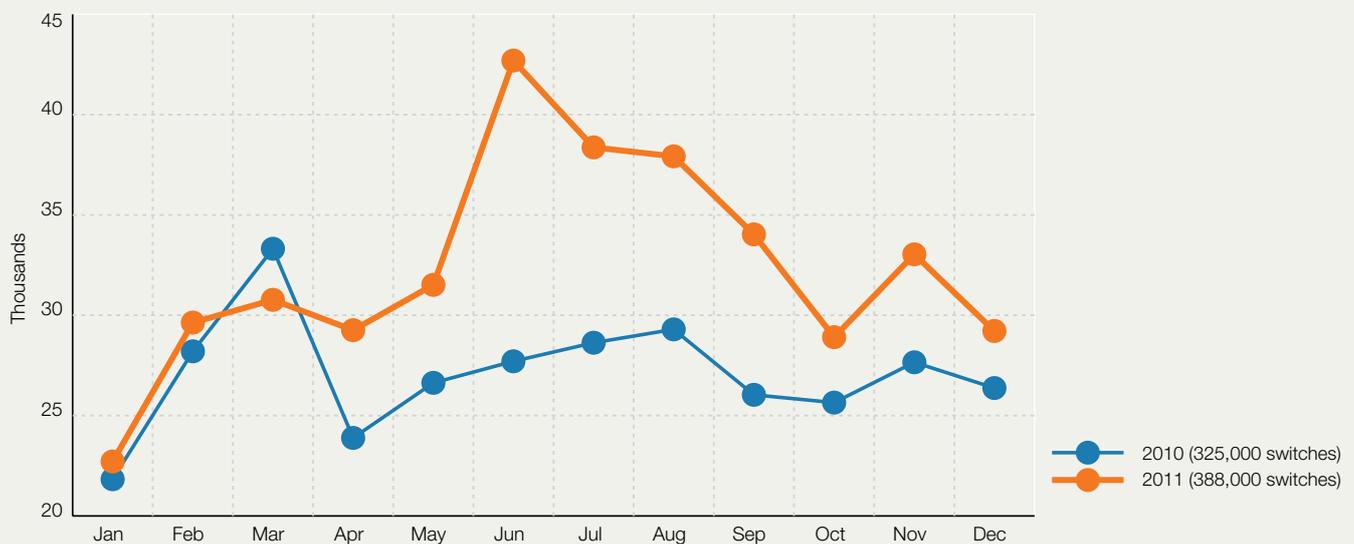
Switching rates provide a measure of consumer activity in the retail market. A short-term increase in switching rates was expected during the *What's My Number* campaign as consumers acted in response to messages to review their current pricing and potentially realise savings by switching suppliers.

From June to August 2011 when the *What's My Number* TV campaign was active, the number of completed switches increased by 33,336 or 39 percent over the same period in the

previous year. Over the 7-month period from June to December 2011, the total increase in switching was 52,862 or 28 percent on the previous period.

As well as completed switches, approximately 5 percent of switch requests are withdrawn at the request of the consumer. This is often the result of 'win back' activity undertaken by the losing retailer where a consumer is encouraged to stay with their current supplier. This represents a further measure of competition by retailers. See the *Statistics in detail* section on page 13 for further information.

Figure 1: Monthly switching comparison, 2010 and 2011



Changes in switching activity over a longer time period are shown in Figure 2. The impact of the *What's My Number* campaign can be seen.

Figure 2: National monthly switching rate

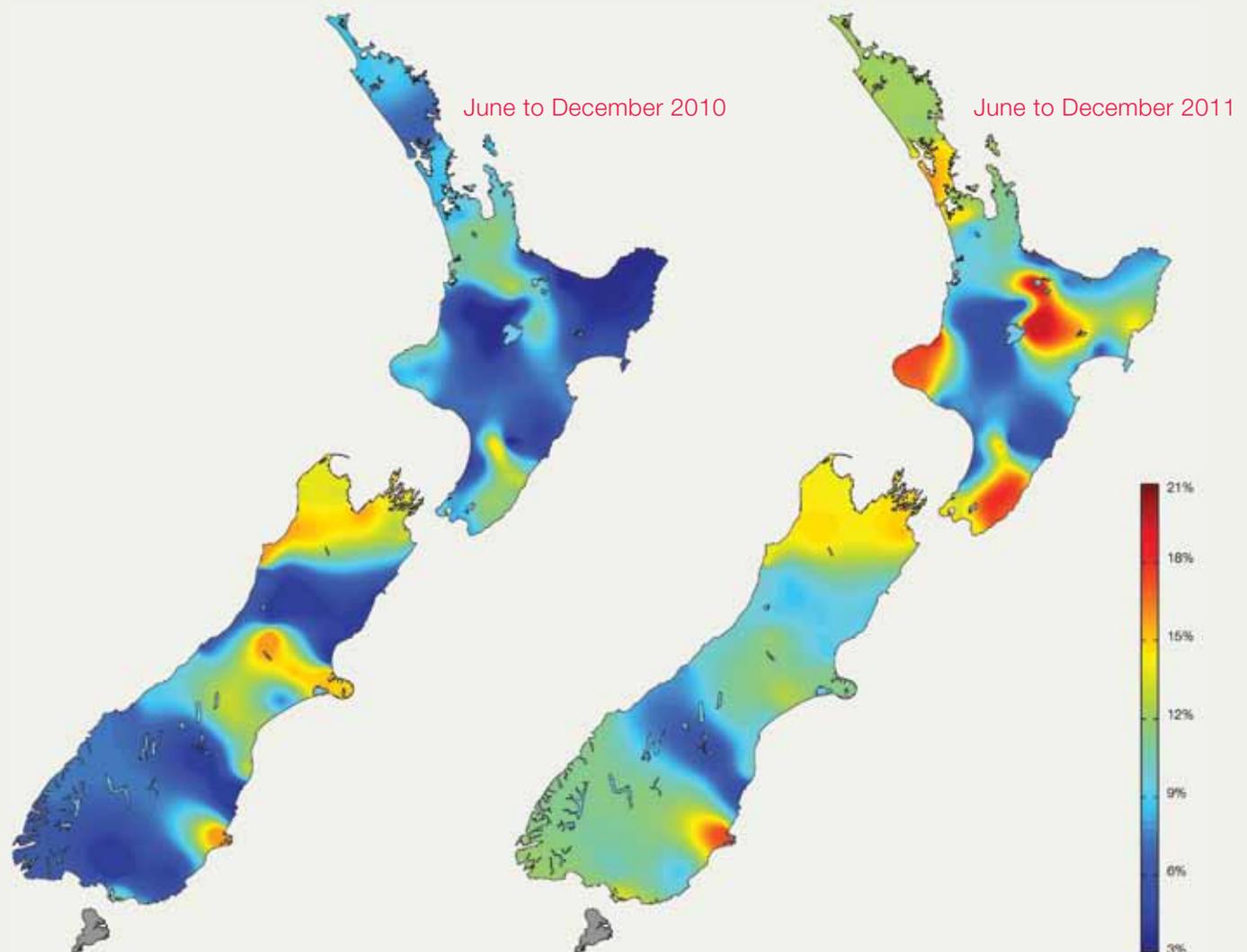


Switching heats up on a regional basis

Switching levels increased significantly during the *What's My Number* campaign, and levels varied extensively between regions.

Figure 3 compares switching rates across different regions of New Zealand over a 7-month period in 2010 and in 2011 when the *What's My Number* campaign was under way. Switching rates are shown as a percentage of consumers switching relative to total ICPs⁸ in the region. Nationally, switching increased from 9.7 percent in June to December 2010 to 12.3 percent in June to December 2011.

Figure 3: Total switches as a percentage of regional ICPs in a 7-month period during 2010 and 2011



⁸ An Installation Control Point (ICP) is a physical point of connection on a local network or an embedded network that the distributor nominates as the point at which a retailer will be deemed to supply electricity to a consumer.

More New Zealanders are aware of savings to be made

A key measure of the success of the *What's My Number* campaign is the change in consumer attitudes and knowledge about the switching process, including the ability to switch retailers, the levels of savings available, the process itself and the benefits or drawbacks of different pricing plans and retailer offerings.

Research shows that electricity consumers are becoming more aware of the savings available and the value of regularly comparing the offers of different electricity retailers. For example, the percentage of consumers who now believe they can save money by switching electricity suppliers increased from less than 50 percent in May 2011 to 63 percent by October 2011. As well, the percentage of consumers who believe it is worthwhile reviewing electricity providers on a regular basis increased over the same period. Further findings of this research are outlined on page 24.

A summary of the latest survey results (March 2012) from UMR research on consumer switching reveals:

- more consumers are using price comparison websites;
- there is a high degree of promoted awareness of the *What's My Number* campaign, and one in four respondents to the survey has visited the website;
- switching that can be directly attributed to the campaign or a visit to a price comparison website stands at about 10 percent of all households; and
- a further 6 percent of all households have considered or intend to switch after visiting either the *What's My Number* or Powerswitch websites.

Financial savings remain the dominant driver for switching, while the main barrier continues to be customer 'stickiness'.

Retailers react positively to a more competitive market

Retailer reaction to the campaign has been generally positive to date, and the campaign has driven market change in prices, promotional activity and customer management. Increased retailer discounts are delivering greater savings for consumers.

A number of retailers have introduced new pricing plans or discounts to increase the competitiveness of their market offer. Examples of retailer actions since the start of the campaign include:

- Contact Energy increased the discount for its Online OnTime plan from 12 percent to 22 percent;
- Just Energy introduced an 18-month fixed-term plan with a 15 percent prompt payment discount (as opposed to 10 percent for ordinary plans); and
- Mercury Energy introduced online plans with special pricing and/or fixed terms.

There was also evidence of retailers offering a greater level of targeted pricing and joining incentives to new customers, offering discounts or loyalty payments to retain customers who apply to switch to another retailer and making process improvements to deliver greater customer satisfaction. For example, some retailers had checked to ensure customers were on the optimal tariff base for their consumption and were refunding any overcharging.

Award-winning campaign

The *What's My Number* campaign was recognised at the recent marketing association RSVP awards, where it won the 2011 RSVP Grand Prix award, along with two gold medals and a bronze award for Best Strategy, Customer Acquisition and Customer Engagement respectively.

“ Intense competition for customer share is forcing innovations in tariffs throughout the sector. ”

Mercury Energy

Energy News, 11 October 2011

Aiming for greater momentum in 2012

The 2011 *What's My Number* campaign succeeded in encouraging New Zealanders to shop around for their electricity suppliers and increased competition in the electricity industry. However, the research shows that consumers need to be reminded of the benefits of switching to ensure that they continue to consider switching and seek out the best electricity offers available to them.

The 2012 campaign will be launched on 15 April and will continue throughout winter when New Zealanders are more aware of their electricity bills and therefore more motivated to make the switch.

Partnerships to continue

Partnerships will remain vital to the success of *What's My Number* and provide more opportunities to communicate the benefits of switching to consumers and support with new and existing tools, such as the ongoing partnership with the MCA and Consumer NZ through its Powerswitch website. The Authority will continue to work with CAB and Vendor Support Services, as well as other organisations such as the Energy Efficiency and Conservation Authority to ensure New Zealand households have access to the tools and information that make switching possible.

Support for small to medium-size businesses (SME)

Room for savings and more vigorous competition within the SME segment of the retail electricity market has been identified.

The 2012 campaign will be expanded to provide tailored and specific support for small to medium-size business owners. The Authority is introducing an online tool to help the SME community shop around for electricity.

Business owners will be able to input information about their electricity consumption, which will then automatically be sent to all participating retailers, providing them with the opportunity to 'bid' for the business's power supply.

“

The [*What's My Number*] campaign, which urged people to seek cheaper electricity suppliers, is credited with keeping interest rates down”

Dominion Post

26 October 2011, in reference to the September quarter 2011 Consumers Price Index results.

Competition is key

The importance of *What's My Number* and other ongoing efforts to increase retail competition has been highlighted in the Authority's consumer and stakeholder surveys. Results show the electricity retail market sector is not perceived to be as competitive as a number of other relevant industries.

The Consumer Switching Fund and *What's My Number* campaign complement a range of market facilitation measures and Code amendments being implemented by the Authority to enhance retail competition, including:

- hedge initiatives – financial transmission rights market and new market-maker contracts for the electricity futures market;
- more standardisation Code amendments;
- the development distributor model use of systems agreements; and
- the distribution pricing principles framework.

These initiatives are variously coming into effect and will all be active in the next two years. They will increasingly support competition and complement the CSF programme.

The Authority also works to enhance retail competition and remove barriers for new-entrant retailers with initiatives such as amendments to the Electricity Code and enhancements to the electricity hedge market.

The Authority is building its capacity to assess market performance on an ongoing basis, covering the three components of its statutory objective, which are:

- competition in;
- reliable supply by; and
- the efficient operation of the electricity industry.

The Authority has decided to initially focus on measuring competition and released an information paper in August 2011 explaining how it intends to go about doing that. It has adopted the approach of considering competition indicators relating to the structure of the market, the conduct of market participants and the performance of the market.

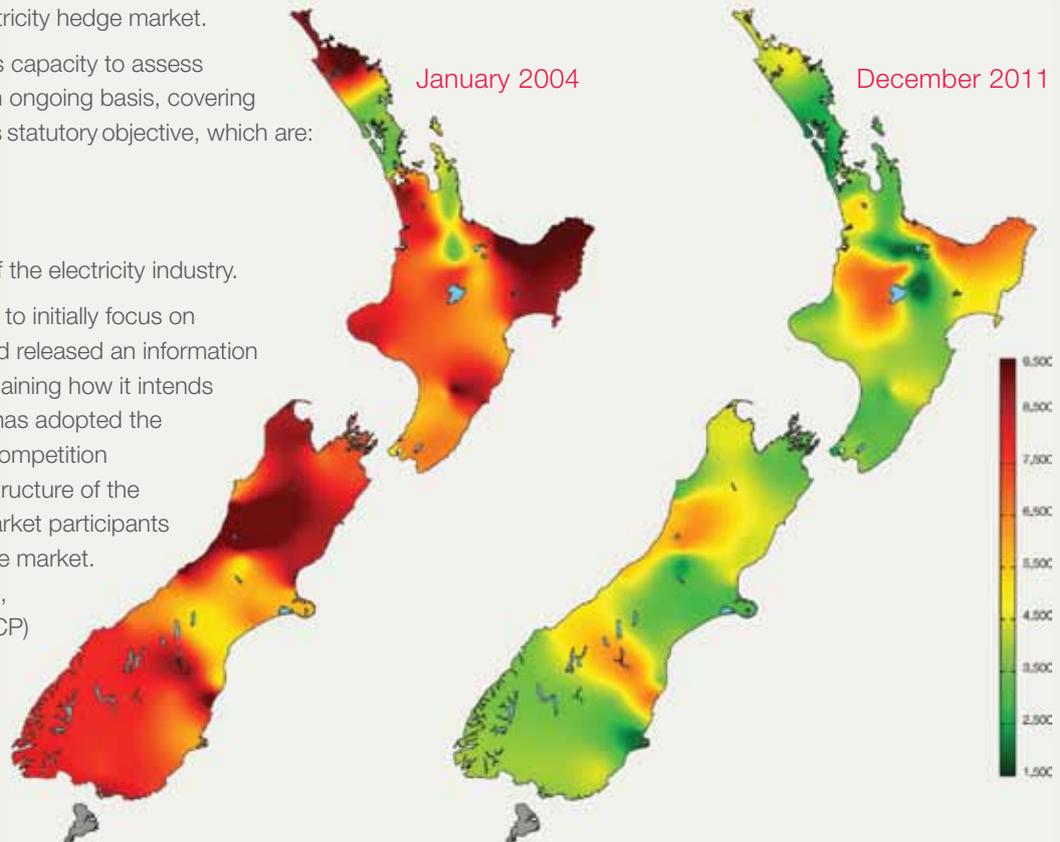
This is called the Structure, Conduct, Performance (SCP) approach to assessing competition.

One of the measures of retail completion is the Herfindahl-Hirschman Index (HHI). The HHI is the sum of the squares of each company's percentage market share. For example, a monopoly seller has 100 percent market share, and so the HHI for that market is 10,000 (100 percent x 100 percent). This is the maximum possible value for the HHI.

The HHI places a higher weighting on dominance. For example, a market comprising a seller with 80 percent market share and four other sellers each with 5 percent market share has an HHI of 6,500. In contrast, if the five sellers had equal market share (i.e., 20 percent each), the HHI would be only 2,000. In general, an HHI of 3,500 is considered to indicate a reasonably competitive market structure.

Figure 4 shows the HHIs for the retail electricity market⁹ for January 2004 and December 2011 on a regional basis. The HHI for each region is based on each retailer's percentage share of installation control points (ICPs). This roughly translates to each retailer's percentage share of customers, as residential consumers and most SME's have only one ICP.

Figure 4: Regional HHI in the retail electricity market



⁹ Market share is based on the retailer responsible for managing each installation control point in the registry – the national point-of-connection database.

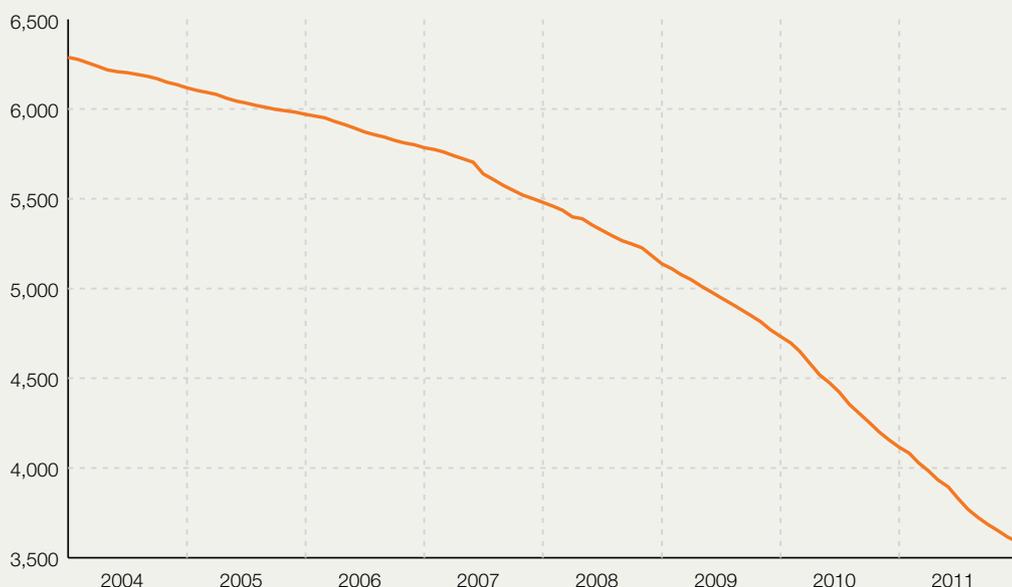
Comparing the 2004 and 2011 maps in Figure 4 illustrates big reductions in seller concentration in the retail electricity market on a regional basis. Most regions now have an HHI less than 6,000, and the major population centres have HHIs less than 4,000 and typically around 3,000.

Figure 5 plots the weighted average of the regional HHIs shown in Figure 4, where the weights are each region's share of total ICPs in New Zealand. This figure shows the weighted-average HHI has declined every year since 2004, from a high of nearly 6,500 to the current level of just above 3,500. In summary, competition has been increasing over the last 7 or so years.

Interestingly, the slope of the curve in Figure 5 is getting steeper over time, suggesting the pace of change in market structure has been increasing. It appears the rate of customer switching – which has increased steadily from 200,000 ICPs in 2008 to 390,000 ICPs in 2011 – may be facilitating faster changes in market structure.

The HHI is, of course, only one indicator of the degree of competition in a market and one that needs to be interpreted with caution, as a high HHI can be associated with high levels of competition or vice versa. The Authority is therefore intending to publish a suite of competition statistics on an annual basis to accompany its annual market performance reviews to be released in February each year.

Figure 5: National weighted-average HHI in the retail electricity market



“ It's really about changing market conditions. The *What's My Number* campaign has changed the dynamic of the market. ”

Contact Energy

Nelson Mail, 5 August 2011

Dominant retailer market share continues to fall

A concentrated market, combined with a 'sticky' customer base, means that a dominant retailer is less inclined to price competitively. With more informed and active consumers, a dominant retailer is under increased pressure to have competitive prices or risk losing market share rapidly. Results to date show the *What's My Number* campaign has accelerated existing trends whereby the dominant retailer continues to lose market share. In regions with high switching levels, analysis shows that smaller retailers in the region have been able to capitalise on the

increased public awareness of the choices and annual savings available to gain market share. Three regional examples are shown in Figure 6: Tasman, Auckland and Otago. They show, to various degrees, the fall in the share of the dominant retailer, including the period covered by the campaign. The bracketed percentages for each supplier represent their market share as at 31 December 2011.

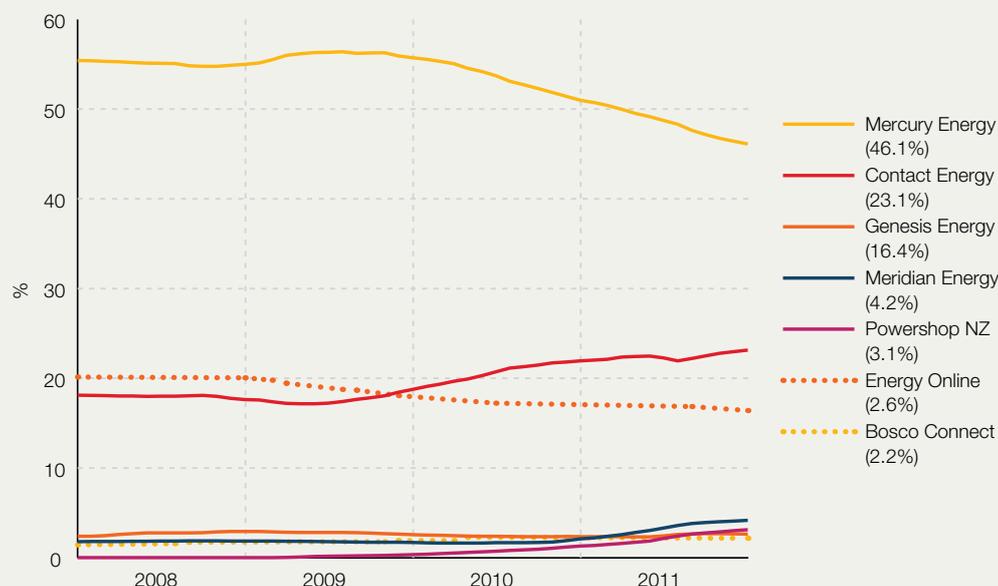
Market share trends in other regions are available in the *Statistics in detail* section on page 13.

Figure 6: Regional campaign impact examples – changes in market share in Tasman, Auckland and Otago regions

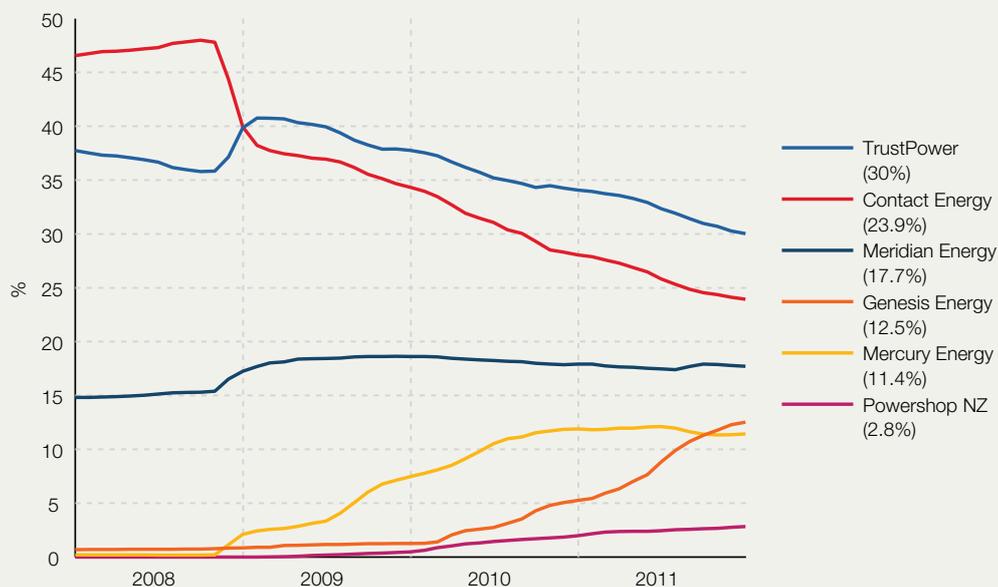
Tasman region



Auckland region



Otago region



Note: Retailers' market share is based on retailers managing the ICP in the registry. Retailers with less than 2 percent market share are excluded.

“ Here at Meridian, we believe it's great to see strong competition in the marketplace. The Electricity Authority's snappy campaign *What's My Number* has exceeded all expectations since its launch and is helping push consumers to shop around for the best electricity deal. ”

Energise
Meridian publication, Spring 2011

Statistics in detail

Switches and consumer withdrawals

As well as the switches themselves, switches that are withdrawn at the request of a consumer provide insight into the propensity of consumers to switch and competitive behaviour by electricity retailers. These withdrawals are considered as 'win backs' for the retailer and usually occur after the consumer is presented an improved offer to stay with their existing retailer.

Figure 7: Total monthly switches completed and withdrawn by consumers 2004–2011



Notes: Switches are total completed switches (half hour and non-half hour ICPs) recorded in the month the switch was initiated, with all withdrawn switches removed.

Mass transfers of ICPs between retailers have been removed as these are not proactive consumer switches.

Other key influences on switching rates:

- a In March – April 2008, the registry was unavailable because it was being rebuilt. A corresponding drop in switching was followed by a jump as switches were processed the next month. Assistance from the Electricity Commission at this time saw average business days for non-half hour ICP switches (which include all domestic ICPs) drop below 10 business days.
- b In October 2010, the average business days for switching residential ICPs dropped below 5 business days.

“ [Powershop] Chief executive Ari Sargent said the growth [of Powershop] was being driven by the government-funded *Whats My Number* campaign, which encourages consumers to compare power prices... ”

Powershop

Dominion Post, 13 September 2011

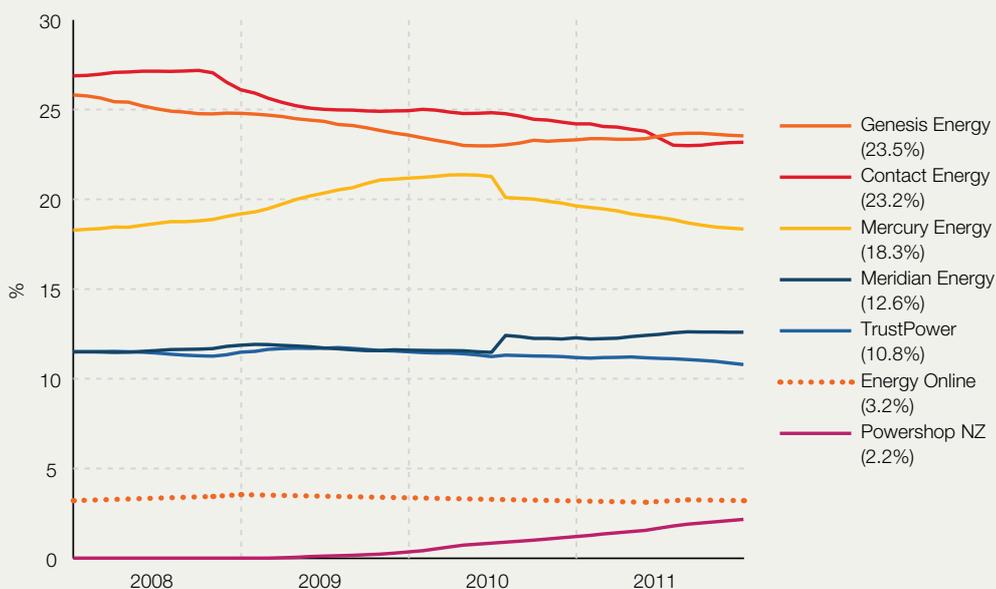
Regional market share

Many factors influence changes in market share. As illustrated by the HHI metric outlined earlier in this publication, generally, the market is becoming less concentrated. Below, we outline supplier market share¹⁰ trends for each regional council area, which are irrespective of the network configuration. The retailers presented are therefore not necessarily available in the entire region but are represented on at least some of the networks in that region. For clarity, retailers with a market share less than 2 percent are excluded. The bracketed percentages for each supplier represent their market share as at 31 December 2011.

Some retail brands are subsidiaries or included in parent company statistics.

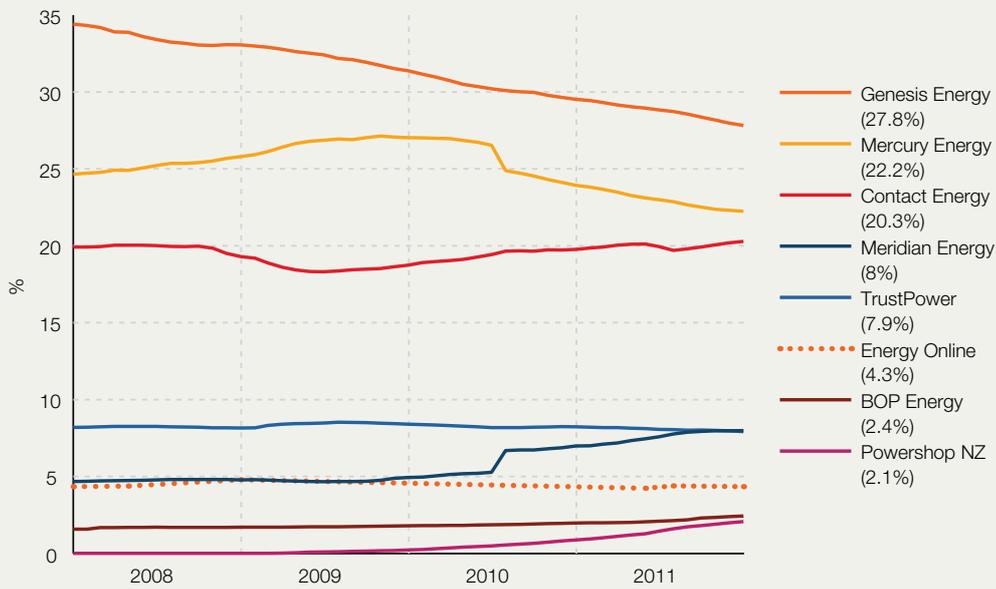
- Nova Energy and Bay of Plenty Energy are subsidiaries of Todd Energy.
- Mercury Energy and Bosco Connect (including the Tiny Mighty Power retail brand) are subsidiaries of Mighty River Power.
- Pulse Utilities includes the Just Energy and Pulse Energy retail brands.
- Powershop NZ is a subsidiary of Meridian Energy.
- Energy Online is a subsidiary of Genesis Energy.
- Meridian Energy includes Energy Direct's ICPs. (Prior to July 2010, these ICPs were managed by Mercury Energy in the registry; this change is apparent in the plots below.)
- Contact Energy includes the Empower retail brand.

New Zealand

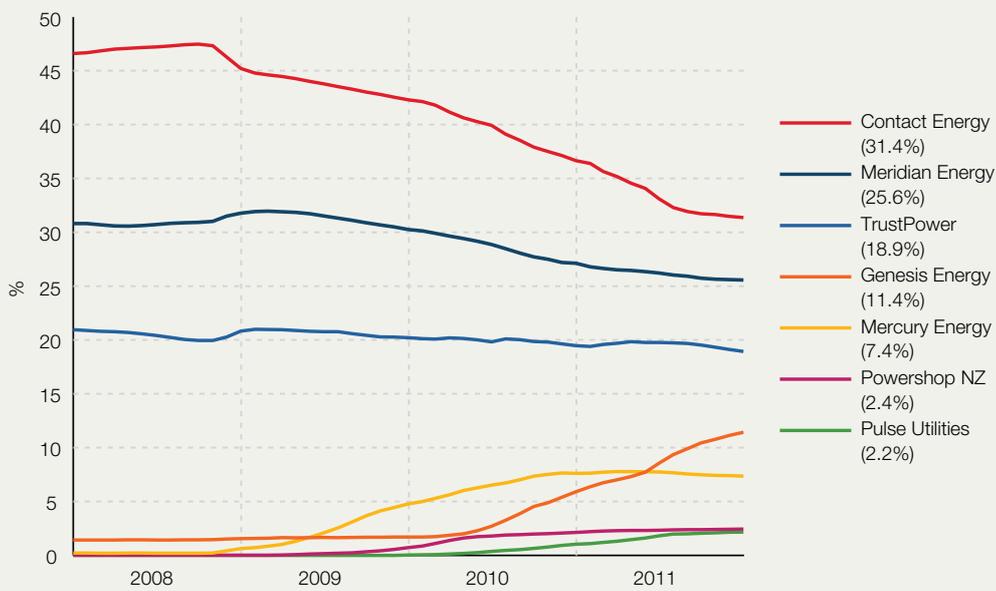


¹⁰ Market share is based on the retailer responsible for managing each ICP in the registry.

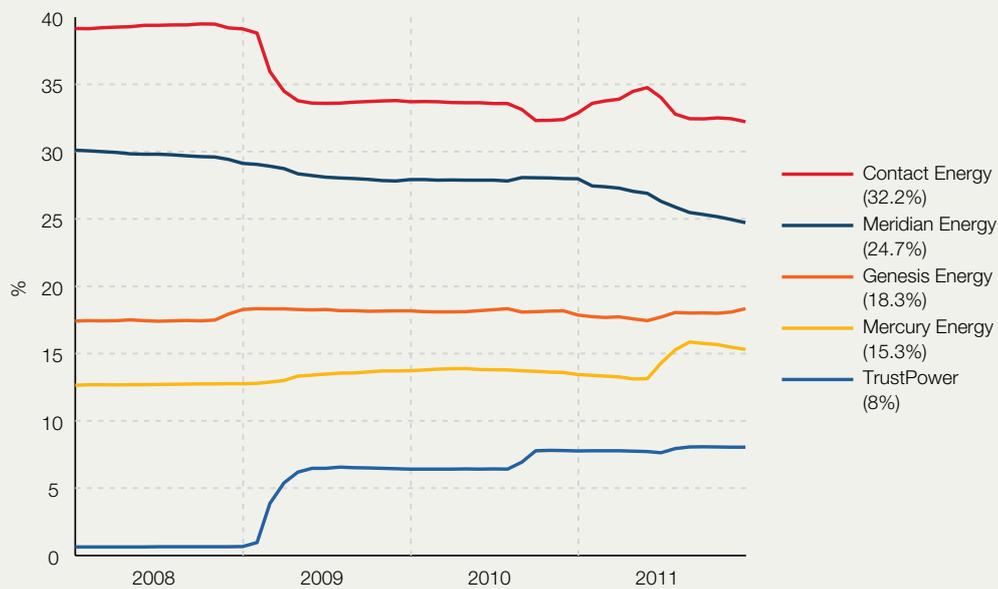
North Island



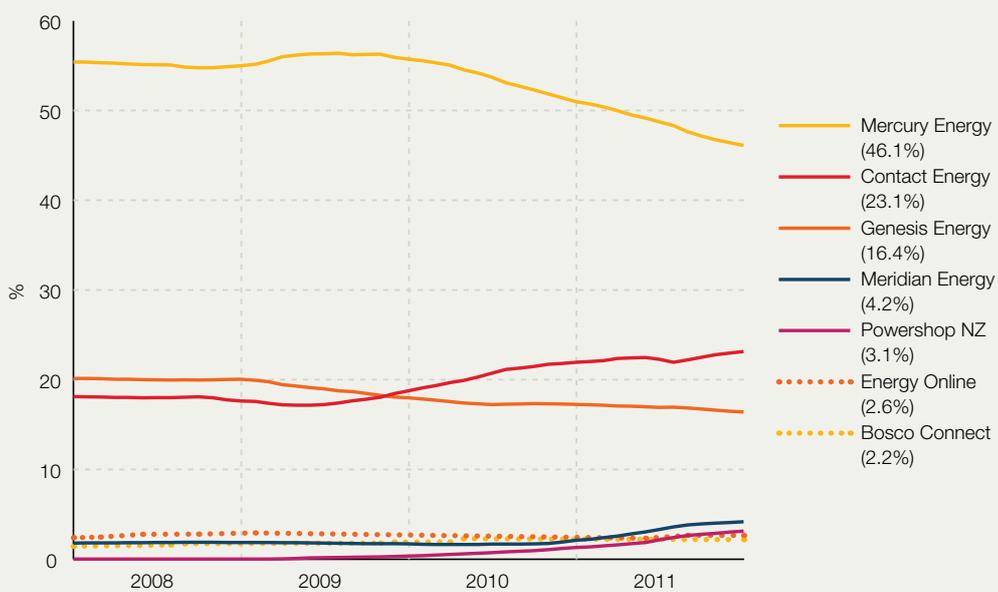
South Island



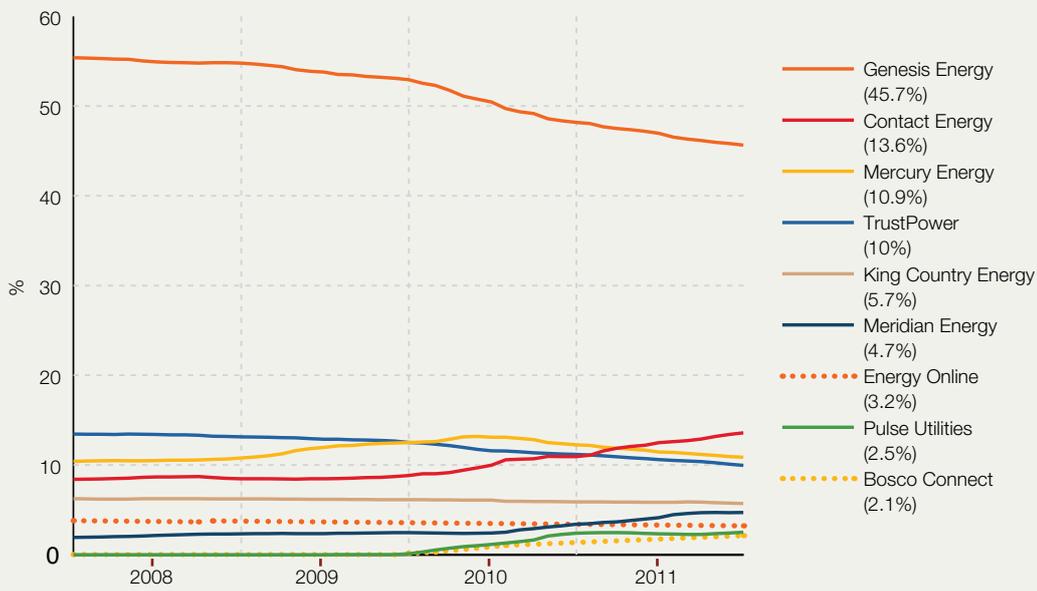
Northland region



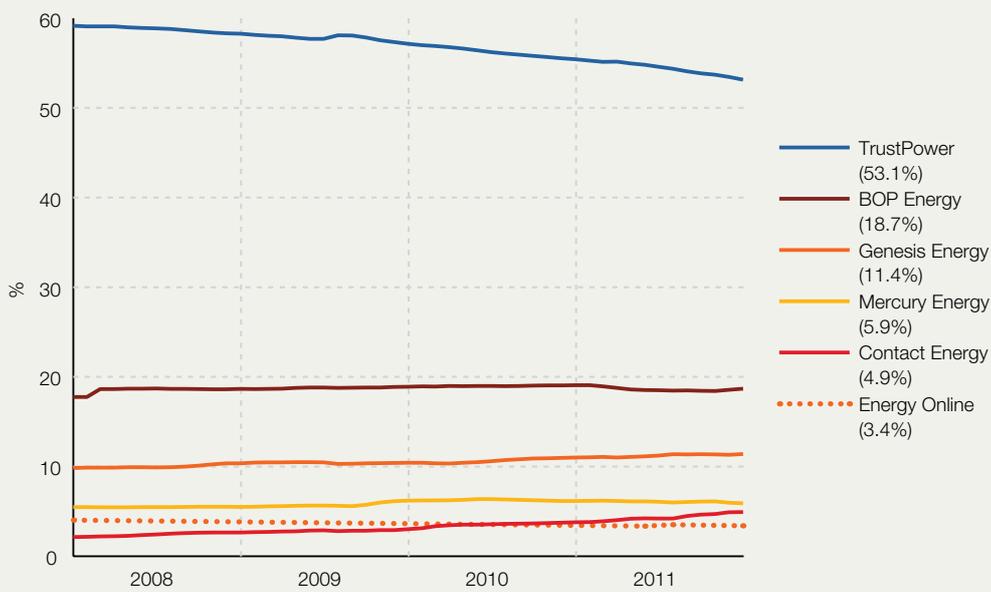
Auckland region



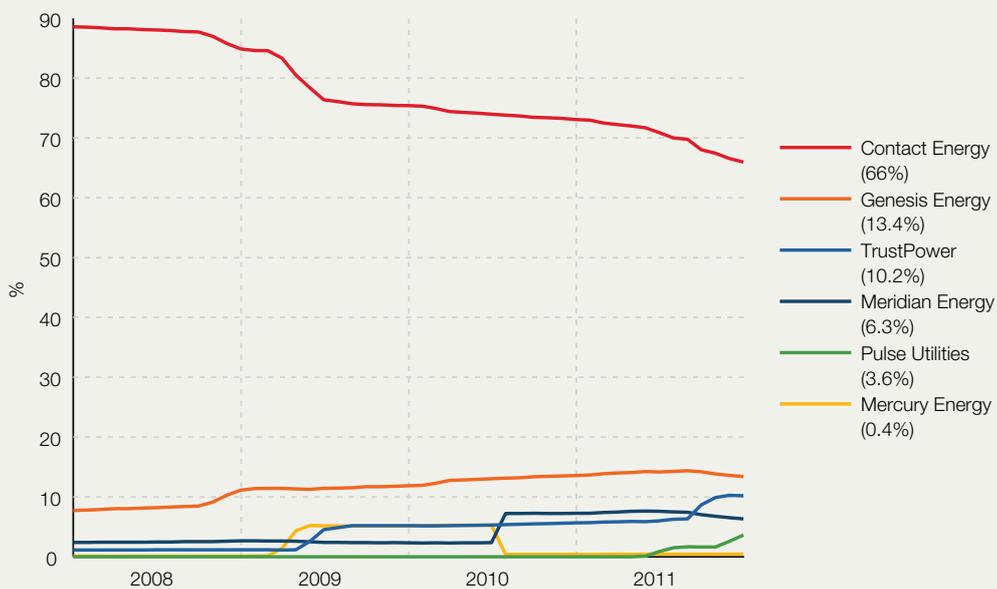
Waikato region



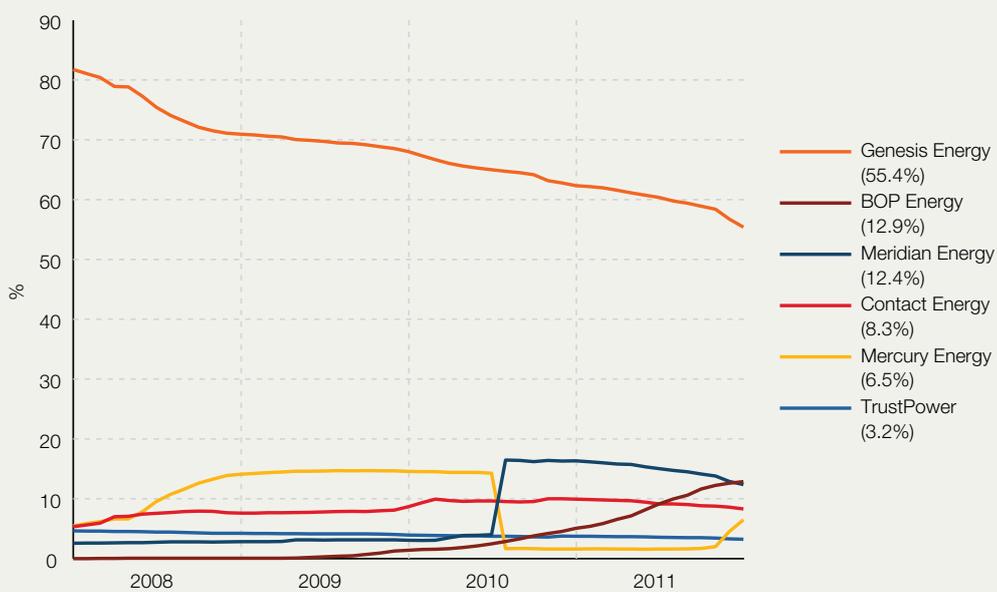
Bay of Plenty region



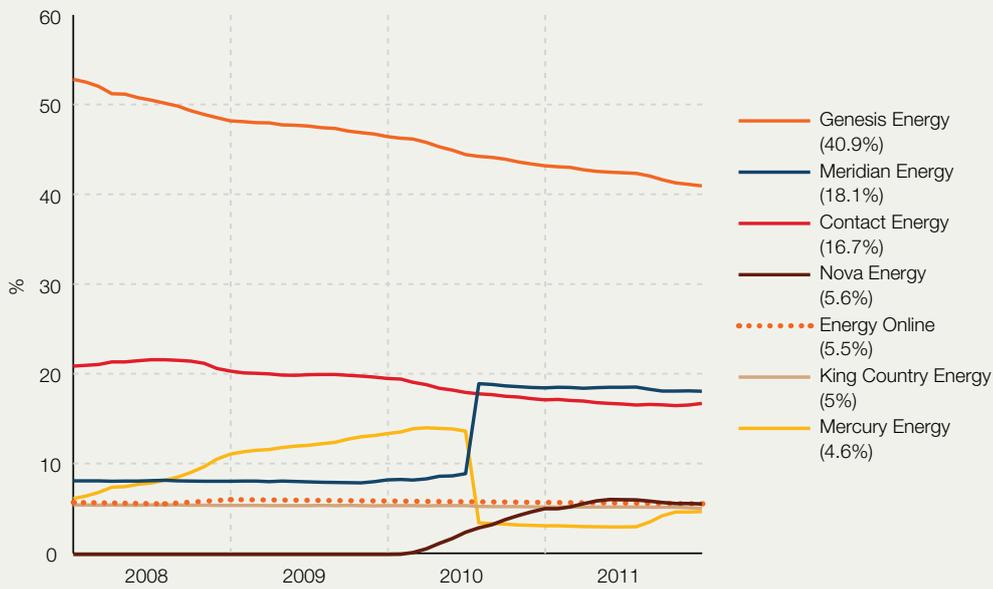
Gisborne region



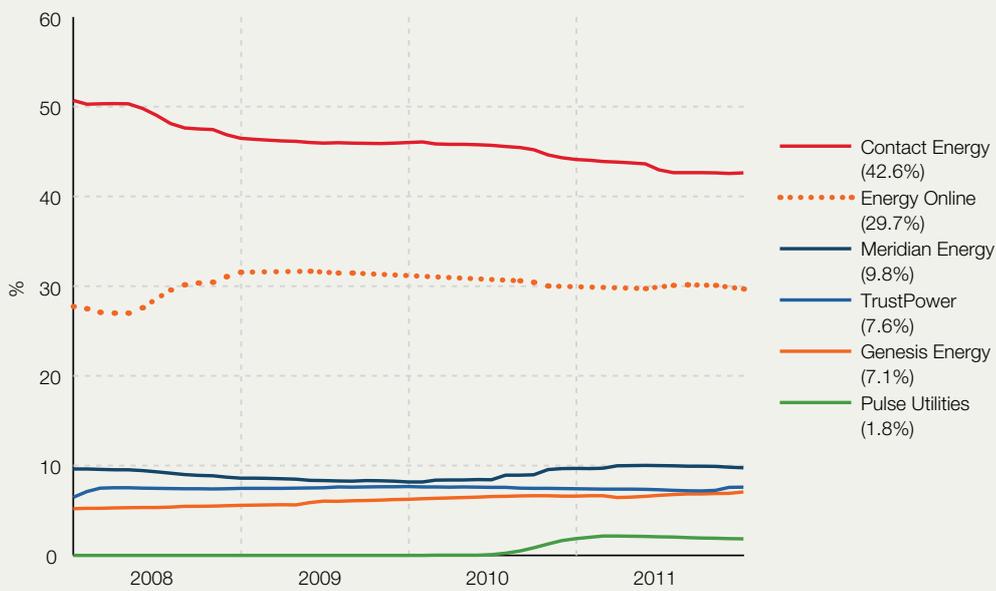
Taranaki region



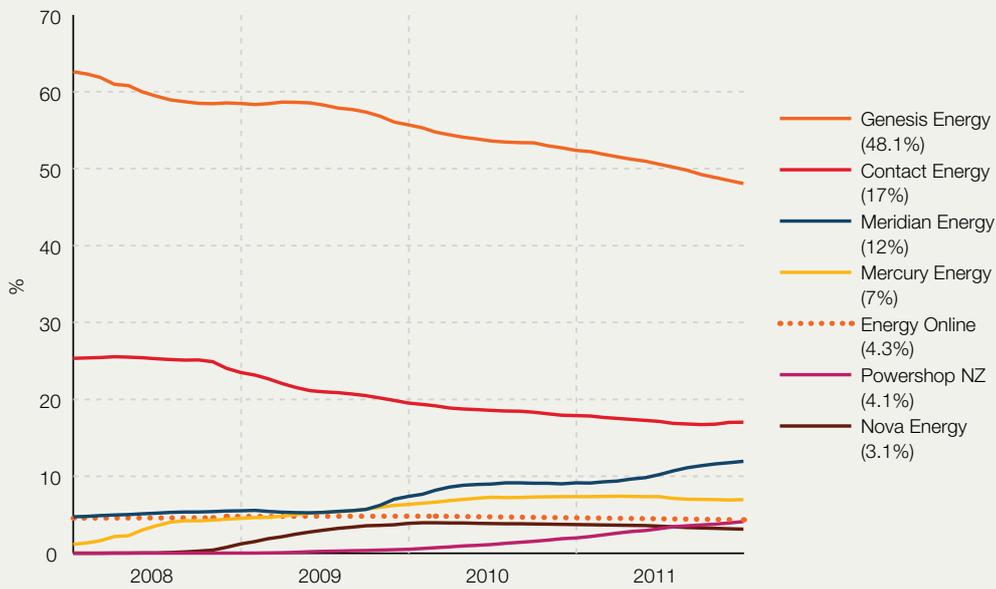
Manawatu-Wanganui region



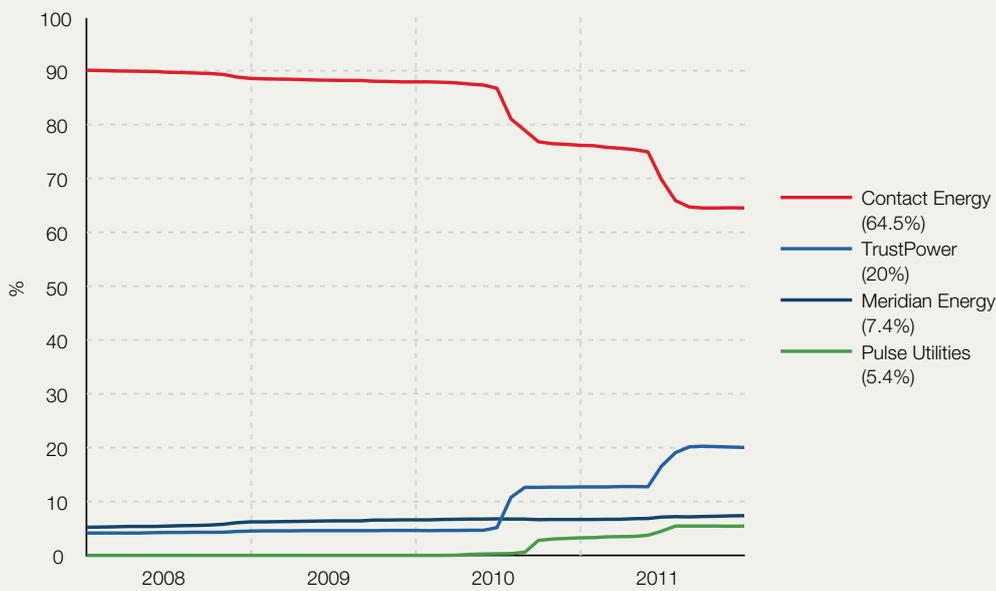
Hawke's Bay region



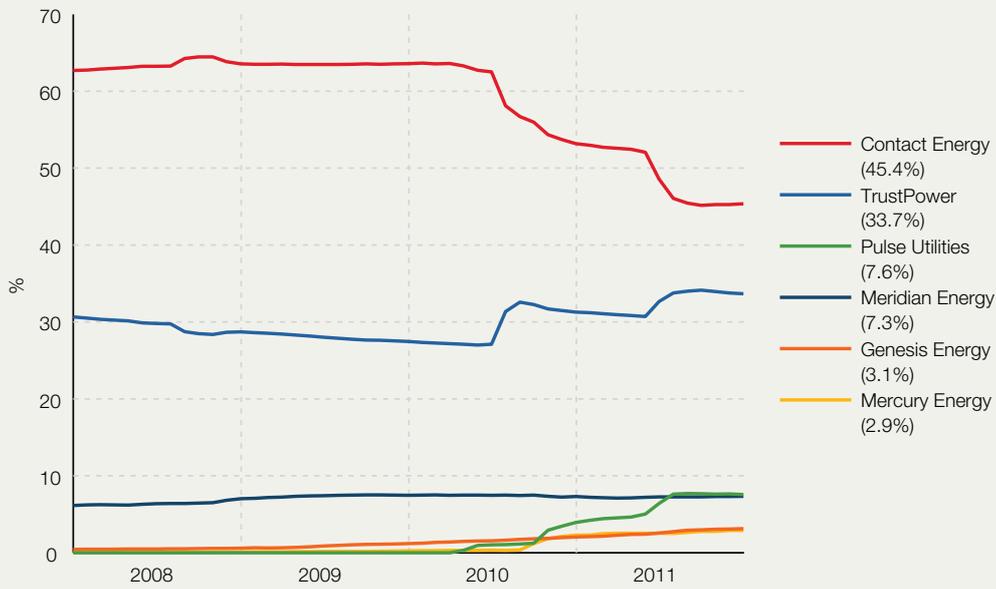
Wellington region



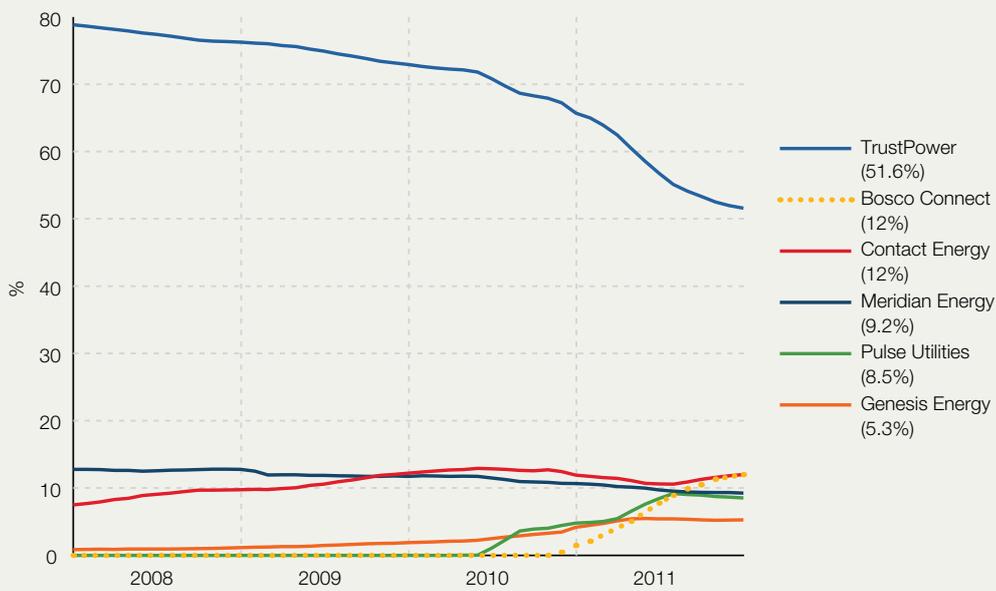
Tasman region



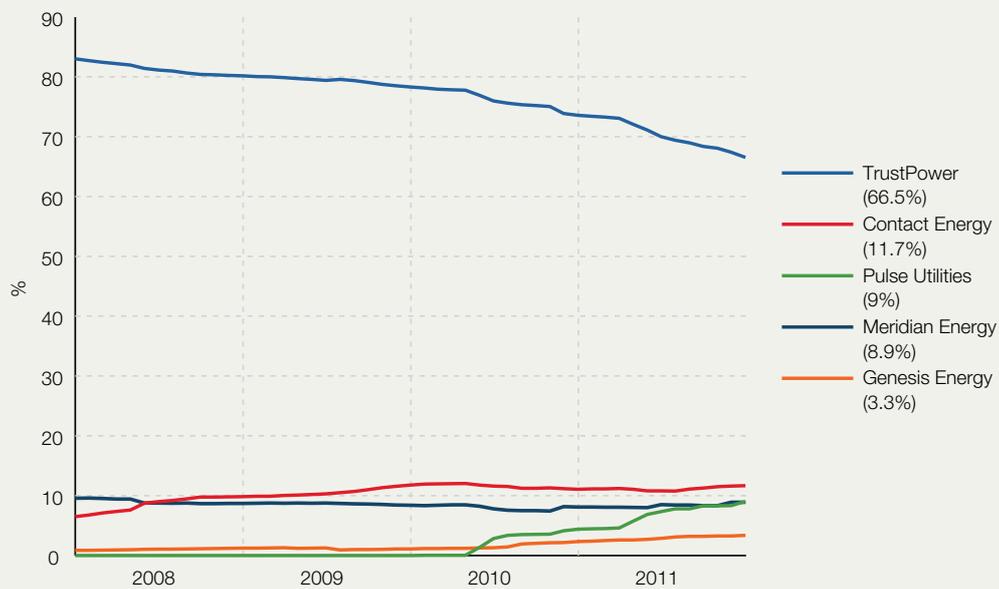
Nelson region



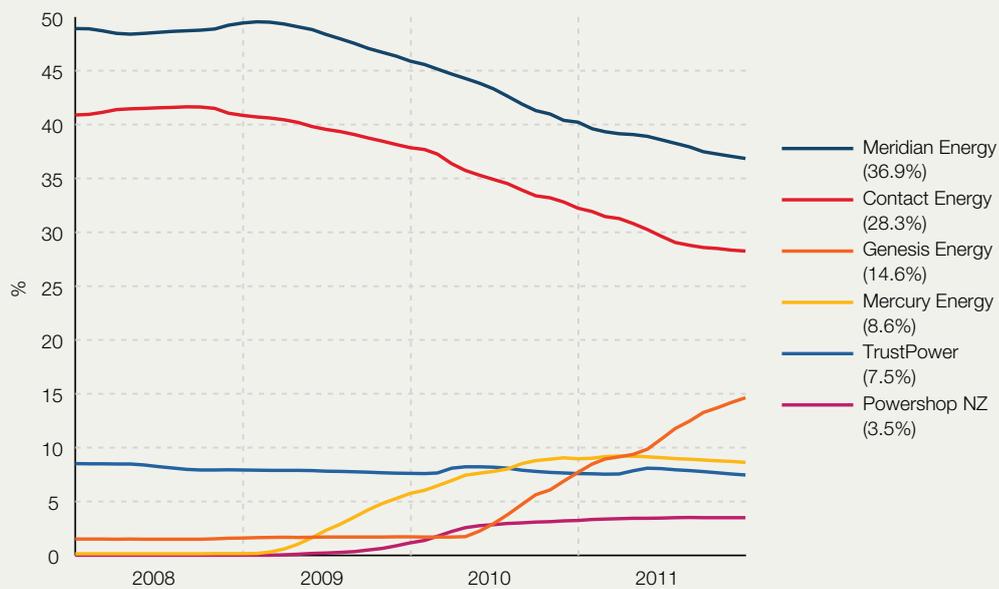
Marlborough region



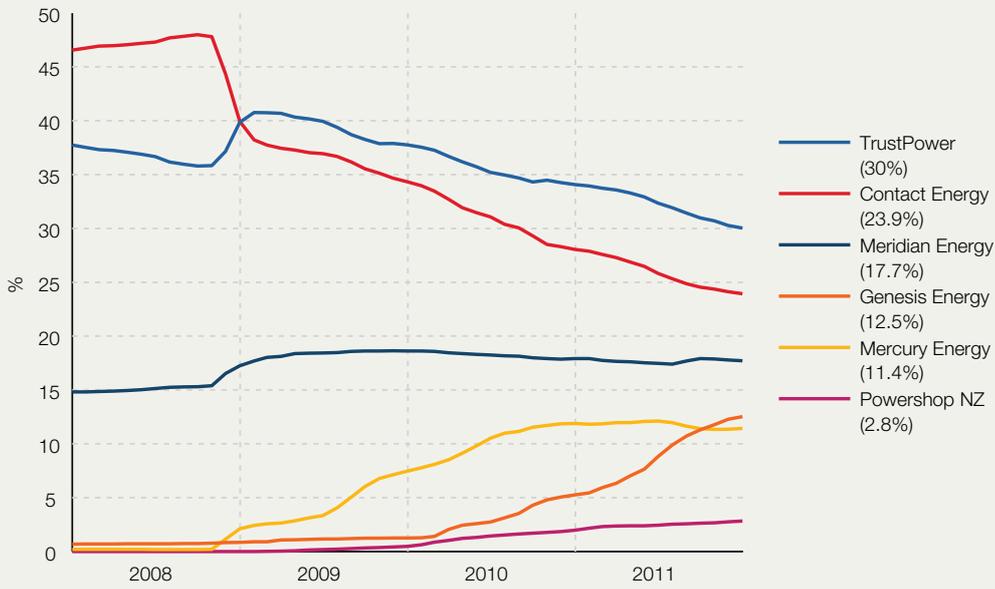
West Coast region



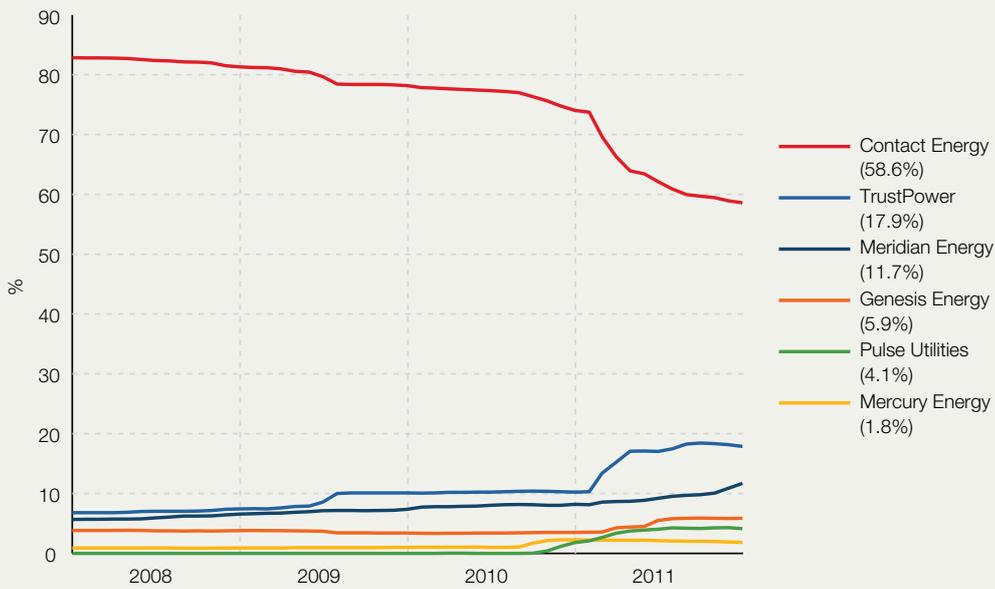
Canterbury region



Otago region



Southland region



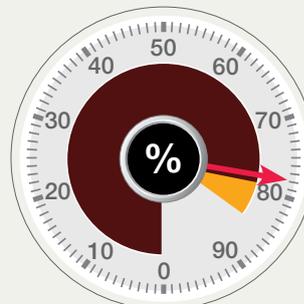
Consumer awareness and propensity to switch

The results of three surveys conducted prior to the campaign launch (May 2011), 7 weeks into the main campaign (July 2011) and after the main campaign had finished (October 2011) are outlined below.



Believe they can save money by switching supplier

This graph shows a 14 percent increase in those who believe they can save money by switching supplier post the launch of the campaign.



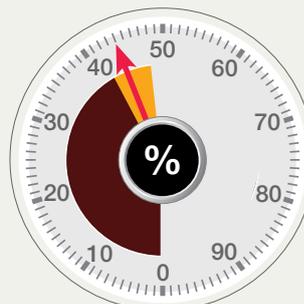
Realise they can switch supplier

This graph shows an initial 6 percent increase in those who agree they can switch electricity supplier (from 79 percent to 85 percent) post the launch of the campaign. With the campaign largely out of the market, this has reduced by 7 percent to 78 percent.



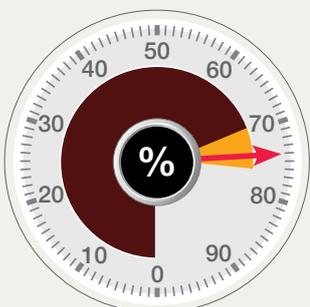
Agree it is easy to switch supplier

This graph shows an initial 9 percent increase in those who agree it is easy to switch supplier (from 63 percent to 72 percent post the launch of the campaign). With the campaign largely out of the market, this has reduced by 6 percent to 66 percent.



Discussed their electricity options with others

This graph shows an initial 6 percent increase in those discussing their electricity options with others (from 42 percent to 48 percent) post the launch of the campaign. With the campaign largely out of the market, this has reduced by 4 percent to 44 percent.



Say it is worthwhile reviewing electricity providers regularly

This graph shows an initial 7 percent increase in those who believe it is worthwhile reviewing their electricity provider on a regular basis (from 69 percent to 76 percent) post the launch of the campaign. With the campaign largely out of the market, this has reduced by 2 percent to 74 percent.

■ May 2011

■ July 2011

➤ October 2011

For further information about *What's My Number*, please contact:

Electricity Authority | Te Mana Hiko
Level 7 | ASB Bank Tower | 2 Hunter Street
PO Box 10041 | Wellington 6143 | New Zealand

TEL + 64 4 460 8860 | FAX + 64 4 460 8879

EMAIL info@ea.govt.nz | www.ea.govt.nz

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