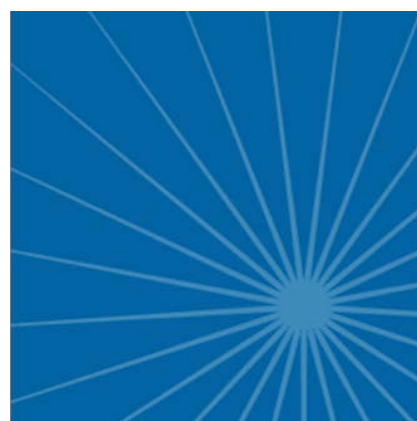
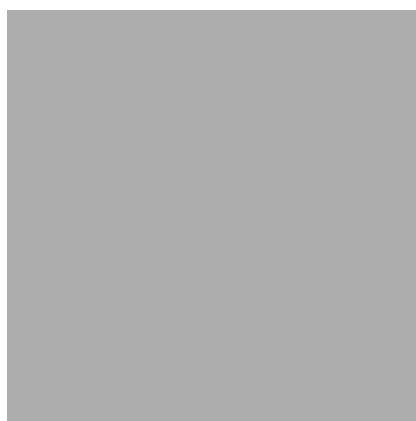


# Electricity Authority

International comparison of activity, behaviour  
and attitudes towards electricity industry

A quantitative study

August 2014



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# Introduction

## 1.1 Background

The Electricity Authority (Authority) has been monitoring perceptions of electricity providers and switching behaviour in New Zealand for a number of years.

Some initial desk research was undertaken to find comparable data across other countries so that New Zealand indicators could be benchmarked internationally. It was clear from this search that there was no data available in countries that would provide complementary comparisons.

The Authority commissioned research across multiple countries on perceptions of electricity providers and switching behaviour.

## 1.2 Objectives

The key objective of the research was to provide data on key indicators relating to switching behaviour and perceptions of electricity providers across a range of relevant countries.

## 1.3 Method

This report is based on results from four countries. An initial survey was undertaken in New Zealand in January 2014, questions were then taken from this survey and modified for international markets (i.e. some language changed) and then undertaken in Australia, Canada (Alberta) and the United States (Texas).

### ■ New Zealand

The New Zealand survey was undertaken via telephone among a nationally representative sample of those aged 18 years and over who had either responsibility for paying the household electricity bill or who had a say in deciding who their electricity retailer was.

The sample size was  $n=1000$  and fieldwork was carried out from the 16<sup>th</sup> to the 29<sup>th</sup> of January 2014. The margin of error for a 50% figure at the 95% confidence level for a sample size of 1000 is plus or minus 3.1%.

Quotas were applied and the sample was further weighted by age and gender to reflect the actual population statistics.

The regional samples are outlined in the following table.

### Regional Sample – New Zealand

	<b>N=</b>
Auckland	324
Christchurch	109
Wellington	102
Provincial (North Island)	332
Provincial (South Island)	133
<b>TOTAL</b>	<b>1,000</b>

### ■ Australia

The Australian survey was undertaken via an online methodology among a nationally representative sample of those aged 18 years and over who had either responsibility for paying the household electricity bill or who had a say in deciding who their electricity retailer was.

The sample size was n=1000 and fieldwork was carried out from the 24<sup>th</sup> to the 30<sup>th</sup> of June 2014. The margin of error for a 50% figure at the 95% confidence level for a sample size of 1000 is plus or minus 3.1%.

Quotas were applied and the sample was further weighted by age and gender to reflect the actual population statistics.

The regional samples are outlined in the following table.

### Regional Sample – Australia

	<b>N=</b>
NSW	328
Victoria	256
Queensland	194
South Australia	71
West Australia	99
Tasmania/ ACT/ Northern Territory	52
<b>TOTAL</b>	<b>1,000</b>

## ■ Texas

The survey in Texas (United States of America) was undertaken via an online methodology among a nationally representative sample of those aged 18 years and over who had either responsibility for paying the household electricity bill or who had a say in deciding who their electricity retailer was.

The sample size was n=1000 and fieldwork was carried out from the 18<sup>th</sup> to the 22<sup>nd</sup> of June 2014. The margin of error for a 50% figure at the 95% confidence level for a sample size of 1000 is plus or minus 3.1%.

Quotas were applied and the sample was further weighted by age and gender to reflect the actual population statistics.

The regional samples are outlined in the following table.

### Regional Sample – Texas (United States)

	N=
Dallas–Fort Worth–Arlington	273
Houston–Sugar Land–Baytown	292
San Antonio–New Braunfels	94
Population centres of less than 2 million	341
<b>TOTAL</b>	<b>1,000</b>

## ■ Alberta

The survey in Alberta (Canada) was undertaken via an online methodology among a nationally representative sample of those aged 18 years and over who had either responsibility for paying the household electricity bill or who had a say in deciding who their electricity retailer was.

The sample size was n=1000 and fieldwork was carried out from the 18<sup>th</sup> to the 28<sup>th</sup> of June 2014. The margin of error for a 50% figure at the 95% confidence level for a sample size of 1000 is plus or minus 3.1%.

Quotas were applied and the sample was further weighted by age and gender to reflect the actual population statistics.

The regional samples are outlined in the following table.

### Regional Sample – Alberta (Canada)

	N=
Calgary	346
Edmonton	367
Population centres of less than 100,000	287
<b>TOTAL</b>	<b>1,000</b>

# Executive summary

## Behaviour profile

Switching potential was high in all markets, with around three-quarters of households in New Zealand, Alberta and Texas that felt it was worthwhile to review the best power deals. This belief was lower in Australia with around two-thirds believing it worthwhile.

**77% in New Zealand believe worthwhile to review best deal (66% Australia, 76% Alberta, 78% Texas)**

**30% in New Zealand likely to shop around for best power deal (30% Australia, 30% Alberta, 38% Texas)**

**31% in New Zealand switched in past two years**

another power company with a better deal. In Texas and Alberta, moving house was also a relatively strong driver of switching, while a high bill from a previous company was an additional driver in New Zealand.

There were differences across the markets when comparing barriers to switching. In New Zealand the key reasons for not switching were satisfaction with the level of service and price they received from their current power company.

In Australia, Alberta and Texas, the key reasons given for not switching were satisfaction with the service from their current provider followed by a perceived lack of choice in their area.

Around a third of households in New Zealand and Texas had looked for information in the past year to help them decide whether to switch power companies - slightly lower levels were recorded in Australia and Alberta. Online sources of information dominated – with an independent price comparison website and general internet searches, the two most popular sources of information. The only exception was the negligible use of a price comparison website in Alberta, reflecting the lack of this type of resource.

An independent price comparison website was seen as the most effective strategy in encouraging households to switch power companies. Reinforcing endorsement of this strategy - it was also rated most effective by those that had actually switched power company in the past two years.

Residents in Texas appeared more conscious of the potential to save on power costs as they were more likely to claim to shop around for the best deal for power when compared to New Zealand, Australia, and Alberta.

The large majority in all markets were also either actively looking to switch, intended to switch soon or would switch for a better deal or better service. Around a third were not interested in switching power companies at all.

Declared switching over the past two years was significantly higher in New Zealand compared to Australia, Alberta, and Texas, which may be a reflection of the electricity market and various initiatives in play in New Zealand.

The key driver for switching was consistent across all countries, namely, being approached by

**Main switching driver: approached with a better deal/ financial incentive (all)**

**Main barriers: satisfied with service (all), satisfied with price (New Zealand), lack of choice (Australia, Alberta, Texas)**

## Industry snapshot

Consumers' in Texas and New Zealand appeared more positive towards their power company than in Australia and Alberta. Satisfaction ratings were generally higher across a range of company aspects in Texas and New Zealand. However, ratings remained moderate for most aspects in all markets, indicating there was still room for improvement. Lowest scores were recorded for 'value for money' and provision of 'extra services'.

Residents in Australia and Alberta appeared more suspicious of power companies with higher agreement to a number of statements that point to a less favourable view of power companies.

New Zealand also showed a marked difference on perceived ease of switching, which may be a reflection of the campaign encouraging switching in recent years. It may also be due to a greater level of competitive activity, which saw 69% of New Zealand households being approached by a competitor in the past two years, significantly higher than in other markets.

**68% in New Zealand, 66% in Texas were satisfied with overall service (50% Australia, 51% Alberta)**

**69% in New Zealand approached by competitor in past two years (36%**

## Comparisons with different industries

New Zealand and Texas residents were more likely to view power companies as competitive than residents in Australia and Alberta.

**75% in New Zealand, 71% in Texas viewed power companies as competitive (61% Australia, 63% Alberta)**

**74% in New Zealand believed it was easy to switch power company (63% Australia, 68% Alberta, 68% Texas)**

Switching power companies was more common in New Zealand than other markets where it was the industry with the highest rate of switching. Texans were more likely to switch telco or insurance provider than power company. Residents of Alberta were also more likely to switch Telco, while Australians were more likely to switch insurers.

Across all markets, perceived ease of switching was higher for power companies than any other industry tested. New Zealand had the largest proportion that believed it was easy to switch.



# Industry perceptions and activity

## 3.1 Satisfaction with power companies

### 3.1.1 Overall ratings

Consumers' ratings of satisfaction<sup>1</sup> across facets of their power company were generally higher in Texas and New Zealand compared to Australia and Alberta. Although some of these differences can be explained by higher neutral or unsure ratings in Australia and Alberta i.e. those giving neutral ratings of '3' on a five point scale of satisfaction.

Ratings were moderate for most aspects indicating there is room for improvement in all markets.

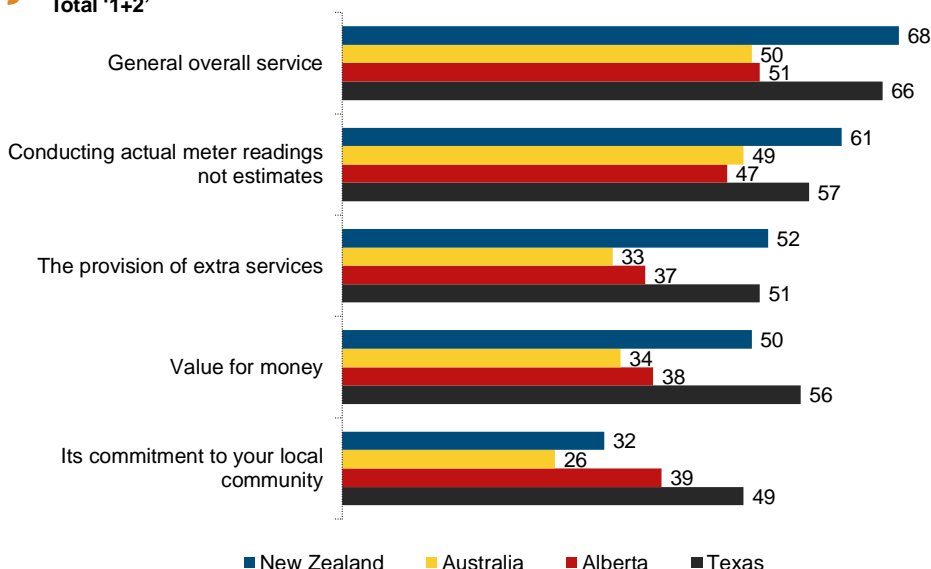
Lowest scores were recorded for 'value for money' and provision of 'extra services', indicating some dissatisfaction on these aspects. Those dissatisfied<sup>2</sup> with these factors were significantly higher in Australia and Alberta.

While ratings for 'commitment to your local community' were not high across all markets, this was mainly due to high 'unsure' ratings.

### Satisfaction with power company

Using a 1-5 scale where 1 means very satisfied and 5 not at all satisfied, how satisfied are you with your power company on the following?

Total '1+2'



Base: All respondents (n=1000)

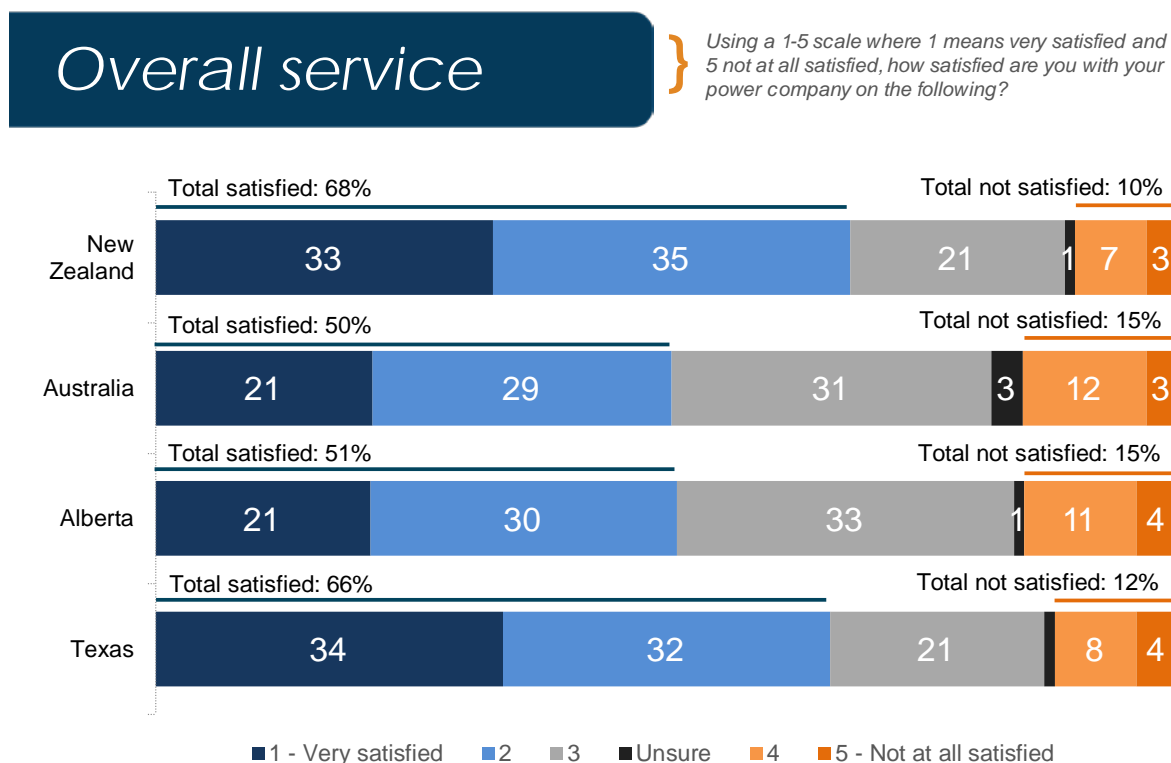
Figure 1: Graph of satisfaction with power company – summary graph

1 Satisfaction was rated by combining '1+2' on a 1-5 scale where 1 means 'very satisfied' and 5 'not at all satisfied'

2 Dissatisfaction was rated by combining '4+5' on a 1-5 scale where 1 means 'very satisfied' and 5 'not at all satisfied'

### 3.1.2 Satisfaction with overall service

Ratings for 'general overall service' had the highest rating of satisfaction across all measures. While Australia and Alberta had lower 'satisfaction' ratings, this was a reflection of higher neutral scores, although, this does indicate that service is more likely to be viewed as 'adequate' rather than 'excellent' in these markets.



Base: All respondents (n=1000)

Figure 2: Graph of satisfaction with overall service of power company

#### ■ Demographic differences

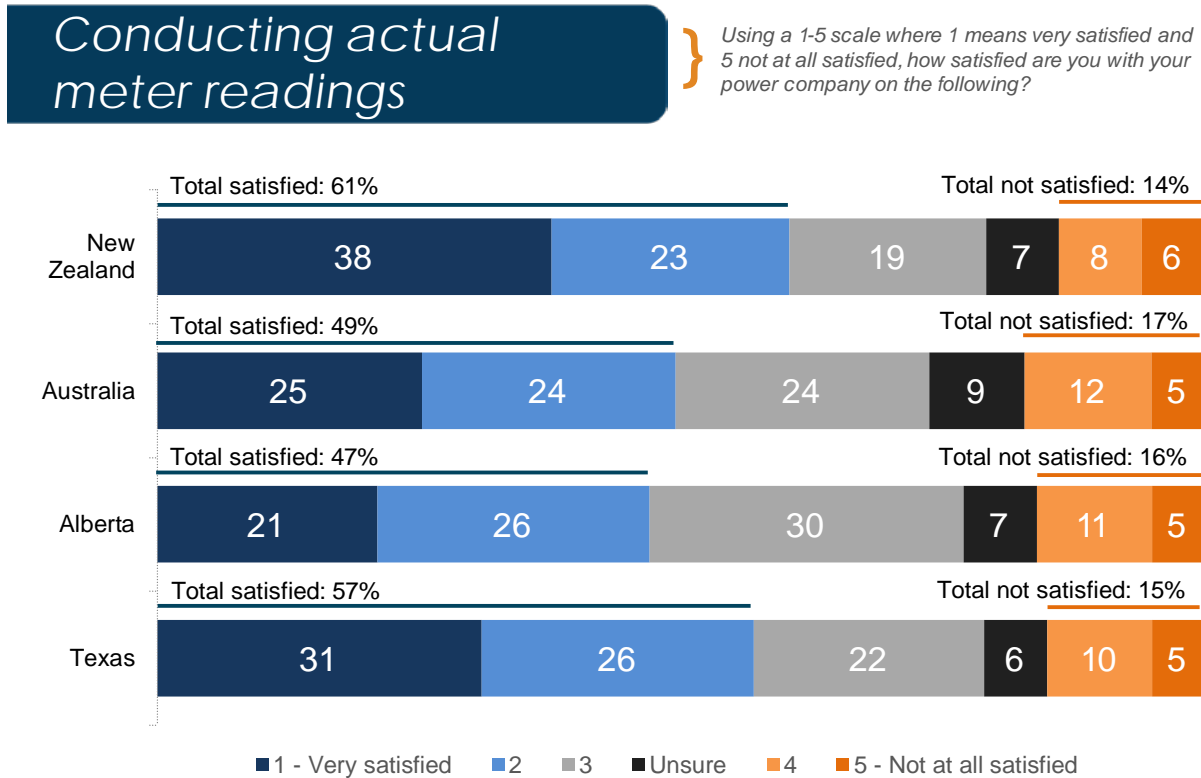
In all markets, households with lower power bills were more likely to be satisfied with overall service.

In New Zealand, younger respondents 18-29 years of age were more likely to be satisfied with the general overall service of their power company.

In a reverse trend, in Australia and Texas, older respondents were more satisfied with overall service.

### 3.1.3 Satisfaction with conducting actual meter readings

The ratings of satisfaction with ‘conducting actual meter readings not estimates’ showed a similar trend with New Zealand and Texas recording more intensely positive satisfaction than other markets but similar levels of dissatisfaction.



Base: All respondents (n=1000)

Figure 3: Graph of satisfaction with conducting actual meter readings

#### Demographic differences

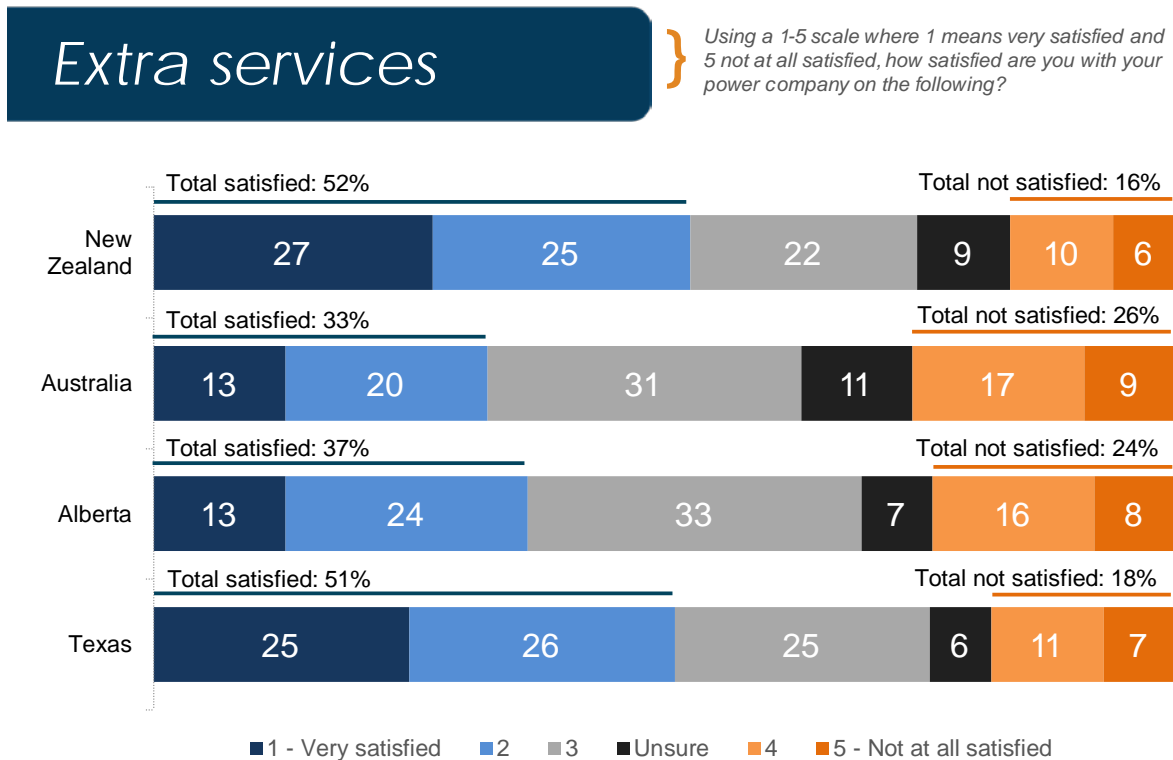
In New Zealand and Australia, households with lower power bills were more likely to be satisfied with their company’s performance in conducting actual meter readings than those with higher power bills

In New Zealand and Alberta, those aged 60 years or more were more likely to be satisfied with meter readings.

In Australia and Texas, there was a general trend by age with older respondents more satisfied with meter readings than younger respondents.

### 3.1.4 Satisfaction with extra services

There was slightly more differentiation across the different markets on 'provision of extra services' with higher dissatisfaction with this aspect in Australia and Alberta.



Base: All respondents (n=1000)

Figure 4: Graph of satisfaction with extra services

#### Demographic differences

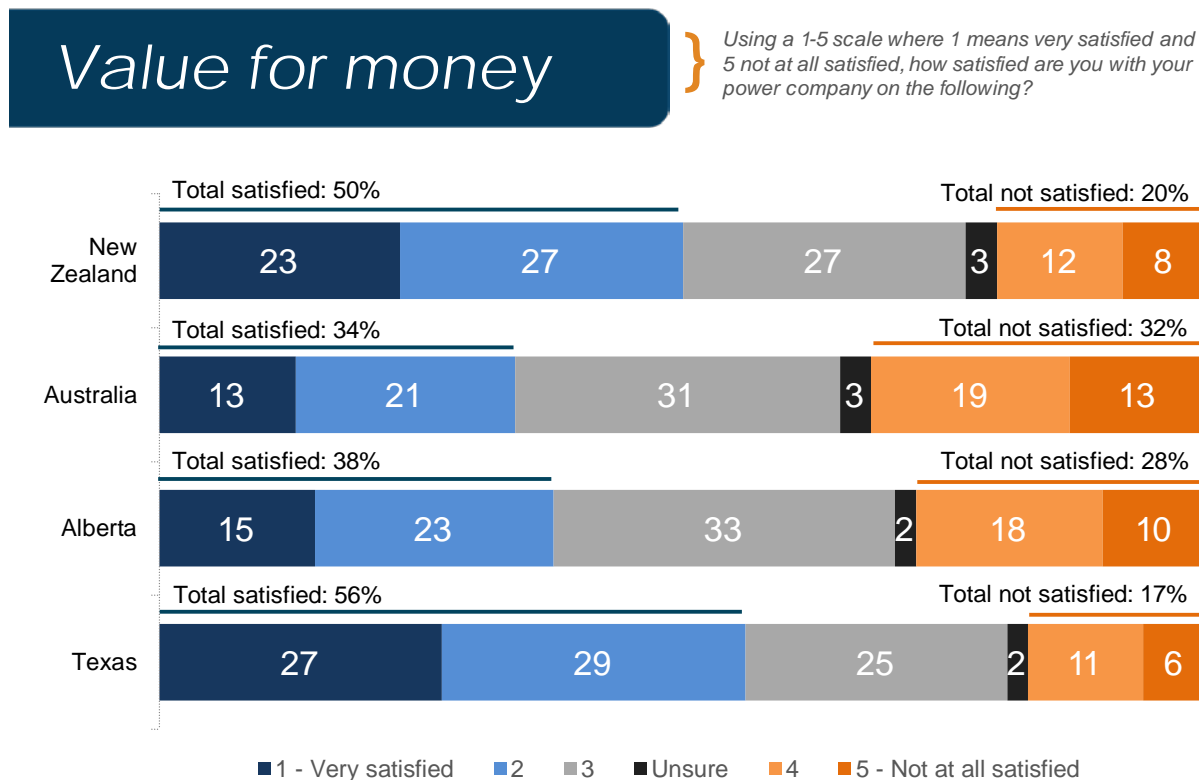
In New Zealand, younger respondents were more satisfied with their power company regarding the provision of extra services compared to older respondents.

Households with lower power bills were, again, more likely to report satisfaction with their power company on this measure.

There was little differentiation across demographics for this indicator in other markets.

### 3.1.5 Satisfaction with value for money

Views of whether their power company provided ‘value for money’ varied across different countries. Australians were the most dissatisfied (32%). Alberta also recorded high dissatisfaction at 28%, followed by New Zealand and Texas at 20% and 17% respectively.



Base: All respondents (n=1000)

Figure 5: Graph of satisfaction with value for money

#### Demographic differences

In New Zealand and Texas, respondents 60 years of age and over were more likely to be satisfied with the perceived value provided by their power company.

In New Zealand and Australia, those who spend less per month on power were more likely to be satisfied they were getting value for money than those paying higher bills.

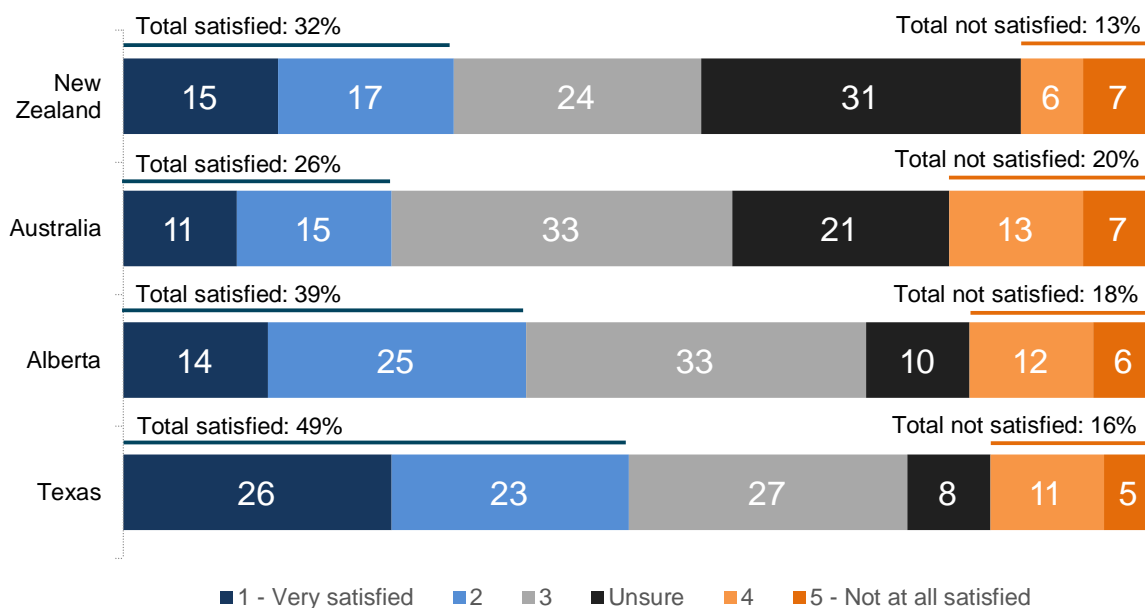
### 3.1.6 Satisfaction with commitment to community

There was lower awareness of community support in New Zealand and Australia with higher level of ‘unsure’ responses when asked to rate satisfaction with their power company on their ‘commitment to the local community’.

Texas again remained the most satisfied of all the markets, followed by Alberta, New Zealand and Australia on this aspect.

## Commitment to local community

Using a 1-5 scale where 1 means very satisfied and 5 not at all satisfied, how satisfied are you with your power company on the following?



Base: All respondents (n=1000)

Figure 6: Graph of satisfaction with commitment to local community

### Demographic differences

In New Zealand, those on lower household incomes were generally also more likely to be satisfied with their power company's commitment to the local community.

In Australia, households with lower power bills were more likely to be satisfied than those with higher power bills.

In Texas, there was a trend by age with older respondents more satisfied than younger respondents.

## 3.2 General view of power companies

Some perceptions about power companies were tested in the surveys, which highlight some potential barriers to switching power companies.

In Australia and Alberta, there were higher levels of agreement<sup>3</sup> for a number of statements that could limit perceptions that switching power companies is worthwhile or easy. There was higher agreement in these countries for 'power companies are much the same, the price is the only factor that can be different', 'I don't trust power companies that promise a better deal as they all end up charging the same', 'I don't like signing contracts as I'm worried about the fine print', and 'power bills are confusing and hard to understand so it's hard to know if you're on the best deal'.

<sup>3</sup> 'Agreement' was rated by combining '5+10' on a 0-10 scale where 0 means 'strongly disagree' and 10 'strongly agree'

Highlighting another potential barrier to switching, there was lower agreement to 'it's easy to switch power company' in most markets. New Zealand showed a marked difference on this indicator, with much higher agreement that it is easy to switch, which may be a reflection of activity by the Authority in encouraging switching in recent years.

There appears to be opportunity to move more to switch in all countries as there was reasonably strong agreement to 'big companies only care about making profits', 'you can save money by switching power company' and 'I have no loyalty to my power company'.

## ■ Demographic differences

Across all markets, those who had switched provider in the past two years were more likely to agree with statements that backed up the ease and benefit of switching such as 'it's easy to switch power company', and 'you can save money by switching power company'.

In Australia, those that lived in Western Australia and Tasmania, ACT or Northern Territory were less likely to agree that 'it's easy to switch power company'. Those living in Victoria were more likely to agree that 'you can save money by switching power company', indicating there may be quite different retail environments in these States.

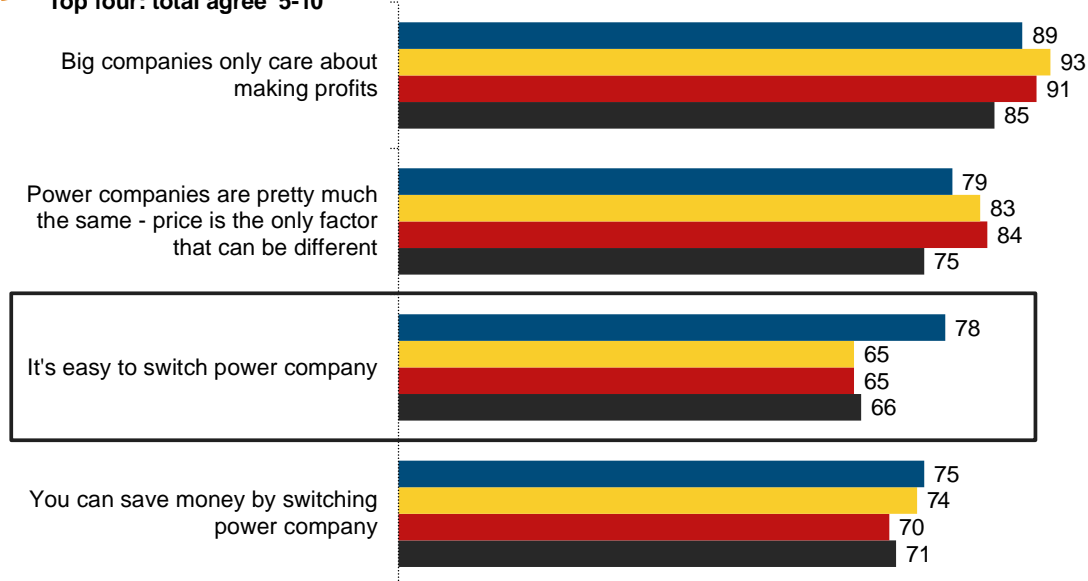
In Australia and Alberta, there was also a trend by age for this statement where younger respondents were more likely to believe savings could be made than older respondents.

In Texas, residents of San Antonio and smaller population centres were less likely to believe it was 'easy to switch power company'. Males were also more likely than females to believe savings could be made by switching power company, while those aged 60 or more believed savings were less likely.

## Attitudes towards power companies – top four

} Now here are some things people sometimes say. Using a 0-10 scale, where 0 means 'strongly disagree' and 10 means 'strongly agree' how much do you disagree or agree with the following statements:

### Top four: total agree '5-10'



Base: All respondents (n=1000)

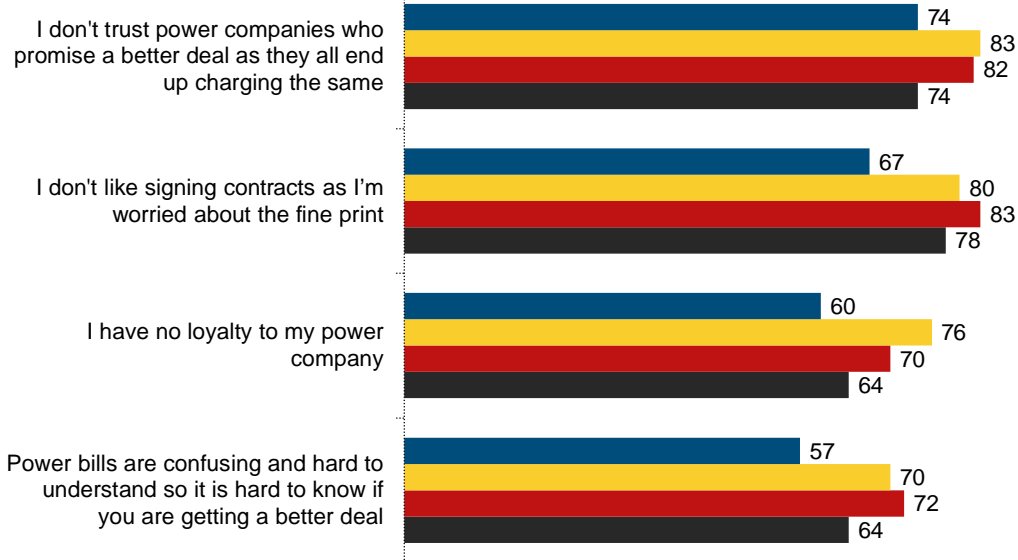
■ New Zealand ■ Australia ■ Alberta ■ Texas

Figure 7: Graph of attitudes towards power companies – top four

## Attitudes towards power companies - others

Now here are some things people sometimes say. Using a 0-10 scale, where 0 means 'strongly disagree' and 10 means 'strongly agree' how much do you disagree or agree with the following statements:

### Bottom four: total agree '5-10'



Base: All respondents (n=1000)

■ New Zealand ■ Australia ■ Alberta ■ Texas

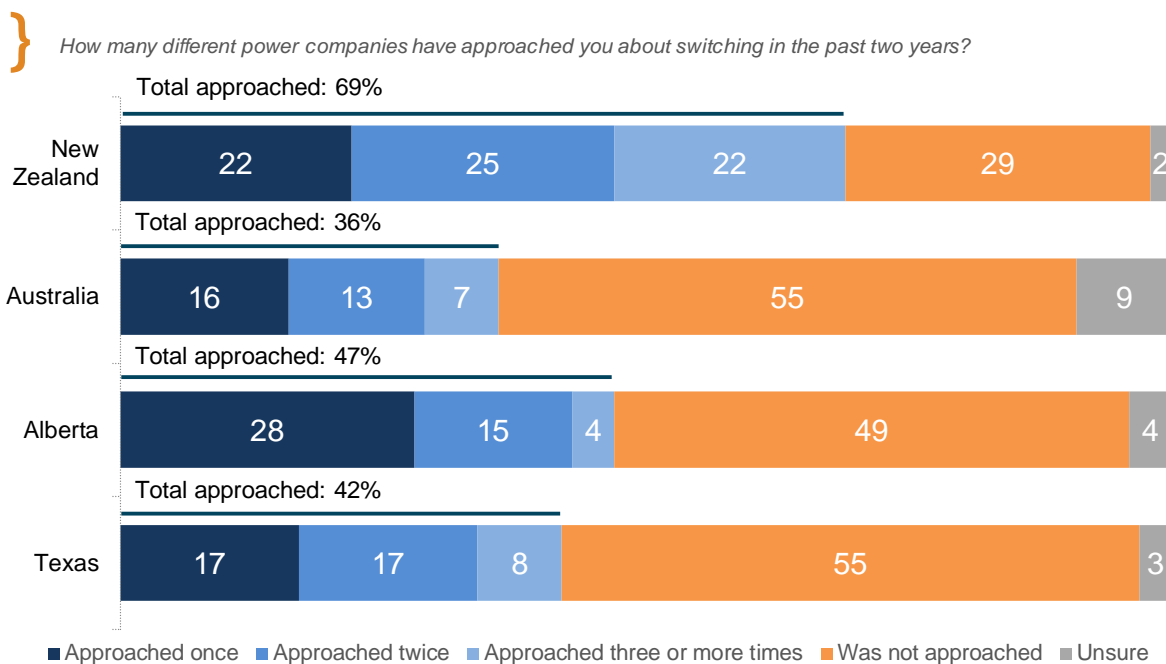
Figure 8: Graph of attitudes towards power companies - others



### 3.3 Retailer activity

Competitive activity appeared stronger in New Zealand than in other countries. In New Zealand, 69% of households had been approached about switching by at least one power company in the past two years, which contrasted with 36% in Australia, 47% in Alberta and 42% in Texas.

## Retailer activity



Base: All respondents (n=1000)

Figure 9: Graph of number of power companies that approached consumers to switch

#### Demographic differences

In New Zealand and Australia, there was little evidence to indicate that retailers were targeting approaches to high power users. However, in Alberta and Texas, there was a trend by bill size where higher power users were more likely to have been approached.

In all markets, the results suggest that approaching households as a switching strategy does work with those having changed power companies more likely to have been approached and also with greater frequency.

There appeared to be some regional targeting by retailers in Australia, Alberta and Texas.

In Australia, Victorian residents were more likely to have been approached while residents from Queensland, Western Australia and Tasmania, ACT or Northern Territory were less likely.

In Alberta, residents of smaller population centres were less likely to have been approached and females were less likely to recall being approached than males.

In Texas, residents in the Dallas and Houston areas were more likely to have been approached than in San Antonio or smaller population centres.

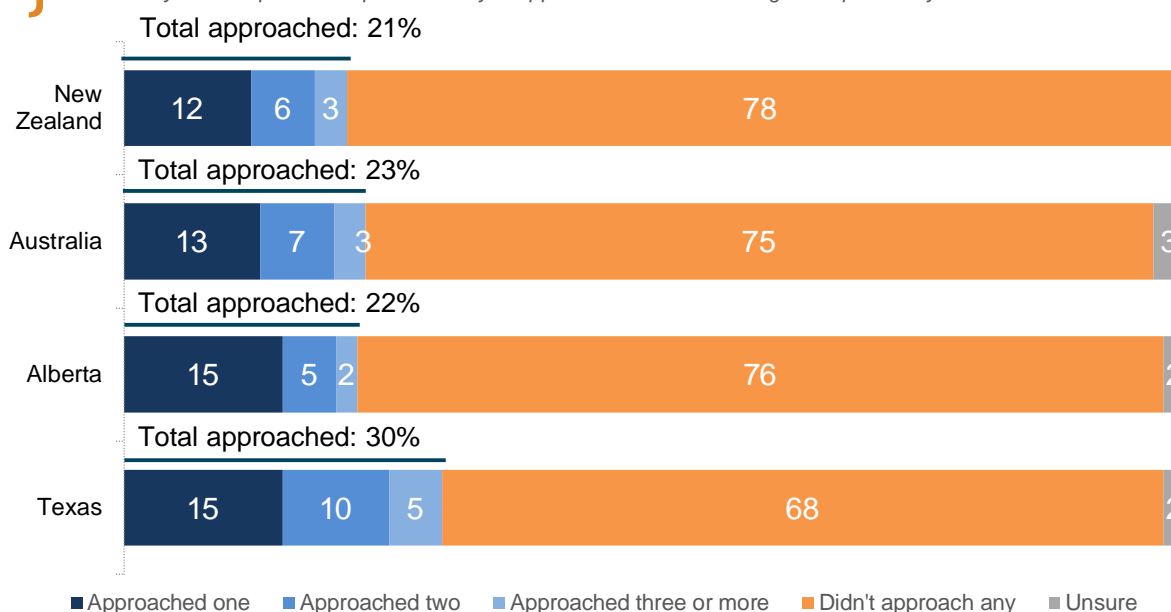
## 3.4 Consumer activity

Proactive approaches by consumers were similar across all countries, with around a fifth claiming to have approached a different power company about switching in the past two years. There was a greater number of those who said they had approached a retailer about switching in the past two years in Texas where 30% claimed to have approached at least one retailer. In New Zealand, Australia and Alberta, this was 21%, 23% and 22% respectively.

### Consumer activity



How many different power companies have you approached about switching in the past two years?



Base: All respondents (n=1000)

Figure 10: Graph of number of power companies that consumers approached to switch

### Demographic differences

In all markets, there was a trend by age where younger respondents were more likely to have approached a company than older respondents.

In all markets except Australia, those that spend over \$300 per month on power were more likely to have approached different power companies concerning switching in the past two years.

In Australia, those living in Victoria were more likely to have approached a power company about switching, while those living in Western Australia were less likely.

In Alberta, males were more likely to have approached a power company than females.

In Texas, residents in the Dallas and Houston areas were more likely to have approached a power company about switching than in San Antonio or smaller population centres. Males were also more likely to claim they approached a company than females.

# Shopping and switching behaviour

## 4.1 Shopping around

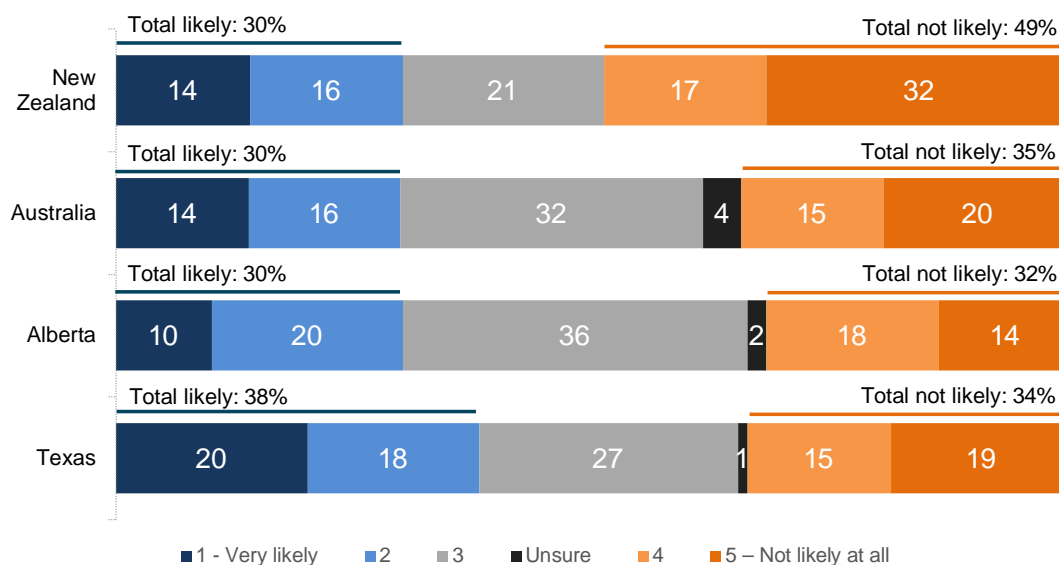
### 4.1.1 Shopping around

Nearly a third (30%) in New Zealand, Australia and Alberta claimed to be likely<sup>4</sup> to shop around for the best power deal. Residents in Texas seemed more cost conscious with 38% likely to seek out the best deal.

Half (49%) of households in New Zealand reported not being likely<sup>5</sup> to shop around for the best power deal, which was higher than in Australia (35%), Alberta (32%), and Texas (34%). This may be a reflection of fact that in New Zealand more consumers are directly approached by power companies to switch.

### Likelihood of shopping around

} Using a 1 to 5 scale where 1 is very likely and 5 is not likely at all – how likely are you to shop around for the best power deal?



Base: All respondents (n=1000)

Figure 11: Graph of likelihood of shopping around for best power deal

4 Those 'likely' are rated by combining '1+2' on a 1-5 scale where 1 means 'very likely' and 5 'not likely at all'  
 5 Those 'not likely' are rated by combining '4+5' on a 1-5 scale where 1 means 'very likely' and 5 'not likely at all'

## ■ Demographic differences

There was a trend by power costs across all markets - households with higher power bills were more likely to shop around than those with lower power bills.

In New Zealand, younger respondents were more likely to say they might shop around than older respondents. Those on very low household incomes (\$20,000 or less) were more likely to say they would not shop around for the best power deal.

In Australia, Alberta and Texas, those aged 60 years or more were less likely to shop around.

In Australia and Texas, males were more likely than females to say they would shop around.

In Texas, residents in the Houston area were more likely to shop around.

### 4.1.2 Frequency of reviewing deal

Of those that reported they were likely to shop around for the best deal, or were neutral towards the idea, the most common frequency of shopping around and reviewing which company has the best deal was generally once every two years or more with around two-fifths choosing this option (apart from in Texas, which was more likely to be annually)

However, across those that were likely to shop around, a clear majority in all markets would check their deal at least annually. Around a fifth in all markets would check every six months or less.

#### Frequency of reviewing which power company has the best deal

<i>Generally how often do you shop around and review which power company has the best deal?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>651</b>	<b>656</b>	<b>614</b>	<b>514</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
At least once a month	5	3	1	2
Around every three months	5	5	5	4
Around every six months	13	11	11	14
<b>Every six months or less</b>	<b>23</b>	<b>19</b>	<b>17</b>	<b>20</b>
Once a year	34	29	27	34
Once every two years or more	31	40	39	41
Unsure	12	13	16	5

Base: Those that are likely to or neutral in opinion towards shopping for the best deal

*Table 1: Frequency of reviewing which power company has the best deal*

## ■ Demographic differences

In New Zealand, Alberta and Texas, males were more likely than females to say that they review power company deals at least once a year.

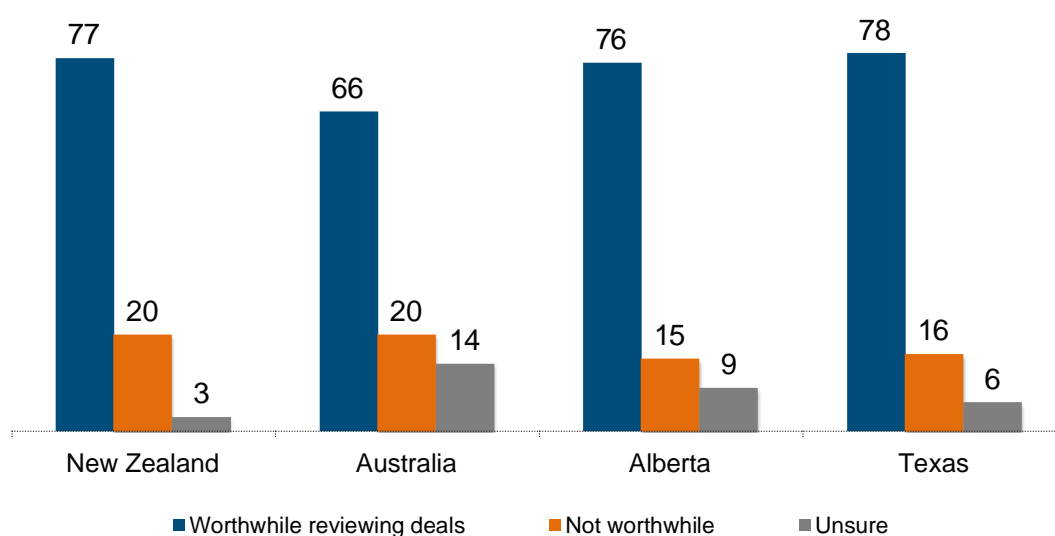
### 4.1.3 Beliefs about shopping around

Around three quarters of respondents in New Zealand, Alberta, and Texas believe it was worthwhile reviewing which power companies gave the best deals – indicating an opportunity to stimulate more competitive activity.

This was lower in Australia at 66%, although there was higher levels of those ‘unsure’ in this market. However, it does indicate a potentially lower belief in potential savings.

## Worthwhile reviewing best power deals

} Do you think it is worthwhile reviewing which power company can offer you the best deal?



Base: All respondents (n=1000)

Figure 12: Graph of whether worthwhile reviewing best power deals

#### Demographic differences

In all markets, there was a trend evident by household bill with those having higher power bills more likely to believe it worthwhile to review deals than those with lower power bills.

In New Zealand and Texas, those aged 60 or more were significantly less likely to believe it was worthwhile reviewing which power company gave the best deal.

In a similar vein, in Australia and Alberta, there was a trend by age where younger respondents were more likely to believe it was worthwhile to review power deals than older respondents.

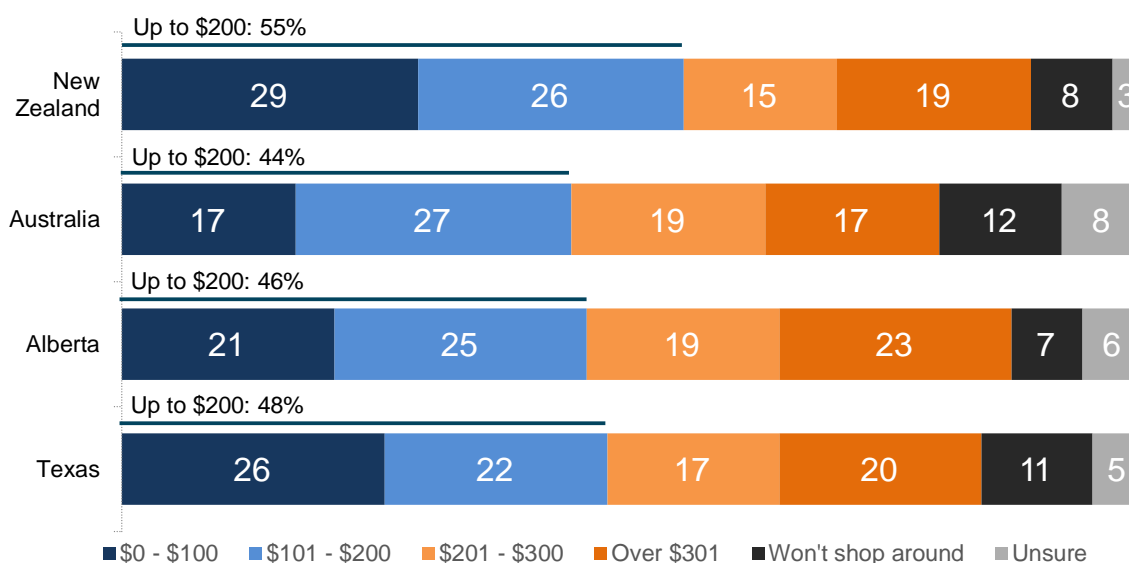
In Australia, Alberta and Texas, there was also a trend by income with those on higher incomes more likely to believe it was worthwhile compared to those on lower incomes.

## 4.1.4 Savings needed to shop around

New Zealand and Texas residents seem more price sensitive, when asked the level of savings required to make it worthwhile to shop around on an independent price comparison website, a greater proportion from this market were likely to say annual savings of \$100 or less would make it worthwhile. New Zealanders appear overall to be content with lower annual savings while Alberta wanted greater savings.

### Savings needed to shop around

How much would you need to save off your annual/yearly power bill to make it worthwhile shopping around on a free and independent price comparison website?



Base: All respondents (n=1000)

Figure 13: Graph of saving needed to be worthwhile shopping around

### Demographic differences

Across all markets those on high incomes and with power bills of over \$300 per month would need higher savings to be seen as worthwhile to shop around on a price comparison website.

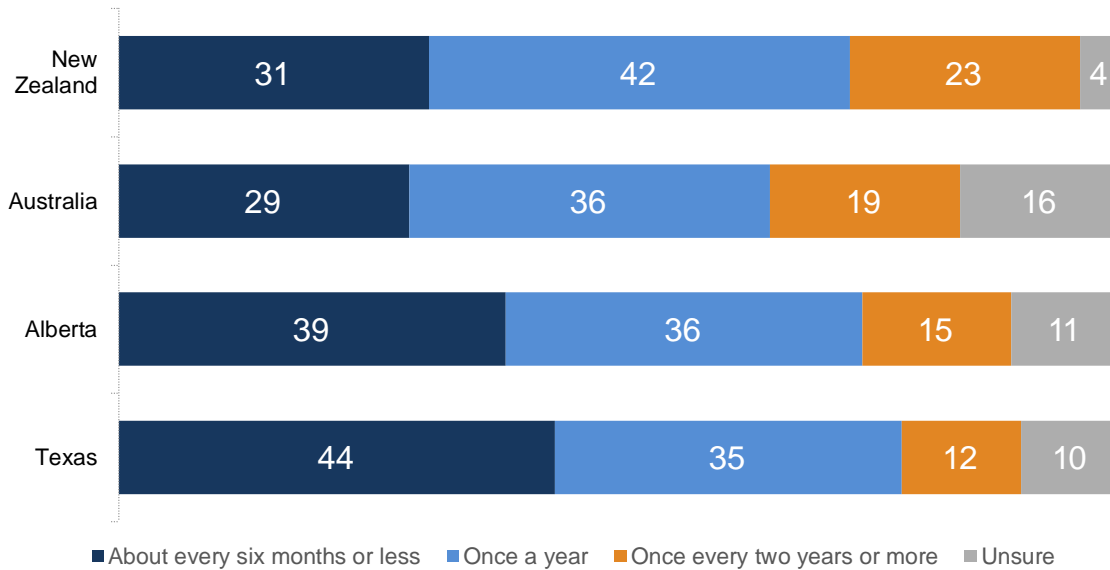
## 4.1.5 Ideal frequency of review

Around three quarters of households in New Zealand, Alberta, and Texas favoured reviewing their power company annually or more frequently with a significant minority (between 31% to 44%) believing a review every six months or more is ideal.

Australians were less in favour of frequent reviews with 65% favouring at least an annual review, of these 29% preferring to review every six months or less. Although with higher 'unsure' ratings, there may be some evidence that shopping around is not entrenched behaviour.

## Ideal frequency for reviewing power deal

} How often do you think you should review your power company to see if you have got the best deal?



Base: All respondents (n=1000)

Figure 14: Graph of ideal frequency for reviewing power deal

### Demographic differences

Across all markets, there appeared to be a trend by age with younger respondents more likely to believe power companies should be reviewed at least once per year compared to older respondents.

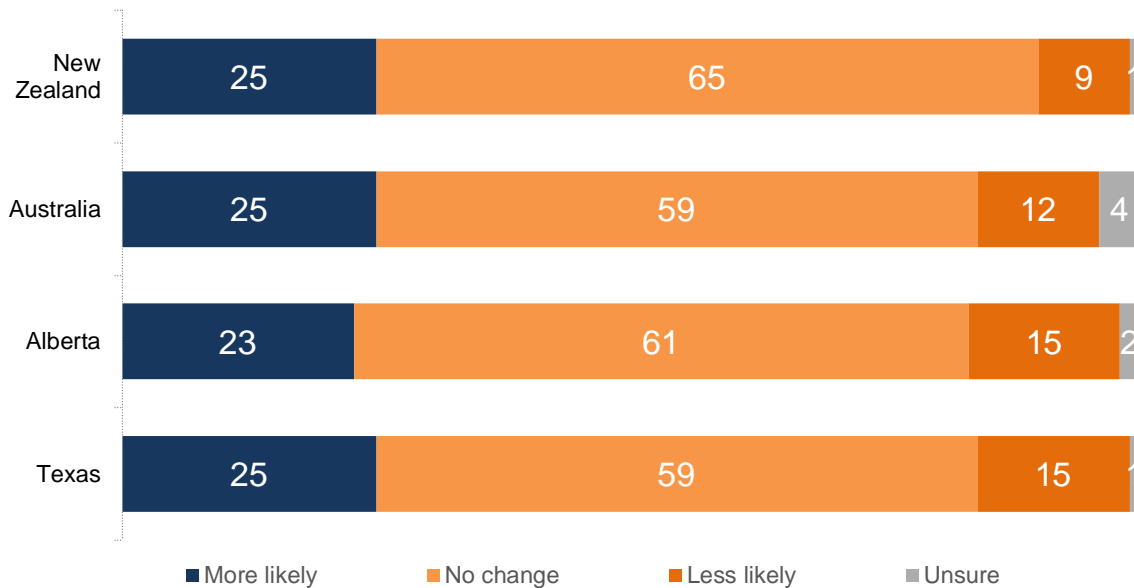
#### 4.1.6 Change in shopping behaviour

Around a quarter of respondents in all markets, claimed to have become more likely to shop around for the best power deal over the past two years, while a clear majority felt that their propensity to shop around had not changed in that period.

Slightly higher proportions in Australia, Alberta, and Texas stated that they have become less likely to shop around at 12%, 15%, and 15% respectively, compared to New Zealand on 9%.

# Change in likelihood to shop around

Over the past two years, have you become more likely or less likely to shop for the best deal for power, or has there been no change in what you do?



Base: All respondents (n=1000)

Figure 15: Graph of whether likelihood of shopping around has changed

## Demographic differences

In all markets, those with high power bills (over \$300 a month) claimed their propensity to shop around had increased.

In Australia, those living in Victoria claimed likelihood to shop around had increased over the past two years.

In Texas, those aged between 30-44 years felt their likelihood of shopping around had increased.

## 4.2 Switching and its frequency

### 4.2.1 Attitudes to switching

Switching potential was high in all markets. The large majority – were either actively looking to switch, intend to switch soon or would switch for a better deal or better service. Around a third were not interested in switching power companies at all.

The largest proportions of respondents open to switching were those that are not actively looking, but would switch if approached with a cheaper deal. While this trend holds true for all markets, this proportion is larger in New Zealand perhaps indicating the level of proactive approaches many are getting from power companies.

Intentions to proactively switch appeared higher in Australia, Alberta, and Texas.



# Attitudes to switching power company

} Please tell me which of the following statements is most applicable to you?

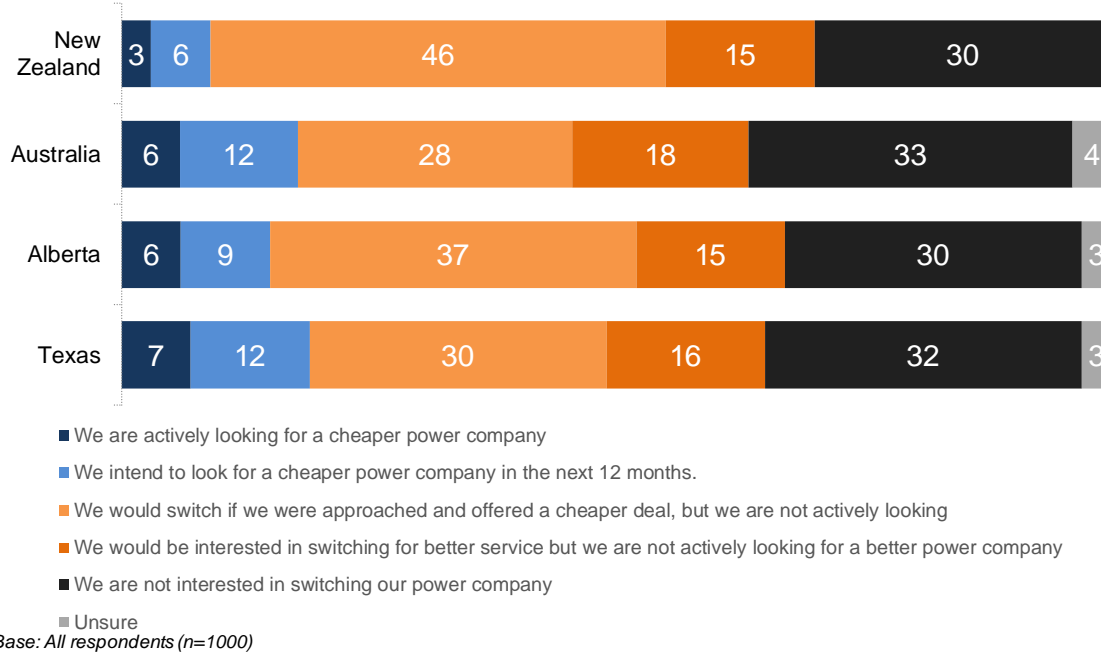


Figure 16: Graph of consumer attitudes to switching power companies

## Demographic differences

In all markets, those aged 60 years or older were less interested in switching power company.

In New Zealand and Australia females were less likely than males to be interested in switching power companies.

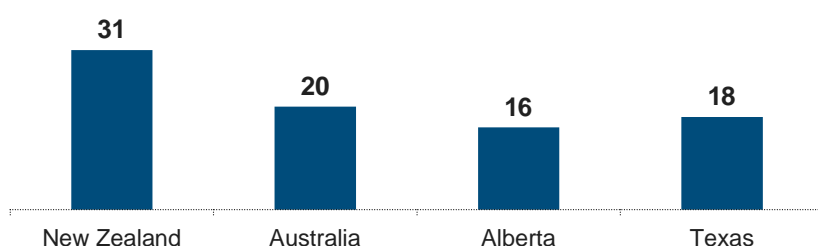
In Australia, other groups that recorded greater reluctance to switch were those living in South Australia and households with bills of less than \$100 a month.

## 4.2.2 Switching behaviour

Declared switching over the past two years was significantly higher in New Zealand with 31% claiming to have switched. Equivalent figures in Australia, Alberta, and Texas were 20%, 16%, and 18% respectively.

### Switching power companies

} Have you changed your power company in the past two years?



Base: All respondents (n=1000)

Figure 17: Graph of switching behaviour

#### ■ Demographic differences

In most markets, there were few differences evident in the proportion that had changed power companies across key demographics like gender, age, and household incomes.

In Australia, declared switching was higher in Victoria.

In Alberta, declared switching was higher in smaller population centres with less than 100,000 people, those aged 18-29 years, and with power bills of more than \$300 a month.

In Texas, declared switching was higher in the Dallas region.

## 4.2.3 Switching frequency

Of those that had switched power companies in the past two years, the most common number of times households had switched companies was generally consistent across all markets with between 80% to 87% having switched once.

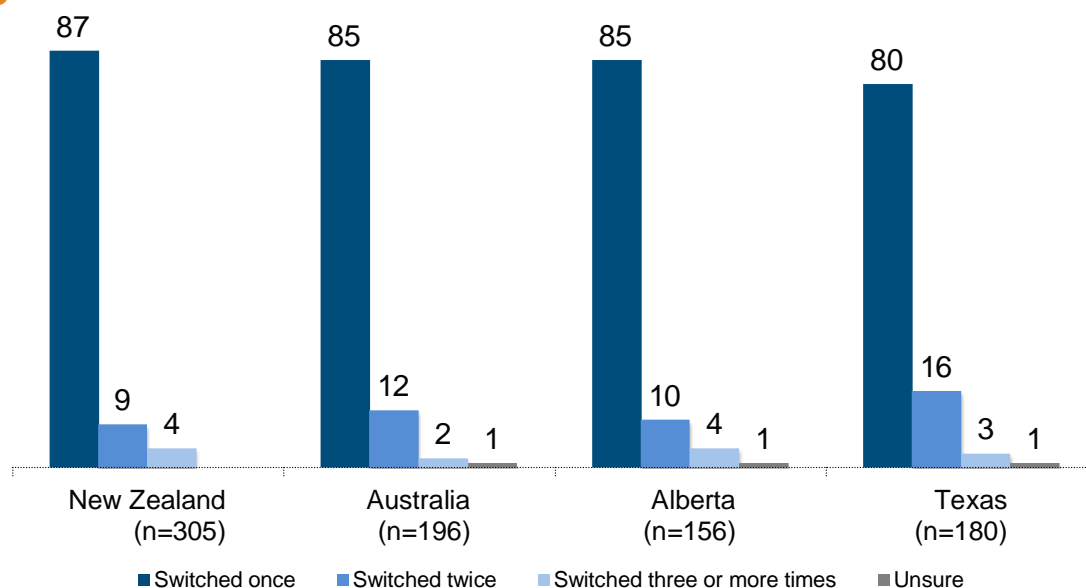
Switching appeared slightly more frequent in Texas, with 16% having switched twice in the past two years.

There was little differentiation by demographics across all markets due to small sub-samples.

Higher switching may be due to a number of factors including more aggressive competition by retailers, perceived ease of switching, and promotion of switching or checking behaviour by the Authority, which are all evident in the New Zealand market.

# Frequency of switching

} How many times have you switched power companies in the past two years?



Base: Respondents that have changed power companies in the past two years

Figure 18: Graph of switching frequency

## 4.2.4 Drivers for switching

Being approached by another company was the main motivation to switch in New Zealand and Alberta. However, New Zealand remains the most likely to wait for an approach by another company further evidence of greater competitive activity shown by retailers.

In Australia, households were more polarised between being motivated by direct approaches and using a price comparison website.

In Texas, the largest proportion was motivated to switch by using a price comparison website, followed by direct approaches. This shows entrenched behaviour regarding the use of a price comparison website when looking to switch power companies.

There were higher nominations of 'other' in Australia, Alberta, and Texas. In Australia this 'other' category was mainly made up of people that have been motivated to switch because they had moved house or because the company they had been with had merged or been taken over by another company.

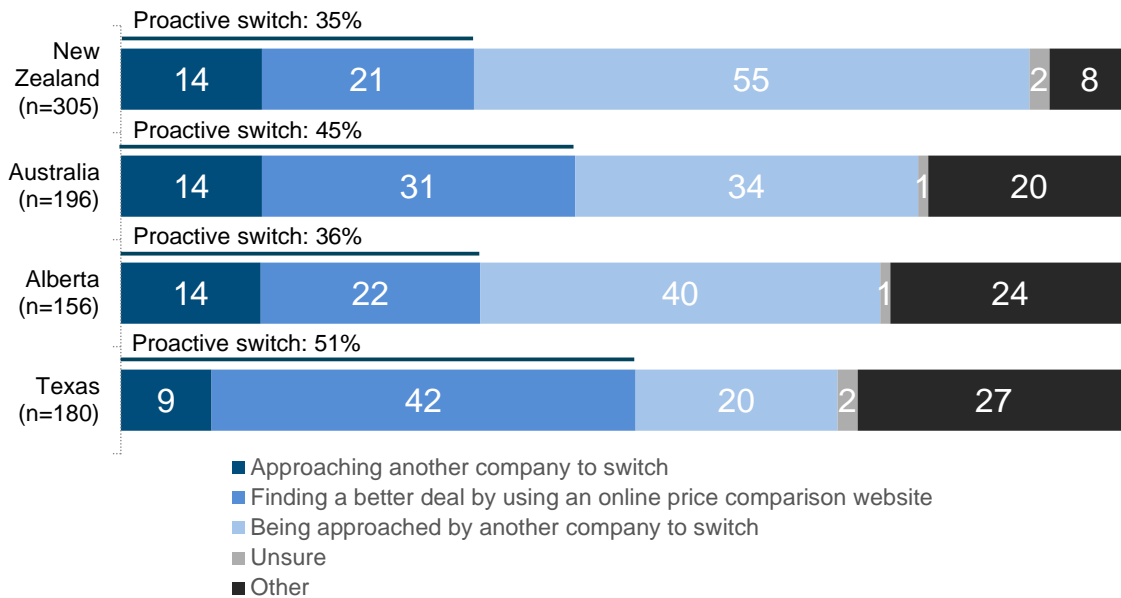
In Alberta and Texas, the 'other' category was mainly dominated by those that had moved house.

There was little differentiation by demographics across all markets due to small sub-samples.

# Motivation for change



On the most recent occasion you changed power company did you change as a result of...



Base: Respondents that have changed power companies in the past two years

Figure 19: Graph of motivation for switching

## Key reasons for switching

The predominant driver for switching was consistent across all countries, namely, being approached by another power company with a better deal. In New Zealand this was followed by receiving a high bill from their previous power company and switching when moving home.

In Texas and Alberta, moving home was a stronger motivator and ranked a clear second after switching for a financial incentive.

In Australia being offered a financial incentive was the clear driver for switching, with other drivers scoring much lower.

## Reasons for switching power company

<i>What were your reasons for switching power company on the most recent occasion that you switched?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>180</b> %	<b>156</b> %	<b>196</b> %	<b>305</b> %
A financial incentive or better deal from the power company	45.6	38.9	56.8	63.6
High bill from your previous power company	8.9	4.4	6.3	19.3
Moved home	22.4	19.8	8.5	8.2
Poor customer service from previous power company	2.3	4.6	5.1	2.5
Visit to price comparison website	-	1.5	0.5	2.5
Power company offers flexibility on when or how to pay	0.5	0.6	1	1.6
Recommendation from friends or family	1.7	-	0.5	1.5
Inaccurate billing from previous company	-	1.6	3.3	1.3
Power company also supplies gas and offers a discount for having both gas and electricity on the one bill	-	-	-	1.1
Energy saving advice from a power company	-	-	-	0.8
Desire to have gas and electricity with the same supplier	-	3.7	1	0.7
Wanted a power company who produces electricity from sustainable sources	0.6	0.9	0.5	0.7
Company closed/ was overtaken by another company	1.1	-	6.6	0.7
Solar power wasn't compatible with previous company	-	-	1.6	0.6
Visit to power company website	-	-	-	0.2
Better solar power rebate	-	-	2.4	-
Offered a fixed rate or cap	-	4.6	-	-
There was no choice (e.g. landlord did it, service cancelled)	2.2	2.9	-	-
Better service provided, old company had outages	1.1	5.8	-	-
New company had a points scheme (e.g. frequent flyer)	2.2	-	-	-
Other	3.5	5	2	2.9
Unsure	10.7	10.5	8.7	-

Base: Respondents that have changed power companies in the past two years

NB: Multiple response question

*Table 2: Reasons for switching power company*

## 4.2.5 Ease of switching

A majority of those that switched power companies in the past two years found it to be an easy process. However, perceived ease of switching was stronger in New Zealand where 92% claimed to find it easy<sup>6</sup>. This compared with 71% in Australia, 76% in Alberta and 75% in Texas.

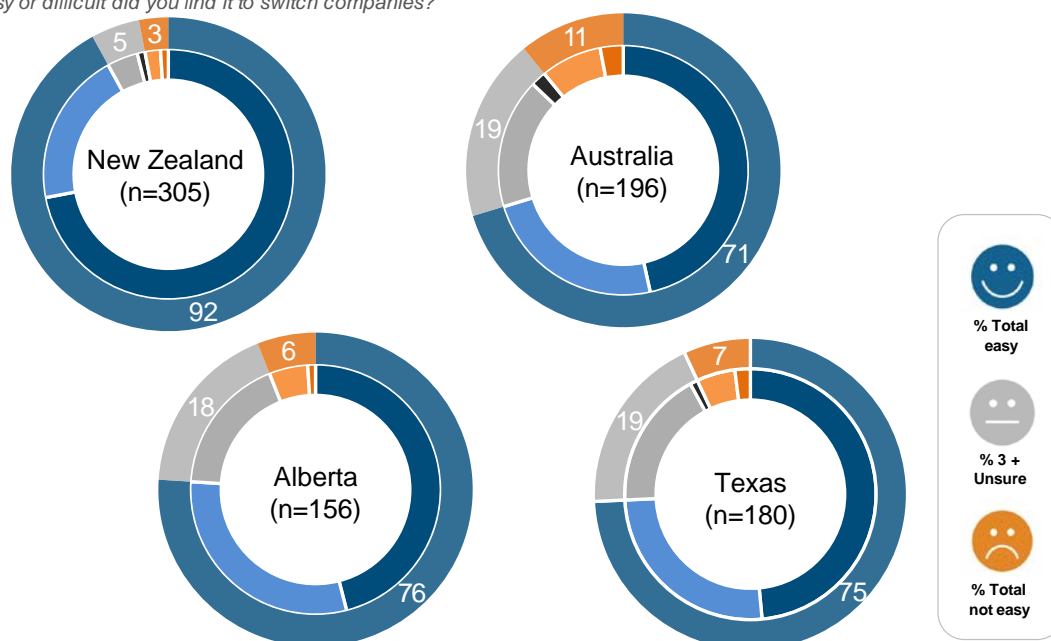
However, most of this difference can be attributed to a greater proportion stating a neutral '3' response in this market, reflecting an 'adequate' score but not necessarily an easy process.

Australia showed a greater level of problems with switching with 11% declaring the process not easy<sup>7</sup>.

There was little differentiation by demographics across all markets due to small sub-samples, apart from in Texas, where those aged 18-29 years were less likely to find it easy to switch.

### Ease of switching

On the most recent occasion you switched, using a 1-5 scale where 1 means very easy, and 5 very difficult, how easy or difficult did you find it to switch companies?



Base: Respondents that have changed power companies in the past two years

Figure 20: Graph of ease of switching

6 Those who 'find it easy' are rated by combining '1+2' on a 1-5 scale where 1 means 'very easy' and 5 'very difficult'

7 Those who 'find it not easy' are rated by combining '4+5' on a 1-5 scale where 1 means 'very easy' and 5 'very difficult'

## ■ Key reasons not easy to switch

The small minority who did not find it easy to switch cited a range of issues with no particular issue being highlighted. In New Zealand main issues were with delays in switching over and issues with miscommunication.

In Australia, there were issues with miscommunication and complaints that it was a time consuming process. In Alberta, the issues were with difficulty filling out paperwork and difficulty choosing a provider. While in Texas, reasons were very spread and included miscommunication and difficulty choosing a provider.

### Reasons for not finding it easy to switch power companies

<i>What were the reasons why you did not find it easy to switch?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>45</b>	<b>37</b>	<b>54</b>	<b>22</b>
	<i>n=</i>	<i>n=</i>	<i>n=</i>	<i>n=</i>
Long delay in switching over	-	-	-	7
Issues with miscommunication	4	5	9	5
Difficulty in filling out forms or too many forms to fill out	2	6	5	3
The hassle of changing over automatic payment or direct debits	1	1	2	3
Queuing on the telephone to make the switch	-	-	2	2
Problems with invoices	1	-	4	1
A time consuming process	2	1	9	-
Money issues (paying final fee to previous company/setup fee)	3	1	1	-
Difficult choosing who to switch to	4	6	3	-
New company played difficult (e.g. tried to change the deal)	-	-	2	-
Other	6	3	3	1
Unsure	21	13	18	1

Base: Respondents who have changed power companies in the past two years and rated the level of difficulty '4' or '5 - Very difficult'

NB: Multiple response question

*Table 3: Reasons for not finding it easy to switch power companies*

## 4.2.6 Barriers to switching

There were marked differences in New Zealand when comparing barriers to switching. In New Zealand the key reasons for not switching were satisfaction with the level of service they received from their current power company, along with satisfaction with the price charged by their current company.

In Australia, Alberta and Texas, the key reasons given for not switching were satisfaction with the service from their current provider followed by a perceived lack of choice in their area.

Satisfaction with pricing appeared to be a stronger deterrent in New Zealand and Texas which may be driven by perceptions the market was more competitive.

## Reasons for not switching power company

<i>What are your main reasons for not switching?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>820</b>	<b>844</b>	<b>804</b>	<b>695</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Happy with service from current power company	31.7	26.1	21.9	40.8
Happy with price of current power company/current power company will match any deals	17.4	11	11.2	28.2
Switching seemed too much hassle	4.7	9.4	8.5	13.2
Too busy to investigate the best deals available	0.9	1.5	1.5	5.9
Did not trust there would be real gains from switching	1.8	7.7	8.7	5.2
Offer(s) were no cheaper	1.1	1.1	2.1	4.5
Have not got round to looking into this	1.1	1.2	1.8	3.4
Lack of information on best deals available	0.4	1.8	2.5	2.3
Was already locked into a contract	2.1	3.1	1.8	1.8
No other power company would take on my household	-	-	-	1.2
Current power company made a counter offer when I mentioned I was going to switch	-	0.2	0.6	0.8
Concerned there might be a problem with continuity of supply if we switched	-	-	0.3	0.7
Did not want to get locked into a contract	-	1.6	0.5	0.4
Have other services with the company	-	0.8	0.4	0.4
No other options/ limited choice of companies	20.7	11.5	17.9	0.4
Concern about losing the rebate from the community owned lines company	-	-	-	0.3
Electricity is such a small cost to my household it's not worth it	-	0.3	0.4	0.3
Concern about connection or disconnection fees	1.2	0.5	0.3	0.1
Have solar panels and happy with the tariff/discount received	-	-	3.6	-
Renting or live in apartment and have to use specified provider	0.9	1.1	1.2	-
No reason to change	8.3	7.1	8.1	-
I am in a cooperative	1.1			-
Unsure	12.7	20.2	11.8	1.6
Other	1.1	1.1	1.2	4.3

Base: Respondents that have not changed power companies in the past two years

NB: Multiple response question

*Table 4: Reasons for not switching power company*



## 4.3 Views of switching

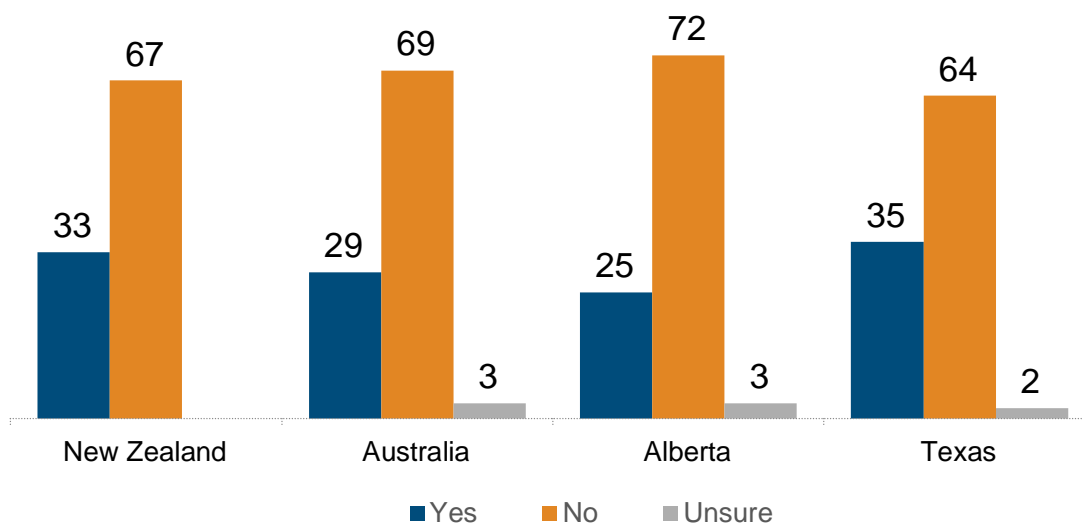
### 4.3.1 Sought information to inform switching decision

Residents in New Zealand and Texas were more likely to have looked for information in the past year to help them make a decision about switching power companies with 33% and 35% having sought information respectively.

In Australia and Alberta, equivalent figures were 29% and 25%.

## Sought information in past year

} Regardless of whether you have switched or not - have you looked for any information in the last 12 months to help you make a decision about switching your power company?



Base: All respondents (n=1000)

Figure 21: Graph of whether sought information to inform switching decision

#### ■ Demographic differences

As expected, in all markets, those that had changed provider in the past two years were more likely to have sought information.

In New Zealand, respondents between the ages of 18 and 44 were more likely to have sought information about switching and those 60 and over were less likely. Those with low household incomes were also less likely to have sought information. Those that spend less than \$100 per month on power were also less likely to have looked for information.

In Australia, those living in Victoria and earning over \$70,000 per annum were more likely to have sought information.

In Alberta, males and those with power bills of more than \$300 a month were more likely. There was also a trend by age with younger people more likely than older to have sought information.

In Texas, those living in the Houston region, males, and those earning over \$70,000 per annum were more likely to have sought information.

### 4.3.2 Information sources

Of those that had looked for information in the past year, the most commonly used information in New Zealand was an independent consumer website – cited by 40%. This was lower in Australia and Texas, although still prevalent at 20% and 18% respectively but almost negligible in Alberta reflecting the absence of such a facility.

The most common information source in Australia, Alberta and Texas was general internet searches at 31%, 44% and 38% respectively. This was the second most common source in New Zealand (24%).

Also notable in Australia, Alberta and Texas was information on rates and prices. While general advertisements and power company websites were more widely used in New Zealand.

#### Information used to help make decision about switching

International coding (New Zealand percentages changed to most relevant code)

<i>What information did you use?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand*</b>
<i>Base: n=</i>	<b>347</b>	<b>253</b>	<b>287</b>	<b>325</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Price comparison websites	18	1.3	20.3	39.8
Internet search/websites - general	38.2	43.5	31.3	24.2
Advertisements	1.8	3.2	3	22.5
Power company websites	4.6	8.1	8.3	15.5
Discussion with others	3.8	9.1	2.1	5.4
Talking to/info from power companies	5.2	7.7	8.5	5.3
Information on rates/prices	11.1	12	10.9	1.2
Telephone calls (general)	-	0.6	1.4	-
Newspapers	0.9	0.4	3.1	-
Flyers/pamphlets	4.6	4.4	2.6	-
A broker	0.3	-	1	-
Unsure	13.2	15.2	11.9	0.5
Other	4.1	5.6	3	2.7
None	1.7	0.7	3.3	-

Base: Respondents that looked for information in the past year to help them make a decision about switching power companies

\*New Zealand recoded to provide more valid comparisons with international results

*Table 5: Information used to help make decision about switching*

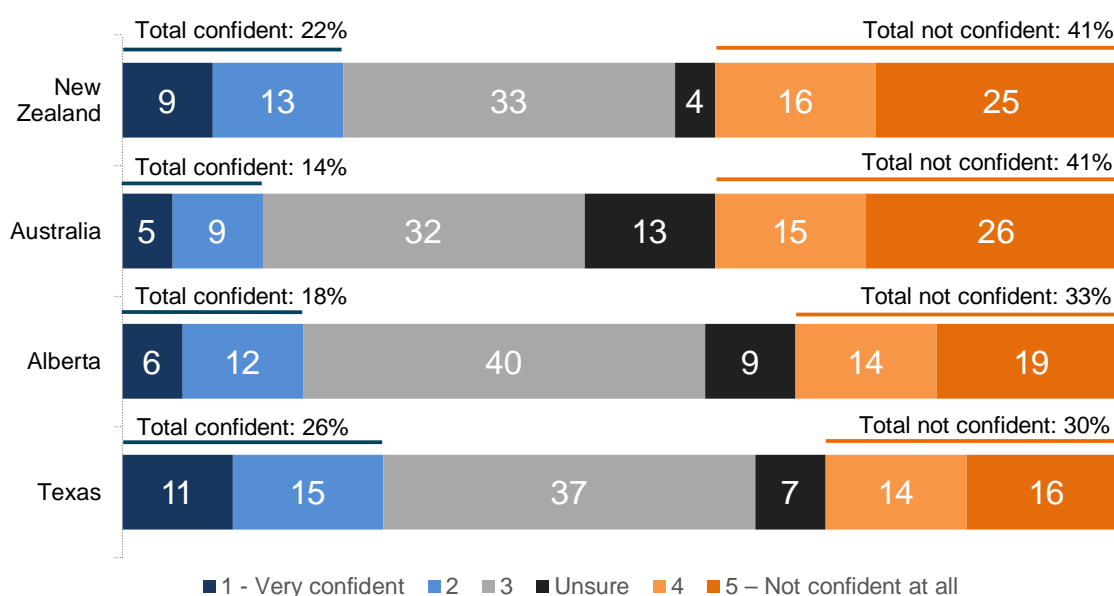
### 4.3.3 Confident worth switching

Significant proportions of respondents were not confident<sup>8</sup> they would still be on the best deal one year after switching power companies in New Zealand (41%) and Australia (41%). This was lower in Alberta (33%) and Texas (30%) but still represented around a third of all households. These results highlight that this issue could be a significant barrier to switching.

Remaining respondents showed a reasonably soft response to this question with high neutral scores across all markets.

## Still on best deal in a year

Using a 1-5 scale where 1 means very confident and 5 means not confident at all. How confident would you be that if you switched to another power company you would still be on the best deal in 12 months time?



Base: All respondents (n=1000)

Figure 22: Graph of confidence on being on best deal in 12 months

#### Demographic differences

In all markets, there was a trend by age with younger respondents were more likely to believe they would still be on the best deal in twelve months time. Households that had actually changed power companies in the past two years were also more likely to state they were confident they would still be on the best deal in twelve months time. This trend held true for all markets except Australia, indicating some uncertainty around the deals being offered there.

In New Zealand, those with household incomes under \$20,000 were more likely to believe they would still be on the best deal in twelve months time.

<sup>8</sup> Those 'not confident' are rated by combining '4+5' on a 1-5 scale where 1 means 'very confident' and 5 'not confident at all'

### 4.3.4 Strategies to encourage switching

There was reasonable similarity across ratings of the effectiveness<sup>9</sup> of strategies encouraging households to switch in most countries.

An independent website that compares the prices of different power companies was seen as the most effective strategy in all countries, seen as effective by 57% of households in New Zealand, 47% in Australia, 53% in Alberta, and 55% in Texas.

In New Zealand advice from a consumer's advocate rated much stronger (54%) than in other countries, with Australia, Alberta, and Texas rating this strategy 31%, 32%, and 34% respectively.

In Australia, the second highest rating strategy was reassurance that it is safe and easy to switch from an independent watchdog.

In Alberta, there were three strategies that were a joint second - reassurance that it is safe and easy to switch from an independent watchdog, information in the mail from an independent government or consumer agency, and advice from an accountant/ financial advisor or government agency.

The need for reassurance in Australia and Alberta, indicates that some remain apprehensive about switching.

In Texas, the second highest rating strategy was information on a power company website, reflecting the more proactive consumers in this market.

### Effective strategies to encourage switching – top six

Using a 1-5 scale where 1 means very effective, and 5 not at all effective, how effective would each of the following be to encourage you to consider switching power companies?

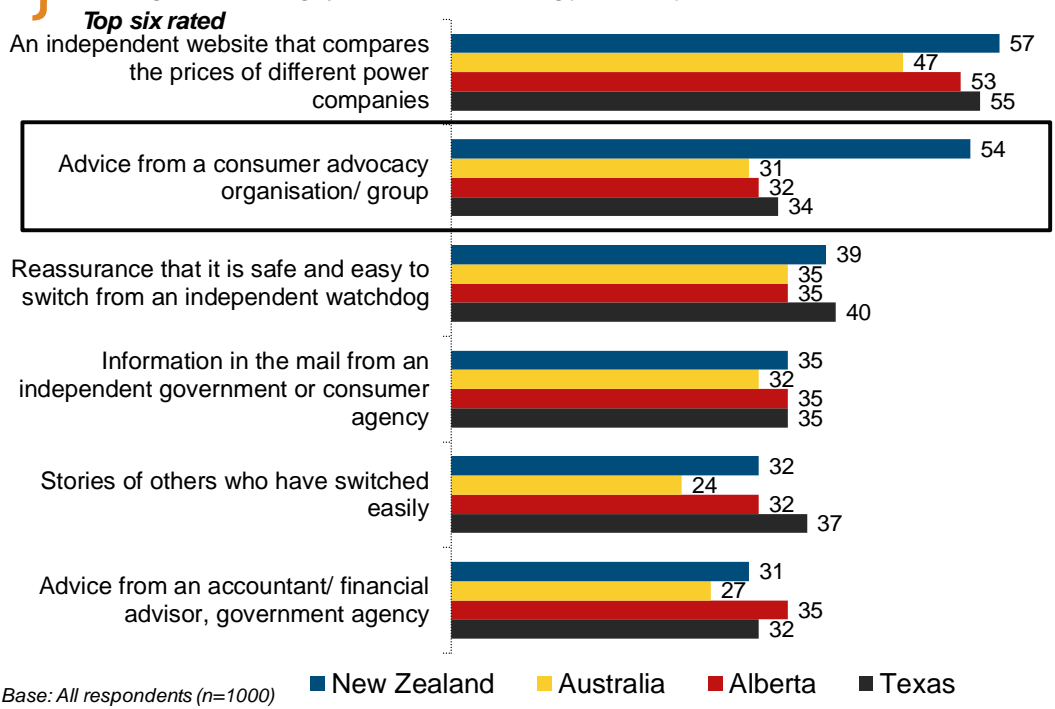


Figure 23: Graph of effective strategies to encourage switching – top six

<sup>9</sup> Effectiveness is rated by combining '1+2' on a 1-5 scale where 1 means 'very effective' and 5 'not at all effective'

## Effective strategies to encourage switching - others

Using a 1-5 scale where 1 means very effective, and 5 not at all effective, how effective would each of the following be to encourage you to consider switching power companies?

### Less rated strategies

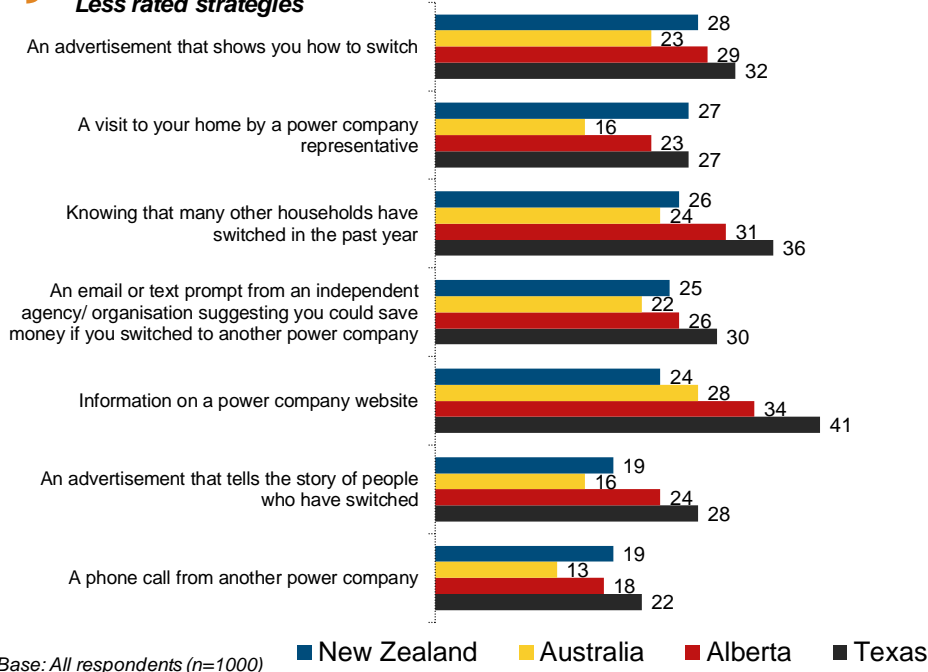


Figure 24: Graph of effective strategies to encourage switching - others

### Demographic differences

When looking at the most effective strategies for *those that had changed provider in the last two years*— an independent price comparison website was considered the most effective strategy in all markets. Other top strategies centred around independent advice and reassurances that switching was safe and easy to do.

#### New Zealand:

- An independent website that compares the prices of different power companies (66%)
- Advice from a consumer advocacy organisation/ group (63%)
- Reassurance that it is safe and easy to switch from an independent watchdog (47%)

#### Australia

- An independent website that compares the prices of different power companies (52%)
- Reassurance that it is safe and easy to switch from an independent watchdog (37%)
- Advice from a consumer advocacy organisation/ group (31%)

## Alberta

- An independent website that compares the prices of different power companies (58%)
- Advice from an accountant/ financial advisor, government agency (43%)
- Reassurance that it is safe and easy to switch from an independent watchdog (42%)
- Knowing that many other households have switched in the past year (42%)

## Texas

- An independent website that compares the prices of different power companies (65%)
- Information on a power company website (53%)
- Reassurance that it is safe and easy to switch from an independent watchdog (49%)

There was a general trend where younger respondents were more likely to believe strategies were effective than older respondents.

The other subgroups that were more or less likely to rate each strategy as effective are listed below:

- *An independent website that compares the prices of different power companies* – in New Zealand significantly more likely to be rated as effective by those with over \$70,000 of household income.
- *Advice from a consumer's advocate like Fair Go or Consumer NZ* – in New Zealand significantly more likely to be rated as effective by those with household incomes over \$100,000.

In all markets, those aged 60 or older were more likely to believe this strategy would not be effective.

- *Reassurance that it is safe and easy to switch from an independent watchdog* – in Australia, Alberta and Texas, those aged 60 years or older were less likely to believe reassurance that it is safe and easy to switch from an independent watchdog was effective.
- *Information in the mail from an independent government or consumer agency* – in New Zealand significantly more likely to be rated as effective by males than females.

In Texas, those aged 60 years or more viewed this strategy as less effective.

- *Stories of others who have switched easily* – in New Zealand significantly more likely to be rated as effective by those between 30 and 44 years of age, and those with a household income between \$30,000 and \$40,000 (44%).

In Australia, Alberta and Texas, there was a trend by age with younger respondents more likely to believe hearing stories of others who have switched easily to be effective than older respondents.

- *Advice from a budget advisor or Work and Income or Citizens Advice Bureau* – in New Zealand significantly more likely to be rated as effective by respondents 18-29 years of age, and with household incomes between \$50,000 and \$70,000.

In other markets, the wording for this strategy was changed to the more appropriate - *Advice from an accountant, financial advisor or government agency*. In Australia, Alberta, and

Texas, there was a trend by age with younger people believing advice of this sort more effective than older people.

- *An advert that shows you how to switch* – in New Zealand significantly more likely to be rated as effective by those 30-44 years of age.

In Australia, those aged 60 years or older were less likely to rate an advert that shows how to switch as effective.

In Alberta and Texas, there was a trend by age with younger respondents more likely to believe an ad to be effective than older respondents.

- *A visit to your home by a power company representative* – in Australia, Alberta, and Texas there was a trend by age with younger respondents more likely to rate this strategy as effective than older respondents.
- *Knowing that over five hundred thousand households have switched in the past year* – in all markets there was a trend by age with younger respondents more likely to believe this was an effective strategy than older respondents.

It should be noted that in Australia, Alberta, and Texas the wording for this strategy was changed to - *knowing that many other households have switched in the past year*.

- *An email or text prompt from an independent authority suggesting you could save money if you switched to another power company* – in New Zealand more likely to be rated as effective by males compared to females).

In Australia, Alberta and Texas, there was a trend by age with younger respondents more likely to believe an email or text prompt would be effective than older respondents.

- *Power company website* – in all markets, there was a trend by age with younger people believing information on a company website was more effective than older people.
- *Phone call from another power company* – in New Zealand more likely to be rated as effective by those that spend over \$300 per month on power.

In Australia, less likely to be seen as effective by those aged 60 years or more.

In Alberta and Texas, there was a trend by age with younger viewing more effective than older respondents.

In Alberta, males were also more likely to view a phone call as effective than females. There was also a trend by size of power bill with those with higher bills more likely to view a phone call as effective.

- *An advert that tells the story of people who have switched* – in New Zealand more likely to be rated as effective by those with households incomes under \$40,000.

In Australia, Alberta and Texas, there was a trend by age with younger respondents more likely to believe an ad to be effective than older respondents.

# Comparisons with different industries

## 5.1 Competition across different industries

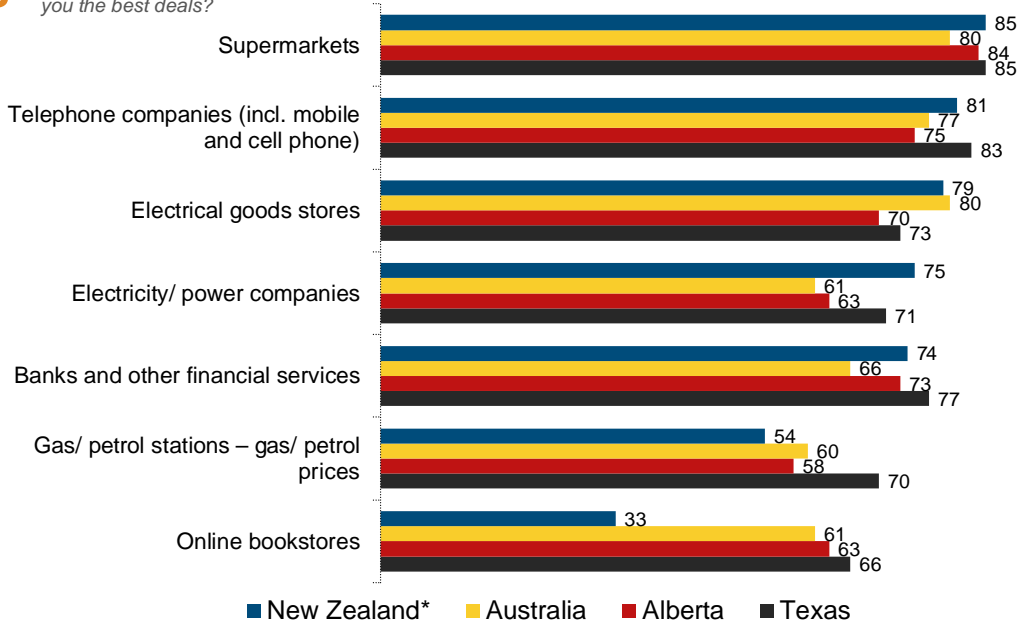
A range of industries were rated according to their perceived level of competitiveness<sup>10</sup>. Similar ratings were recorded for supermarkets, telephone companies and electrical goods stores with clear majorities in all markets rating them as competitive.

Texas residents were more likely to rate gas stations as competitive than other markets. While New Zealand rated online bookstores lower on competitiveness, this was attributable to higher unsure ratings.

In New Zealand and Texas, power companies were seen as more competitive than in Australia and Alberta. Australians were also more likely to rate banks and other financial services lower than other markets.

### Competitiveness across industries

Using a 0-10 scale where 0 means 'not at all competitive', 5 means 'just adequate' and 10 means 'extremely competitive', how competitive are the following businesses in terms of working to get your business and offering you the best deals?



Base: All respondents (n=1000)  
 \*New Zealand base from CRE Omnibus survey February 2014 (billpayers, n=587)

Figure 25: Graph of competitiveness of different industries

<sup>10</sup> In this case, being competitive was defined by adding 5-10 from a scale of 1-10 where 0 meant 'not competitive at all' and 10 meant 'extremely competitive'



## ■ Demographic differences

The subgroups that were more or less likely to rate each industry as competitive are listed below. Often female respondents were more likely to rate industries as competitive compared with males.

- Electricity retailers: In New Zealand, females were more likely to rate electricity retailers as competitive, than males. Those under the age of 30 and aged 60 years or more were less likely to give a high rating.

In Australia, those living in Victoria were more likely to rate electricity retailers as competitive, while those living in Western Australia, Tasmania, ACT or Northern Territory rated them lower.

In Texas, those living in the Houston area rated them higher while those living in the San Antonio area and smaller population centres rated them lower.

- Supermarkets: In New Zealand those in rural areas tended to rate supermarkets as less competitive.

In New Zealand and Australia, females were more likely to view supermarkets competitive compared with males.

In Alberta, those aged under 30 years were less likely to view supermarkets as competitive.

- Electrical goods stores: In New Zealand, those over 60 years old were less likely to rate electrical goods store as competitive, while those earning between \$50,000 and \$70,000 were more likely to rate them as competitive.

In Alberta and Texas, those aged 60 years or more were more likely to say they were unsure whether electrical goods stores were competitive.

- Banks and other financial services: In New Zealand, males were more likely to rate banks as uncompetitive. Those between 30 and 44 years of age and those earning between \$50,000 and \$70,000 were also more likely to rate them as competitive.
- Telephone companies including mobile phone services: In New Zealand, females were more likely than males to rate telephone companies as competitive. Those under 30 years of age were also more likely to believe they are competitive.
- Gas/ petrol stations: In New Zealand, those in rural areas were less likely to believe petrol stations were competitive. Those under the age of 30 were most likely to view them as competitive, those older than 30 were much less likely to view them as competitive.

In Australia, females were more likely to believe petrol stations are competitive compared with males.

- Online bookstores: In New Zealand, those with incomes less than \$15,000 were more likely to see online bookstores as competitive.

In all markets, older respondents were more likely to state they were unsure as to the competitive nature of the industry, perhaps due to less use of this type of service.

## 5.2 General view of switching companies

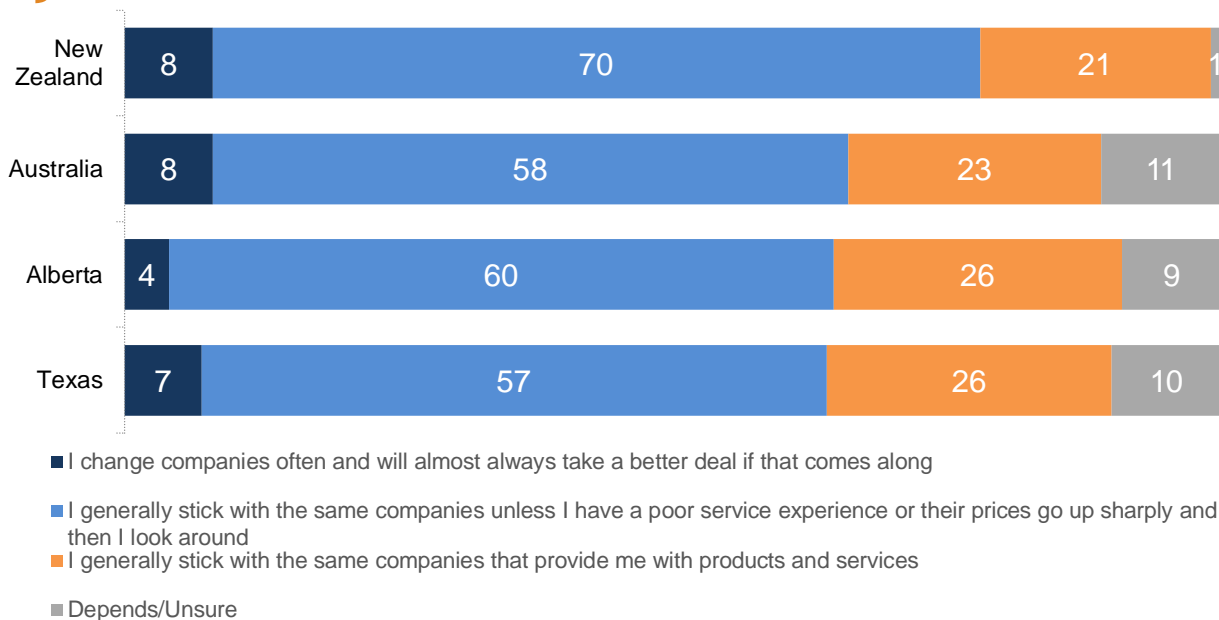
There was a level of reluctance shown in switching providers – with a majority in all markets likely to stick with their current provider unless they have a poor service experience or prices rise sharply.

Only very small minorities in all markets are keen switchers, who are always open to taking up a better deal.

While around a quarter in all markets prefer to remain with current providers no matter the circumstance.

### Consumer behaviour

Which of the following statements most closely describes you as a consumer?



Base: All respondents (n=1000)

Figure 26: Graph of consumer behaviour

#### Demographic differences

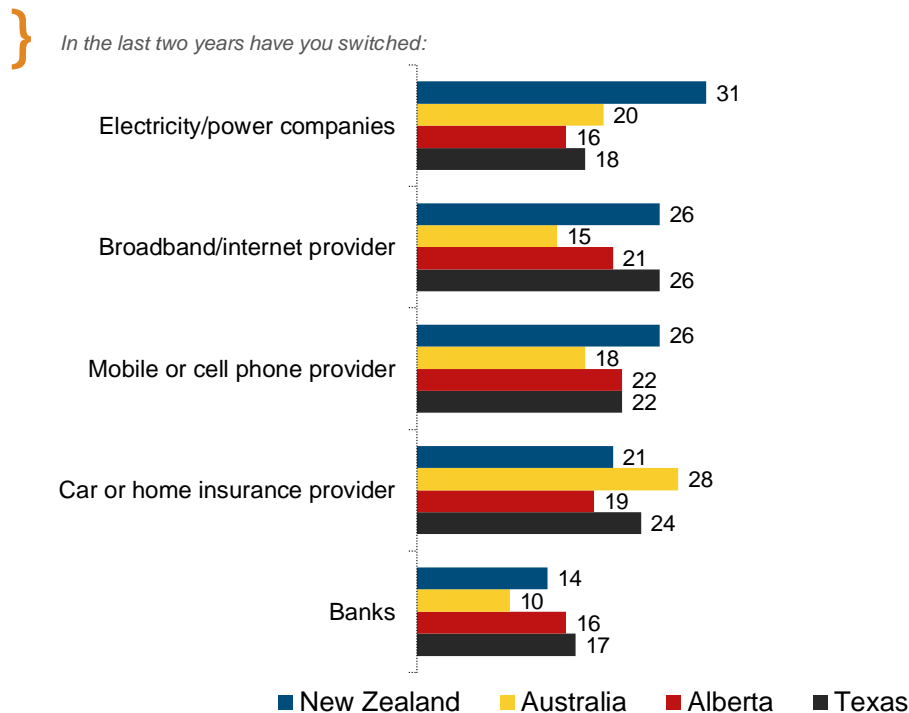
In all markets, those aged 60 years or more were less keen to switch providers with the proportion nominating 'they change companies often and will almost always take a better deal if that comes along' much lower than other age groups.

## 5.2.1 Switching behaviour across different industries

As noted in a previous section, switching behaviour across power companies was higher in New Zealand than other markets. Switching in New Zealand and Texas also appeared more active across broadband/ internet provider when compared to Australia and Alberta.

In Australia switching across insurance provider was higher than other markets and recorded the highest level of switching than any other sector in Australia.

### Switching across industries



Base: All respondents (n=1000)

Figure 27: Graph of switching across different industries

### Demographic differences

Across all markets, there was a trend by age for switching mobile phone, broadband provider, and bank with younger respondents more likely to switch than older respondents.

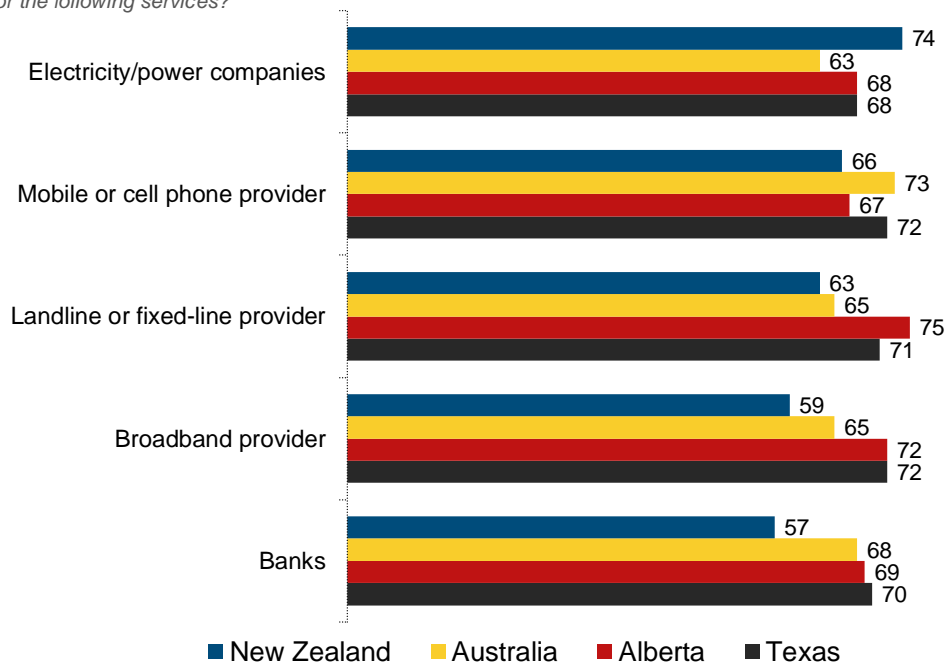
In Alberta, males were more likely than females to have switched insurance provider or bank.

## 5.3 Ease of switching across different industries

New Zealanders were more likely to believe it was easy to switch<sup>11</sup> power company than other countries but rated equally or less easy on other sectors. New Zealand residents rated significantly lower for ease of switching broadband provider and bank than other markets.

### Ease of switching across industries

Using a 0-10 scale where 0 means not easy at all and 10 means extremely easy, how easy is it to switch suppliers for the following services?



Base: All respondents (n=1000)

Figure 28: Graph of ease of switching across different industries

### Demographic differences

In all markets, those that had switched power companies in the past two years were more likely to say it was easy to switch, indicating that the majority of switching experiences had been positive.

In New Zealand, those aged between 30-44 years of age were significantly more likely to rate switching between power companies as easy.

In Australia, those living in Victoria were more likely to say it was easy to switch, while those living in Western Australia and Tasmania, ACT, Northern Territory were less likely.

In Texas, those living in the Houston area were more likely to say switching power company was easy, while those living in the San Antonio area were less likely.

There were few differences across demographic groups for perceived ease of switching for the other industries tested.

<sup>11</sup> 'Easy to switch' was rated by combining '5+10' on a 0-10 scale where 0 means 'not easy at all' and 10 'extremely easy'

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## 6.3 Demographic profile

### Monthly spend on power

*As you know your power bill changes depending on how much you use and whether it is summer or winter. Taking this into account would you say your power bill each month is about:*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	%	%	%	%
< \$100 a month	23	29	39	14
\$100-\$200	53	47	44	53
\$200-\$300	17	16	10	25
\$300-\$400	4	4	3	5
\$400-\$500	1	1	-	1
> \$500 a month	1	-	-	1
Unsure	-	2	3	1

Base: All respondents

NB: The Australian survey asked how much their power bill is per month and the categories were multiplied by four.

*Table 6: Monthly spend on power*

### Gas supply

*Does your house also have a gas supply?*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	%	%	%	%
Yes	56	81	58	27
No	43	16	41	73
Unsure	1	3	1	-

Base: All respondents

*Table 7: Whether on gas supply*

## Fixed term contract

Are you on a fixed term contract with your electricity supplier?

	Texas	Alberta	Australia	New Zealand
Base: n=	1000 %	1000 %	1000 %	1000 %
Yes	45	39	37	26
No	49	55	52	61
Unsure	6	6	11	13

Base: All respondents

Table 8: Whether on fixed term contract

## Fixed term contract length

How long is your fixed term contract?

	Texas	Alberta	Australia	New Zealand
Base: n=	448 %	393 %	366 %	1000 %
One year or less	54	14	28	36
Two years	34	26	50	23
Three years	3	23	5	10
More than three years	3	28	6	9
Unsure	5	9	12	21

Base: All respondents

Table 9: Fixed term contract length



## 6.4 Additional tables

### Number of power companies that approached consumers to switch

<i>How many different power companies have approached you about switching in the past two years?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
None	55	49	55	29
One	17	28	16	22
Two	17	15	13	25
Three or more	8	4	7	22
<b>Total approached</b>	<b>42</b>	<b>47</b>	<b>36</b>	<b>69</b>
Unsure	3	4	9	2

Base: All respondents

*Table 10: Number of power companies that approached consumers to switch*

### Number of power companies that consumers approached to switch

<i>How many different power companies have you approached about switching in the past two years?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
None	68	76	75	78
One	15	15	13	12
Two	10	5	7	6
Three or more	5	2	3	3
<b>Total approached</b>	<b>30</b>	<b>22</b>	<b>23</b>	<b>21</b>
Unsure	2	2	3	1

Base: All respondents

*Table 11: Number of power companies that consumers approached to switch*

## Consumer behaviour

*Which of the following statements most closely describes you as a consumer?*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>1000</b> %	<b>1000</b> %	<b>1000</b> %	<b>1000</b> %
I generally stick with the same companies that provide me with products and services	26	26	23	21
I generally stick with the same companies unless I have a poor service experience or their prices go up sharply and then I look around	57	60	58	70
I change companies often and will almost always take a better deal if that comes along	7	4	8	8
Depends	9	8	9	1
Unsure	1	1	2	-

Base: All respondents

Table 12: Consumer behaviour

## Likelihood of shopping around for best power deal

*Using a 1 to 5 scale where 1 is very likely and 5 is not likely at all – how likely are you to shop around for the best power deal?*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>1000</b> %	<b>1000</b> %	<b>1000</b> %	<b>1000</b> %
1 - Very likely	20	10	14	14
2	18	20	16	16
<b>Total likely</b>	<b>38</b>	<b>30</b>	<b>30</b>	<b>30</b>
<b>3</b>	<b>27</b>	<b>36</b>	<b>32</b>	<b>21</b>
4	15	18	15	17
5 – Not likely at all	19	14	20	32
<b>Total not likely</b>	<b>34</b>	<b>32</b>	<b>35</b>	<b>49</b>
Unsure	1	2	4	-

Base: All respondents

Table 13: Likelihood of shopping around for best power deal

## Consumer attitudes to switching power companies

Please tell me which of the following statements is most applicable to you?

	Texas	Alberta	Australia	New Zealand
Base: n=	1000 %	1000 %	1000 %	1000 %
We are not interested in switching our power company	32	30	33	30
We would switch if we were approached and offered a cheaper deal, but we are not actively looking	30	37	28	46
We are actively looking for a cheaper power company	7	6	6	3
We intend to look for a cheaper power company in the next 12 months.	12	9	12	6
We would be interested in switching for better service but we are not actively looking for a better power company	16	15	18	15
Unsure	3	3	4	-

Base: All respondents

Table 14: Consumer attitudes to switching power companies

## Relationship with your power company

Total satisfied '1+2'

Using a 1-5 scale where 1 means very satisfied and 5 not at all satisfied, how satisfied are you with your power company on the following?

	Texas	Alberta	Australia	New Zealand
Base: n=	1000 %	1000 %	1000 %	1000 %
Value for money	56	38	34	50
General overall service	66	51	50	68
Its commitment to your local community	49	39	26	32
The provision of extra services like online power usage information, energy efficiency services, other loyalty reward programmes	51	37	33	52
Conducting actual meter readings not estimates	57	47	49	61

Base: All respondents

NB: For the NZ survey, the provision of extra services category gave 'online power usage information, FlyBuys, other loyalty rewards' as the example incentives

Table 15: Relationship with your power company – summary table

## Relationship with your power company

Using a 1-5 scale where 1 means very satisfied and 5 not at all satisfied, how satisfied are you with your power company on the following?

	1	2	Total Sat.	3	4	5	Total Unsat.	Unsure
	%	%	%	%	%		%	%
<b>Value for money</b>								
New Zealand	23	27	50	27	12	8	20	3
Australia	13	21	34	31	19	13	32	3
Alberta	15	23	38	33	18	10	28	2
Texas	27	29	56	25	11	6	17	2
<b>General overall service</b>								
New Zealand	33	35	68	21	7	3	10	1
Australia	21	29	50	31	12	3	15	3
Alberta	21	30	51	33	11	4	15	1
Texas	34	32	66	21	8	4	12	1
<b>Its commitment to your local community</b>								
New Zealand	15	17	32	24	6	7	13	31
Australia	11	15	26	33	13	7	20	21
Alberta	14	25	39	33	12	6	18	10
Texas	26	23	49	27	11	5	16	8
<b>The provision of extra services like online power usage information, energy efficiency services, other loyalty reward programmes</b>								
New Zealand	27	25	52	22	10	6	16	9
Australia	13	20	33	31	17	9	26	11
Alberta	13	24	37	33	16	8	24	7
Texas	25	26	51	25	11	7	18	6
<b>Conducting actual meter readings not estimates</b>								
New Zealand	38	23	61	19	8	6	14	7
Australia	25	24	49	24	12	5	17	9
Alberta	21	26	47	30	11	5	16	7
Texas	31	26	57	22	10	5	15	6

Base: All respondents (n=1000)

NB: For the NZ survey, the provision of extra services category gave 'online power usage information, FlyBuys, other loyalty rewards' as the example incentives

Table 16: Relationship with your power company - detailed

## Attitudes towards power companies and big business

Now here are some things people sometimes say. Using a 0-10 scale, where 0 means 'strongly disagree' and 10 means 'strongly agree' how much do you disagree or agree with the following statements:

	0	1	2	3	4	TOTAL DIS-AGREE. (0-4)	5	6	7	8	9	10	TOTAL AGREE. (5-10)	Unsure
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
<b>I don't trust power companies who promise a better deal as they all end up charging the same</b>														
New Zealand	4	3	4	8	5	24	18	8	10	15	5	18	74	2
Australia	2	-	1	3	4	10	19	11	14	11	9	19	83	6
Alberta	3	1	2	3	5	14	15	13	14	13	8	19	82	4
Texas	6	2	3	5	6	22	17	11	12	10	8	16	74	3
<b>Power bills are confusing and hard to understand so it is hard to know if you are getting a better deal</b>														
New Zealand	12	7	11	9	5	44	13	7	9	11	5	12	57	1
Australia	6	3	5	7	5	26	17	8	13	9	7	16	70	3
Alberta	7	4	4	6	6	27	15	9	13	10	9	16	72	2
Texas	10	5	4	7	7	33	15	9	13	9	7	11	64	2
<b>I have no loyalty to my power company</b>														
New Zealand	10	6	9	7	5	37	16	5	7	12	4	16	60	1
Australia	5	2	3	6	5	21	21	8	11	9	7	20	76	4
Alberta	6	4	4	7	6	27	17	10	11	10	6	16	70	3
Texas	13	5	6	6	5	35	15	8	10	7	7	17	64	2
<b>Power companies are pretty much the same - price is the only factor that can be different</b>														
New Zealand	3	2	3	5	4	17	14	7	12	18	7	21	79	3
Australia	2	1	1	4	3	11	17	11	14	12	10	19	83	6
Alberta	4	1	2	2	5	14	18	10	16	13	10	17	84	4
Texas	7	2	3	6	4	22	15	9	11	11	13	16	75	3

Base: All respondents (n=1000)

Table 17: Attitudes towards power companies

## Attitudes towards power companies and big business (continued)

Now here are some things people sometimes say. Using a 0-10 scale, where 0 means 'strongly disagree' and 10 means 'strongly agree' how much do you disagree or agree with the following statements:

	0	1	2	3	4	TOTAL DIS- AGREE. (0-4)	5	6	7	8	9	10	TOTAL AGREE. (5-10)	Unsure
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
<b>I don't like signing contracts as I'm worried about the fine print</b>														
New Zealand	8	5	6	7	5	31	15	5	9	12	5	21	67	-
Australia	4	1	3	5	4	17	18	11	12	12	8	19	80	3
Alberta	4	1	3	2	4	14	13	7	13	12	11	27	83	1
Texas	6	2	3	4	5	20	13	8	12	11	11	23	78	2
<b>It's easy to switch power company</b>														
New Zealand	3	3	3	4	4	17	16	6	10	18	6	22	78	6
Australia	8	3	3	4	4	22	20	10	11	9	6	9	65	12
Alberta	6	3	4	7	7	27	19	12	12	9	5	8	65	9
Texas	11	2	4	6	6	29	15	8	9	11	9	14	66	6
<b>You can save money by switching power company</b>														
New Zealand	5	2	4	5	4	20	22	8	12	15	3	15	75	4
Australia	4	2	2	3	3	14	24	14	14	9	5	8	74	12
Alberta	5	2	3	5	7	22	25	14	13	8	4	6	70	8
Texas	6	2	3	5	5	21	19	10	11	11	9	11	71	7
<b>Big companies only care about making profits</b>														
New Zealand	2	1	2	3	3	11	11	7	11	19	9	32	89	1
Australia	1	-	-	1	1	3	12	7	13	15	10	36	93	3
Alberta	1	1	1	2	3	8	11	9	14	13	12	32	91	1
Texas	3	1	1	2	4	11	12	8	12	14	12	27	85	2

Base: All respondents (n=1000)

Table 18: Attitudes towards power companies (continued)

## Changed power company in past two years

<i>Have you changed your power company in the past two years?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Yes	18	16	20	31
No	82	83	79	68
Unsure	-	1	1	1

Base: All respondents

Table 19: Changed power company in past two years

## Frequency of changing power companies in past two years

<i>How many times have you switched power companies in the past two years?</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>180</b>	<b>156</b>	<b>196</b>	<b>305</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Once	80	85	85	87
Twice	16	10	12	9
Three or more times	3	4	2	4
Unsure	1	1	1	-

Base: Respondents that have changed power companies in the past two years

Table 20: Frequency of changing power companies in past two years

## Worthwhile reviewing best power deals

*Do you think it is worthwhile reviewing which power company can offer you the best deal?*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	%	%	%	%
Yes	78	76	66	77
No	16	15	20	20
Unsure	6	9	14	3

Base: All respondents

*Table 21: Worthwhile reviewing best power deals*

## Savings needed to make shopping around worthwhile

*How much would you need to save off your annual/yearly power bill to make it worthwhile shopping around on a free and independent price comparison website?*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	%	%	%	%
\$0 - \$50	7	5	3	13
\$51 - \$100	19	16	14	16
\$101 - \$150	13	14	14	10
\$151 - \$200	9	11	13	16
<b>Up to \$200</b>	<b>48</b>	<b>46</b>	<b>44</b>	<b>55</b>
\$201 - \$250	10	13	12	6
\$251 - \$300	7	6	7	9
\$301 - \$350	5	6	3	2
Over \$350	15	17	14	17
You won't shop around at all	11	7	12	8
Unsure	5	6	8	3

Base: All respondents

NB: The New Zealand survey referred to 'your annual power bill' only, rather than annual/yearly. It also listed the responses as categories stating 'up to \$amount' rather than giving a range.

*Table 22: Savings needed to make shopping around worthwhile*



## Frequency of power company review

*How often do you think you should review your power company to see if you have got the best deal?*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	%	%	%	%
At least once a month	8	5	2	3
About every three months	15	13	9	7
About every six months	21	21	18	21
<b>Every six months or less</b>	<b>44</b>	<b>39</b>	<b>29</b>	<b>31</b>
Once a year	35	36	36	42
Once every two years or more	12	15	19	23
Unsure	10	11	16	4

Base: All respondents

*Table 23: Frequency of power company review*

## Frequency of reviewing which power company has the best deal

*Generally how often do you shop around and review which power company has the best deal?*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>651</b>	<b>656</b>	<b>614</b>	<b>514</b>
	%	%	%	%
At least once a month	5	3	1	2
Around every three months	5	5	5	4
Around every six months	13	11	11	14
<b>Every six months or less</b>	<b>23</b>	<b>19</b>	<b>17</b>	<b>20</b>
Once a year	34	29	27	34
Once every two years or more	31	40	39	41
Unsure	12	13	16	5

Base: Those that are likely to or neutral in opinion towards shopping for the best deal

*Table 24: Frequency of reviewing which power company has the best deal*

## Sought information in past year to help make decision about switching

Regardless of whether you have switched or not - have you looked for any information in the last 12 months to help you make a decision about switching your power company?

	Texas	Alberta	Australia	New Zealand
Base: n=	1000 %	1000 %	1000 %	1000 %
Yes	35	25	29	33
No	64	72	69	67
Unsure	2	3	3	-

Base: All respondents

Table 25: Sought information in past year to help make decision about switching

## Confidence still on best deal in one year

Using a 1-5 scale where 1 means very confident and 5 means not confident at all. How confident would you be that if you switched to another power company you would still be on the best deal in 12 months time?

	Texas	Alberta	Australia	New Zealand
Base: n=	1000 %	1000 %	1000 %	1000 %
1 - Very confident	11	6	5	9
2	15	12	9	13
<b>Total confident</b>	<b>26</b>	<b>18</b>	<b>14</b>	<b>22</b>
<b>3</b>	<b>37</b>	<b>40</b>	<b>32</b>	<b>33</b>
4	14	14	15	16
5 – Not confident at all	16	19	26	25
<b>Total not confident</b>	<b>30</b>	<b>33</b>	<b>41</b>	<b>41</b>
Unsure	7	9	13	4

Base: All respondents

Table 26: Confidence still on best deal in one year

## Motivation for changing

*On the most recent occasion you changed power company did you change as a result of...*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>180</b> %	<b>156</b> %	<b>196</b> %	<b>305</b> %
Approaching another company to switch	9	14	14	14
Being approached by another company to switch	20	40	34	55
Finding a better deal by using an online price comparison website	42	22	31	21
Unsure	2	1	1	2
Other	27	24	20	8

Base: Respondents that have changed power companies in the past two years

Table 27: Motivation for changing

## Ease of switching

*On the most recent occasion you switched, using a 1-5 scale where 1 means very easy, and 5 very difficult, how easy or difficult did you find it to switch companies?*

	Texas	Alberta	Australia	New Zealand
<i>Base: n=</i>	<b>180</b> %	<b>156</b> %	<b>196</b> %	<b>305</b> %
1 - Very easy	49	46	47	72
2	26	30	24	20
<b>Total easy</b>	<b>75</b>	<b>76</b>	<b>71</b>	<b>92</b>
<b>3</b>	<b>18</b>	<b>18</b>	<b>17</b>	<b>4</b>
4	5	5	8	2
5 - Very difficult	2	1	3	1
<b>Total difficult</b>	<b>7</b>	<b>6</b>	<b>11</b>	<b>3</b>
Unsure	1	-	2	1

Base: Respondents that have changed power companies in the past two years

Table 28: Ease of switching

## Effectiveness of strategies regarding switching power companies

Total effective '1+2'

Using a 1-5 scale where 1 means very effective, and 5 not at all effective, how effective would each of the following be to encourage you to consider switching power companies?

	Texas	Alberta	Australia	New Zealand
Base: n=	1000 %	1000 %	1000 %	1000 %
An independent website that compares the prices of different power companies	55	53	47	57
Advice from a consumer advocacy organisation/group*	34	32	31	54
Reassurance that it is safe and easy to switch from an independent watchdog	40	35	35	39
Information in the mail from an independent government or consumer agency	35	35	32	35
Stories of others who have switched easily	37	32	24	32
Advice from an accountant/ financial advisor, government agency**	32	35	27	31
An advertisement that shows you how to switch	32	29	23	28
A visit to your home by a power company representative	27	23	16	27
Knowing that many other households have switched in the past year***	36	31	24	26
An email or text prompt from an independent agency/ organisation suggesting you could save money if you switched to another power company	30	26	22	25
Information on a power company website	41	34	28	24
A phone call from another power company	22	18	13	19
An advertisement that tells the story of people who have switched	28	24	16	19

Base: All respondents

\*For the NZ survey, the strategy 'advice from a consumer advocacy organisation/group' was followed by the examples of Fair Go and Consumer New Zealand

\*\* For the NZ survey, the strategy 'advice from an accountant/financial advisor, government agency' was asked as 'advice from a budget advisor, Work and Income or Citizens Advice Bureau'

\*\*\* For the NZ survey, the strategy 'knowing that many other households have switched in the past year' was asked as 'knowing that over five hundred thousand households have switched in the past year (over 400,000 in 2012)'

Table 29: Effectiveness of strategies regarding switching power companies – summary table

## Effectiveness of strategies regarding switching power companies

Using a 1-5 scale where 1 means very effective, and 5 not at all effective, how effective would each of the following be to encourage you to consider switching power companies?

	1	2	Total Effect.	3	4	5	Total Uneffect.	Unsure
	%	%	%	%	%		%	%
<b>A visit to your home by a power company representative</b>								
New Zealand	11	16	27	17	16	38	54	2
Australia	4	12	16	22	16	41	57	6
Alberta	8	15	23	23	18	33	51	4
Texas	11	16	27	21	14	34	48	4
<b>A phone call from another power company</b>								
New Zealand	5	14	19	22	19	38	57	2
Australia	5	8	13	22	19	41	60	6
Alberta	6	12	18	23	18	38	56	4
Texas	10	12	22	22	17	36	53	4
<b>Information in the mail from an independent government or consumer agency</b>								
New Zealand	12	23	35	29	12	21	33	2
Australia	9	23	32	30	13	19	32	7
Alberta	10	25	35	32	14	16	30	4
Texas	14	21	35	26	14	23	37	3
<b>Information on a power company website</b>								
New Zealand	7	17	24	27	17	29	46	3
Australia	8	20	28	30	16	20	36	6
Alberta	12	22	34	32	15	15	30	3
Texas	17	24	41	26	13	17	30	3
<b>An independent website that compares the prices of different power companies</b>								
New Zealand	25	32	57	17	8	15	23	3
Australia	22	25	47	25	10	13	23	5
Alberta	23	30	53	24	9	11	20	3
Texas	31	24	55	21	8	13	21	3
<b>An advertisement that shows you how to switch</b>								
New Zealand	9	19	28	27	16	28	44	2
Australia	8	15	23	29	17	26	43	6
Alberta	10	19	29	30	19	19	38	4
Texas	14	18	32	27	15	23	38	3
<b>An advertisement that tells the story of people who have switched</b>								
New Zealand	6	13	19	27	20	30	50	3
Australia	6	10	16	28	18	32	50	6
Alberta	6	18	24	30	18	24	42	4
Texas	12	16	28	25	18	25	43	3
<b>Advice from a consumer advocacy organisation/ group*</b>								
New Zealand	19	35	54	21	8	14	22	3
Australia	8	23	31	30	13	17	30	8
Alberta	10	22	32	35	14	15	29	4
Texas	14	20	34	29	13	21	34	4

Base: All respondents (n=1000)

\*For the NZ survey, the strategy 'advice from a consumer advocacy organisation/group' was followed by the examples of Fair Go and Consumer New Zealand

\*\* For the NZ survey, the strategy 'advice from an accountant/financial advisor, government agency' was asked as 'advice from a budget advisor, Work and Income or Citizens Advice Bureau'

\*\*\* For the NZ survey, the strategy 'knowing that many other households have switched in the past year' was asked as 'knowing that over five hundred thousand households have switched in the past year (over 400,000 in 2012)'

Table 30: Effectiveness of strategies regarding switching power companies - detailed

## Effectiveness of strategies regarding switching power companies continued.

Using a 1-5 scale where 1 means very effective, and 5 not at all effective, how effective would each of the following be to encourage you to consider switching power companies?

	1	2	Total Effect.	3	4	5	Total Uneffect.	Unsure
	%	%	%	%	%		%	%
<b>Advice from an accountant/ financial advisor, government agency**</b>								
New Zealand	12	19	31	22	13	29	42	5
Australia	8	19	27	30	15	21	36	7
Alberta	11	24	35	28	15	17	32	5
Texas	12	20	32	26	14	24	38	4
<b>Stories of others who have switched easily</b>								
New Zealand	11	21	32	26	16	24	40	3
Australia	7	17	24	30	16	24	40	6
Alberta	10	22	32	32	16	16	32	4
Texas	16	21	37	27	14	20	34	3
<b>Reassurance that it is safe and easy to switch from an independent watchdog</b>								
New Zealand	14	25	39	28	12	18	30	3
Australia	13	22	35	32	11	16	27	6
Alberta	13	22	35	33	13	14	27	5
Texas	17	23	40	27	10	19	29	4
<b>Knowing that many other households have switched in the past year***</b>								
New Zealand	9	18	27	29	14	28	42	3
Australia	7	17	24	29	16	25	41	7
Alberta	9	22	31	29	16	19	35	3
Texas	14	22	36	27	14	20	34	3
<b>An email or text prompt from an independent agency/ organisation suggesting you could save money if you switched to another power company</b>								
New Zealand	8	17	25	25	16	31	47	2
Australia	7	15	22	26	18	28	46	6
Alberta	9	17	26	26	16	28	44	4
Texas	13	17	30	24	15	26	41	4

Base: All respondents (n=1000)

\*For the NZ survey, the strategy 'advice from a consumer advocacy organisation/group' was followed by the examples of Fair Go and Consumer New Zealand

\*\* For the NZ survey, the strategy 'advice from an accountant/financial advisor, government agency' was asked as 'advice from a budget advisor, Work and Income or Citizens Advice Bureau'

\*\*\* For the NZ survey, the strategy 'knowing that many other households have switched in the past year' was asked as 'knowing that over five hundred thousand households have switched in the past year (over 400,000 in 2012)'

Table 31: Effectiveness of strategies regarding switching power companies – detailed (continued)

## Perceived competitiveness of different industries

Total competitive '5-10'

*Using a 0-10 scale where 0 means 'not at all competitive', 5 means 'just adequate' and 10 means 'extremely competitive', how competitive are the following businesses in terms of working to get your business and offering you the best deals?*

	Texas	Alberta	Australia	New Zealand*
Base: n=	1000	1000	1000	587
	%	%	%	%
Electricity/ power companies	71	63	61	75
Gas/ petrol stations – gas/ petrol prices	70	58	60	54
Telephone companies – including mobile or cell phone services	83	75	77	81
Supermarkets	85	84	80	85
Online bookstores	66	63	61	33
Electrical goods stores	73	70	80	79
Banks and other financial services	77	73	66	74

Base: All respondents\*

\*Results for the New Zealand survey are taken from the CRE Omnibus survey undertaken in February 2014, they include bill payers only, giving the sample size of n=587

NB: Two industries tested were asked slightly differently in the New Zealand survey (electricity retailers and petrol prices at petrol stations)

*Table 32: Perceived competitiveness of different industries – summary table*

## Perceived competitiveness of different industries

Using a 0-10 scale where 0 means 'not at all competitive', 5 means 'just adequate' and 10 means 'extremely competitive', how competitive are the following businesses in terms of working to get your business and offering you the best deals?

	0	1	2	3	4	TOTAL NOT COMP. (0-4)	5	6	7	8	9	10	TOTAL COMP. (5-10)	Unsure
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
<b>Electricity/power companies</b>														
New Zealand*	3	3	5	4	6	21	21	12	10	14	5	13	75	7
Australia	12	3	5	6	6	32	28	11	8	5	3	6	61	7
Alberta	9	3	6	7	7	32	31	9	7	8	4	4	63	6
Texas	9	2	4	5	5	25	28	8	11	7	8	9	71	3
<b>Gas/ petrol stations – gas/ petrol prices</b>														
New Zealand*	12	3	9	9	6	39	18	5	8	10	5	8	54	7
Australia	14	5	5	5	6	35	28	8	7	6	4	7	60	5
Alberta	18	4	6	6	5	39	26	7	9	7	4	5	58	3
Texas	9	4	5	4	5	27	27	7	7	9	9	11	70	3
<b>Telephone companies – including mobile or cell phone services</b>														
New Zealand*	3	1	1	5	4	14	15	10	17	20	5	14	81	5
Australia	5	2	3	5	4	19	29	10	12	10	5	11	77	5
Alberta	8	1	3	5	4	21	22	11	10	12	8	12	75	3
Texas	4	1	3	3	4	15	23	7	10	13	10	20	83	2
<b>Supermarkets</b>														
New Zealand*	3	1	3	3	3	13	19	9	15	21	7	14	85	2
Australia	5	2	2	4	3	16	24	9	11	14	7	15	80	4
Alberta	2	1	2	3	4	12	23	10	14	14	10	13	84	2
Texas	3	1	3	4	2	13	23	8	11	16	12	15	85	2

Base: All respondents (n=1000)\*

\*Results for the New Zealand survey are taken from the CRE Omnibus survey undertaken in February 2014, they include bill payers only, giving the sample size of n=587

NB: Two industries tested were asked slightly differently in the New Zealand survey (electricity retailers and petrol prices at petrol stations)

Table 33: Perceived competitiveness of different industries - detailed



## Perceived competitiveness of different industries (continued)

Using a 0-10 scale where 0 means 'not at all competitive', 5 means 'just adequate' and 10 means 'extremely competitive', how competitive are the following businesses in terms of working to get your business and offering you the best deals?

	0	1	2	3	4	TOTAL NOT COMP. (0-4)	5	6	7	8	9	10	TOTAL COMP. (5-10)	Unsure
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
<b>Online bookstores</b>														
New Zealand*	6	1	4	6	4	21	14	4	5	6	2	2	33	46
Australia	6	2	3	3	5	19	25	8	9	9	4	6	61	20
Alberta	8	3	3	4	7	25	27	8	9	8	6	5	63	14
Texas	10	2	4	4	4	24	28	8	8	7	7	8	66	9
<b>Electrical goods stores</b>														
New Zealand*	2	0	2	2	4	10	17	8	16	20	6	12	79	10
Australia	3	1	2	3	4	13	25	12	12	14	6	11	80	6
Alberta	6	3	3	4	4	20	30	10	10	8	5	7	70	10
Texas	7	3	3	3	5	21	30	9	10	9	6	9	73	7
<b>Banks and other financial services</b>														
New Zealand*	5	1	5	5	5	21	22	10	12	17	4	9	74	5
Australia	8	5	5	5	5	28	30	9	7	9	5	6	66	5
Alberta	7	3	5	5	5	25	27	9	11	11	7	8	73	3
Texas	6	3	3	3	5	20	29	9	9	12	8	10	77	3

Base: All respondents (n=1000)\*

\*Results for the New Zealand survey are taken from the CRE Omnibus survey undertaken in February 2014, they include bill payers only, giving the sample size of n=587

NB: Two industries tested were asked slightly differently in the New Zealand survey (electricity retailers and petrol prices at petrol stations)

Table 34: Perceived competitiveness of different industries – detailed (continued)

## Perceived ease of switching suppliers in different industries

Total easy '5-10'

*Using a 0-10 scale where 0 means not easy at all and 10 means extremely easy, how easy is it to switch suppliers for the following services?*

	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Electricity/power companies	68	68	63	74
Banks	70	69	68	57
Mobile or cell phone provider	72	67	73	66
Broadband provider	72	72	65	59
Landline or fixed-line provider	71	75	65	63

Base: All respondents

NB: The New Zealand survey had a response list with one definition per industry – power companies, mobile telephone provider, landline telephone provider.

*Table 35: Perceived ease of switching suppliers in different industries – summary table*

## Perceived ease of switching suppliers in different industries

Using a 0-10 scale where 0 means not easy at all and 10 means extremely easy, how easy is it to switch suppliers for the following services?

	0	1	2	3	4	TOTAL NOT EASY (0-4)	5	6	7	8	9	10	TOTAL EASY (5-10)	Unsure
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
<b>Electricity/power companies</b>														
New Zealand	3	1	3	4	4	15	13	7	10	17	7	20	74	11
Australia	10	3	4	4	5	26	17	10	10	11	5	10	63	11
Alberta	6	2	4	5	6	24	19	10	11	10	6	11	68	8
Texas	11	2	4	5	5	26	12	9	10	11	10	15	68	6
<b>Banks</b>														
New Zealand	7	4	5	8	6	30	15	7	9	11	4	11	57	13
Australia	7	3	5	6	4	26	15	10	11	10	6	15	68	6
Alberta	6	3	6	7	6	27	14	10	10	12	7	16	69	4
Texas	7	3	5	6	6	27	10	7	10	13	9	21	70	3
<b>Mobile or cell phone provider</b>														
New Zealand	5	2	3	4	6	20	13	6	8	14	6	19	66	14
Australia	5	2	3	4	4	19	14	9	13	12	8	17	73	8
Alberta	8	4	5	5	4	27	12	8	10	12	9	15	67	7
Texas	7	3	5	5	4	24	12	7	10	12	10	22	72	4
<b>Broadband provider</b>														
New Zealand	7	3	4	6	6	26	17	7	8	11	4	12	59	15
Australia	8	3	4	5	6	26	14	9	13	11	6	13	65	9
Alberta	4	2	4	5	5	19	14	9	15	13	6	14	72	9
Texas	6	2	3	6	5	23	11	9	13	13	9	18	72	5
<b>Landline or fixed line provider</b>														
New Zealand	5	3	5	6	6	25	15	8	9	13	5	13	63	12
Australia	7	3	4	5	5	24	15	9	12	10	7	12	65	10
Alberta	5	2	3	4	4	18	14	10	12	14	8	19	75	7
Texas	6	2	2	5	6	21	11	7	12	12	10	20	71	8

Base: All respondents (n=1000)

Table 36: Perceived ease of switching suppliers in different industries - detailed

## Switching different suppliers in past two years

Total 'yes'

<i>In the last two years have you switched:</i>				
	<b>Texas</b>	<b>Alberta</b>	<b>Australia</b>	<b>New Zealand</b>
<i>Base: n=</i>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Electricity/power companies	18	16	20	31
Mobile or cell phone provider	22	22	18	26
Broadband/internet provider	26	21	15	26
Car or home insurance provider	24	19	28	21
Banks	17	16	10	14

Base: All respondents

*Table 37: Switching different suppliers in past two years – summary table*

## Switching different suppliers in past two years

*In the last two years have you switched:*

	<b>Yes</b>	<b>No</b>	<b>Unsure</b>
	<b>%</b>	<b>%</b>	<b>%</b>
<b>Electricity/power companies</b>			
New Zealand	31	68	1
Australia	20	79	1
Alberta	16	83	1
Texas	18	82	-
<b>Mobile or cell phone provider</b>			
New Zealand	26	73	1
Australia	18	81	2
Alberta	22	77	1
Texas	22	77	1
<b>Broadband/internet provider</b>			
New Zealand	26	73	1
Australia	15	83	1
Alberta	21	78	1
Texas	26	72	1
<b>Car or home insurance provider</b>			
New Zealand	21	79	-
Australia	28	71	1
Alberta	19	80	1
Texas	24	75	1
<b>Banks</b>			
New Zealand	14	86	-
Australia	10	89	1
Alberta	16	84	-
Texas	17	82	1

Base: All respondents (n=1000)

*Table 38: Switching different suppliers in past two years - detailed*