

Beneath the Surface: Customers' Experiences of Universal Metering

Research Summary

Background

The Consumer Council for Water (CCWater) and Southern Water commissioned 5 focus groups and 40 in-depth interviews to research household consumers' experiences and views about Southern Water's Universal Metering Programme (UMP)¹:

- to improve the customer experience of Universal Metering Programmes, and;
- to assist Cewater to develop robust, consumer-focused policies to represent consumers' interests.

Overview

The UMP was a quiet success for a majority of customers. Customers who were aware of the metering programme were mainly concerned about the impact of being metered on their bill. Customers who experienced a significant bill increase by being metered were most likely to have adopted water saving behaviours. The majority of lessons from the research could be addressed with better tailored communications.

1 Metered Customers

Successfully targeted communications: Tailored written messages about water meters successfully reached their target audiences. Customers who had concerns reported using the telephone support available. Most customers who contacted Southern Water by telephone to ask for help were happy with the response they received, and their enquiry needs were met.

Impact of water saving advice: The impact of the water saving advice and devices (including Southern Water's water efficiency Home Saver Checks) was limited. Two groups of customers felt willing and able to exercise control over their water usage:

¹ This is a small but diverse qualitative sample designed to highlight the range of experiences of, and views on the UMP. The sample size is too small to draw conclusions about the prevalence of these views in the wider population.

- **Environmentally aware:** a small, more affluent, 'altruistic' group, who had been motivated by environmental concerns to save water *prior* to metering; and
- **Financial Savers:** a small group were motivated to save water due to initial concerns about bill increases. This group failed to maintain water saving behaviour over time when the bill savings they had anticipated were not realised.

Improving the impact of water saving advice: Consumers wanted to hear new water saving advice, beyond what they perceived as common sense, such as turning off the tap while brushing teeth. The personalised nature of the Home Saver Check was perceived as a key benefit, but none of the research participants who had taken up the Home Saver Check had seen a notable decrease in their water bills since implementing the suggested actions, which was key to maintaining behaviour.

Attitudes towards Southern Water: There was a range of attitudes towards Southern Water, with the most positive among customers who had saved money by having a water meter or by accessing financial support. Negative attitudes towards the water company were found among customers who had experienced significant bill increases as a result of having a meter, leading to financial difficulties, particularly for those already in debt to Southern Water.

Attitudes towards metering: Overall, metering was largely regarded as a progressive necessity; metered customers understood metering as an efficient method of recording individual water usage, and an equitable method of billing, and some metered customers felt that metering would have a positive environmental impact in terms of water saving.

2 Unmetered customers: those who were unable to have a meter installed for practical reasons

Completing the communications journey: These customers wanted personalised communications to confirm why a water meter could not be installed. They were left unclear whether a meter could be installed in future and wanted to know more about what would happen next: possible changes to the way they are charged for water and whether a meter would be installed in future.

Customers who wanted a water meter installed: Customers who wanted a meter to be installed were disappointed to hear that it could not be done. Some felt that they were

missing out on the financial benefits they assumed a water meter would bring (i.e. single owner occupiers). They were interested in knowing if a meter could be installed in future, but none reported hearing from Southern Water about this.

Customers who did not want a water meter installed: These customers were happy that they would not be receiving metered bills. They needed information and clarity about what would happen in the future: how they would be charged for water use, and if a meter would eventually be installed.

Future support for unmetered customers: In future, there are still other ways in which Southern Water could help these customers, such as offering appropriate advice on financial support options. These customers were typically moved onto an assessed charge, based on the number of bedrooms at a property, but they could still benefit from support, particularly if uncertain about potential bill increases resulting from the new way of charging for water.

3 Unmetered customers: those who were reluctant to have a water meter installed

The research identified two types of reluctant of customer; they are ‘active avoiders’ and the ‘disengaged’.

Active avoiders: ‘Active avoiders’ were aware of Southern Water’s UUMP and did not want a meter installed because they felt sure they would be worse off. This group tended to ignore written communications, and only engaged with Southern Water representatives when approached face-to-face on their doorstep.

Active avoiders: unwillingness to accept that UMP is compulsory: Typically, these customers did not understand or accept that water meters were compulsory, and did not realise the water company was entitled to enforce access to install a meter. These customers were wary of face-to-face encounters with representatives they perceived as potentially ‘pushy’, and were likely to see repeated visits in a negative light.

First face-to-face contact vital for engaging active avoiders: The first face-to-face visit is the key opportunity to engage the customer as an equal (as opposed to someone who is non-compliant). This group expected personalised communications about the impact a meter would have on their household. Engaging this audience face-to-face is likely to be a specialist skill.

Disengaged customers: Disengaged customers typically rented properties, some on a very short-term basis, and did not feel that the installation of a water meter was their responsibility. In addition, these customers were often experiencing financial hardship and were likely to be disengaged from services in general.

Disengaged customers: a lack of awareness of UMP: The 'disengaged group' were not aware of UMP and knew nothing about water meters. They saw water metering as their landlord's responsibility.

Disengaged customers: community-based communications: To overcome the lack of awareness about UMP, community-based, 'word of mouth' campaigns could target areas of potentially disengaged customers (e.g. areas with high density of tenanted housing).

Disengaged consumers: communications targeting tenants: UMP communications need to include information specifically targeted at tenants. They should be direct (telephone or face to face). Landlords could be used as a channel for communications, encouraging tenants to engage with UMP.

4 Top Five Customer 'must haves' for a positive customer experience

- **Customers about to be metered wanted to know:** *"How does the installation process work?"* and *"What will the financial impact be?"*
- **Those who are unable to have a meter installed (for practical reasons) wanted to know:** *"Why hasn't a meter been installed?"* and *"What happens next?"*
- **To meet these information needs, a mix of the following is required**
 - 'Push' communications (i.e. detailed written information)
 - 'Pull' opportunities (e.g. helpline number and face-to-face activity)
 - More vulnerable customers may also need additional support from a third party organisation.
- **For those who are 'actively avoiding' a meter, face-to-face engagement is key.**
- **For those who are 'disengaged' from the UMP, consider:** communicating via intermediaries e.g. landlords, community representatives, as well as messaging for tenants.

Consumer Council for Water and Southern Water

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