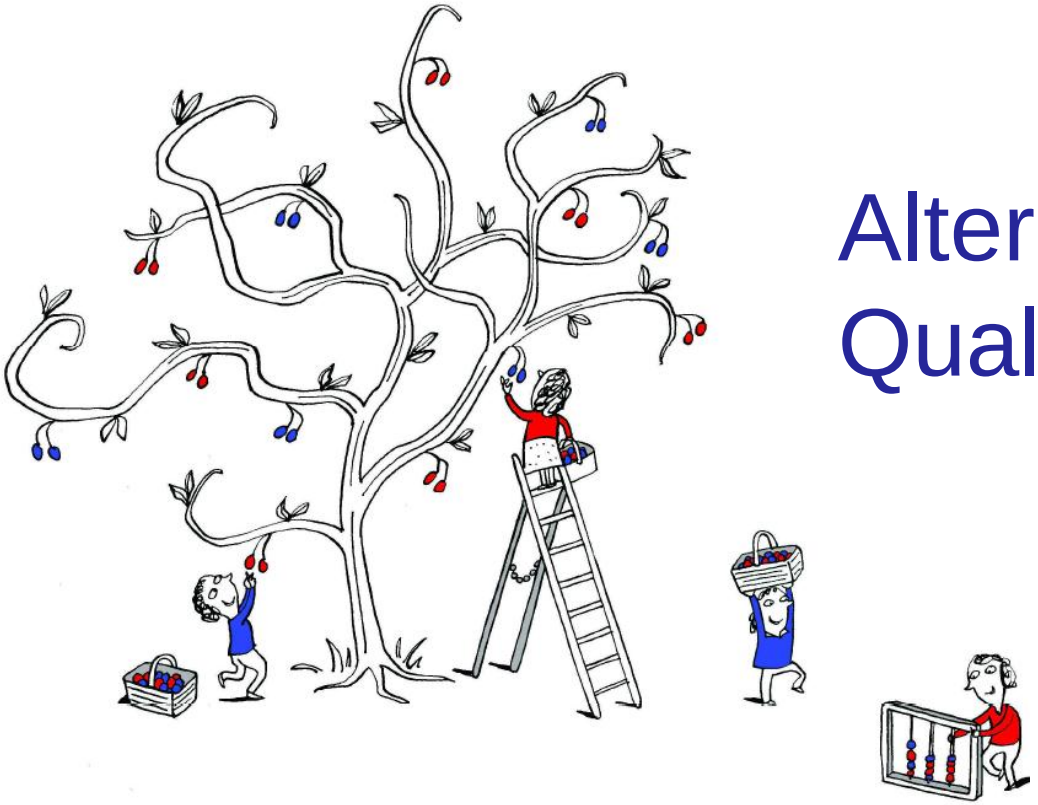

Alternative SIM - Qualitative Measure

Accent is registered to the market, opinion and social research International Standard ISO 20252

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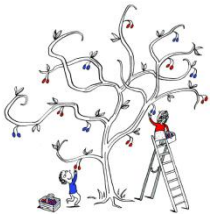


Background and Context

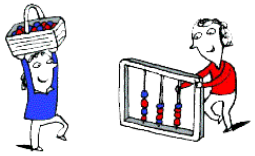
Objectives

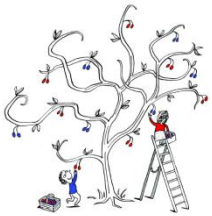
Confirm and clarify the option(s) for how the SIM measures might change over the course of the next regulatory planning period

Identify and assess the impacts of the option(s), including their fairness and effectiveness as comparative incentive measures

Establish a practical testing and implementation plan that takes due account of any concerns that exist in relation to the current SIM

Develop a set of outputs that can help to inform company responses to the SIM consultation





Background and Context

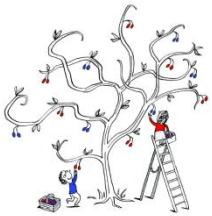
Sample Frame

Total of 2,500 telephone interviews

	Resolved		
WaSC	Billing 250	Water 250	Waste 250
WoC	Billing 250	Water 250	

	Any Contact		
WaSC	Billing 250	Water 250	Waste 250
WoC	Billing 250	Water 250	

WaSC participants – Severn Trent, Welsh & Northumbrian
Woc participants – Bristol, Essex & Suffolk, Portsmouth, SESW & South Staffs



Background and Context

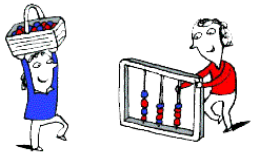
Survey Construct

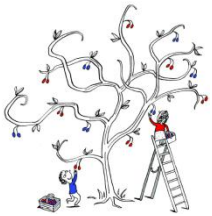
Worked in close collaboration with water companies

Developed in light of phase 1 recommendations resulting in combination of…

Individual customer experience questions eg ease of contact, helpfulness etc

Overarching questions eg overall customer experience, customer effort & NPS



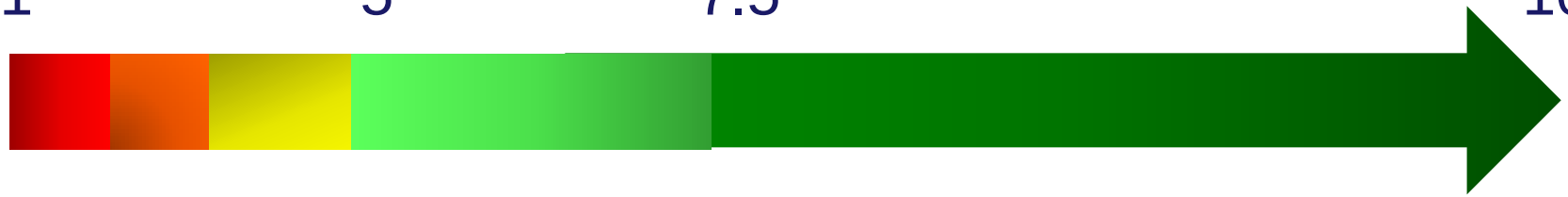


Main Findings

Question Analysis

Regardless of the type of contact, the vast majority of individual customer experience ratings, as well as the overarching questions, were between 7.5 and 8.5

1 5 7.5 10

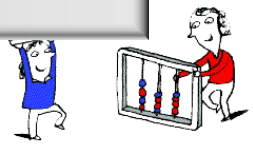


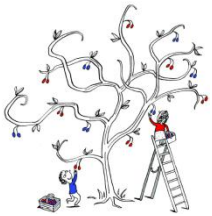
Extremely poor

Extremely good

Ratings followed the expected patterns where:

- **'resolved' contacts were rated better than 'any' contacts**
- **WoC ratings were better than WaSC ratings; and**
- **ratings for billing queries were highest, followed by water and waste water queries**





Main Findings

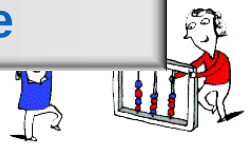
Question Analysis

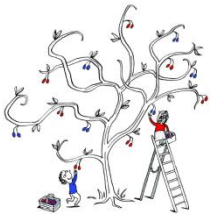
Customers who gave high ratings for keeping promises and/or commitments were considerably more likely to give high ratings for the overall customer experience

Difference in customer experience ratings where promise/commitment was made

	Overall total	Average ratings where promise or commitment made			
		Total	1 to 6	7 to 8	9 to 10
How would you rate the recent interaction you had with your water company?	8.18	8.13	3.64	7.72	9.73
Base	**2,509**	**1,035**	**194**	**229**	**603**

By migrating a proportion of those in the 1 to 6 band to the 7 to 8 range could significantly improve the overall customer experience





Main Findings

Driver Analysis

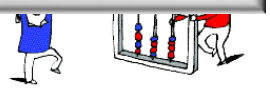
What's the relationship between the dependent (overarching) variables and the independent (individual) variables?

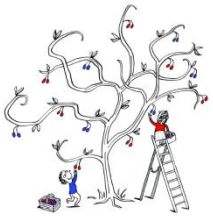
Attribute	Resolved	Any contact
	Adjusted R Square	Adjusted R Square
Q12 - CUSTOMER EXPERIENCE	0.83	0.79
Q13 - CUSTOMER EFFORT	0.76	0.77
Q16 – CUSTOMER RATING (Water Company & Interaction)	0.71	0.69
Q18 – NPS	0.57	0.57

KEY POINTS

-Strongest relationship is with customer experience

-Customer effort has similar, but not as strong a relationship, as the customer experience





Main Findings

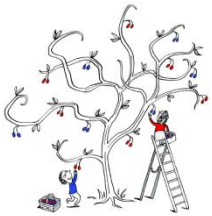
Driver Analysis

To what extent do the individual variables drive the overarching variables?

Independent Attribute	CUSTOMER EXPERIENCE		CUSTOMER EFFORT		CUSTOMER RATING		NPS	
	Resolved	Any	Resolved	Any	Resolved	Any	Resolved	Any
Ease of contact with your water company	0.06	-	0.15	0.08	0.08	0.05	0.05	-
Helpfulness of your water company	0.23	0.21	0.24	0.31	0.09	0.22	-	0.21
Keeping you informed about your query	0.12	0.22	-	0.08	0.10	0.16	0.17	0.17
Knowledge required to solve the query	0.15	0.14	0.21	0.19	0.27	0.17	0.24	0.09
Being treated as a valued customer	0.47	0.41	0.41	0.33	0.41	0.35	0.38	0.36

KEY POINTS

- **Being treated as a valued customer is the biggest individual driver**
- **'Ease of contact' has minimal impact as a driver; could it be dropped?**
- **Customer experience and customer effort are producing similar results**



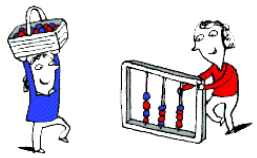
Main Findings

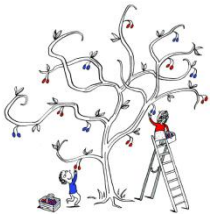
Question Relevance & Consistency

Cronbach's Alpha shows how the over-arching questions correlate:
- quite a high correlation between each of the questions, and particularly between customer experience and customer effort

Attribute	CUSTOMER EXPERIENCE		CUSTOMER EFFORT		CUSTOMER RATING		NPS	
	Resolved	Any	Resolved	Any	Resolved	Any	Resolved	Any
Customer Experience	1.00	1.00	.83	.83	.81	.84	.72	.75
Customer Effort	.83	.83	1.00	1.00	.78	.82	.70	.71
Customer Rating	.81	.84	.78	.82	1.00	1.00	.80	.81
NPS	.72	.75	.70	.71	.80	.81	1.00	1.00

This, plus previous analysis, suggests that Customer Effort could be dropped





Conclusions

Results are consistent with previous qualitative survey eg WaSC vs WoC

High ratings for both the individual and overarching questions

Being treated as a valued customer is the key driver but ease of contact has little Impact and could potentially be dropped

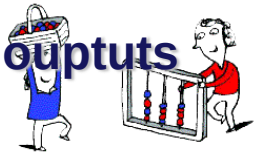
Customer experience question has the strongest relationship with independent variables, and looks to be the key overarching question

Overarching questions are quite highly correlated with one another but customer effort is most closely correlated to customer experience, so could potentially be dropped

Both ‘resolved’ and ‘any’ contacts produce strong sets of data but it could be argued that the ‘any’ set will produce a broader set of usable data

‘Any’ contacts more likely to produce a level playing field, avoiding potential company inconsistencies in defining a resolved contact

Survey appears to be able to produce clear and strategically helpful ouptuts



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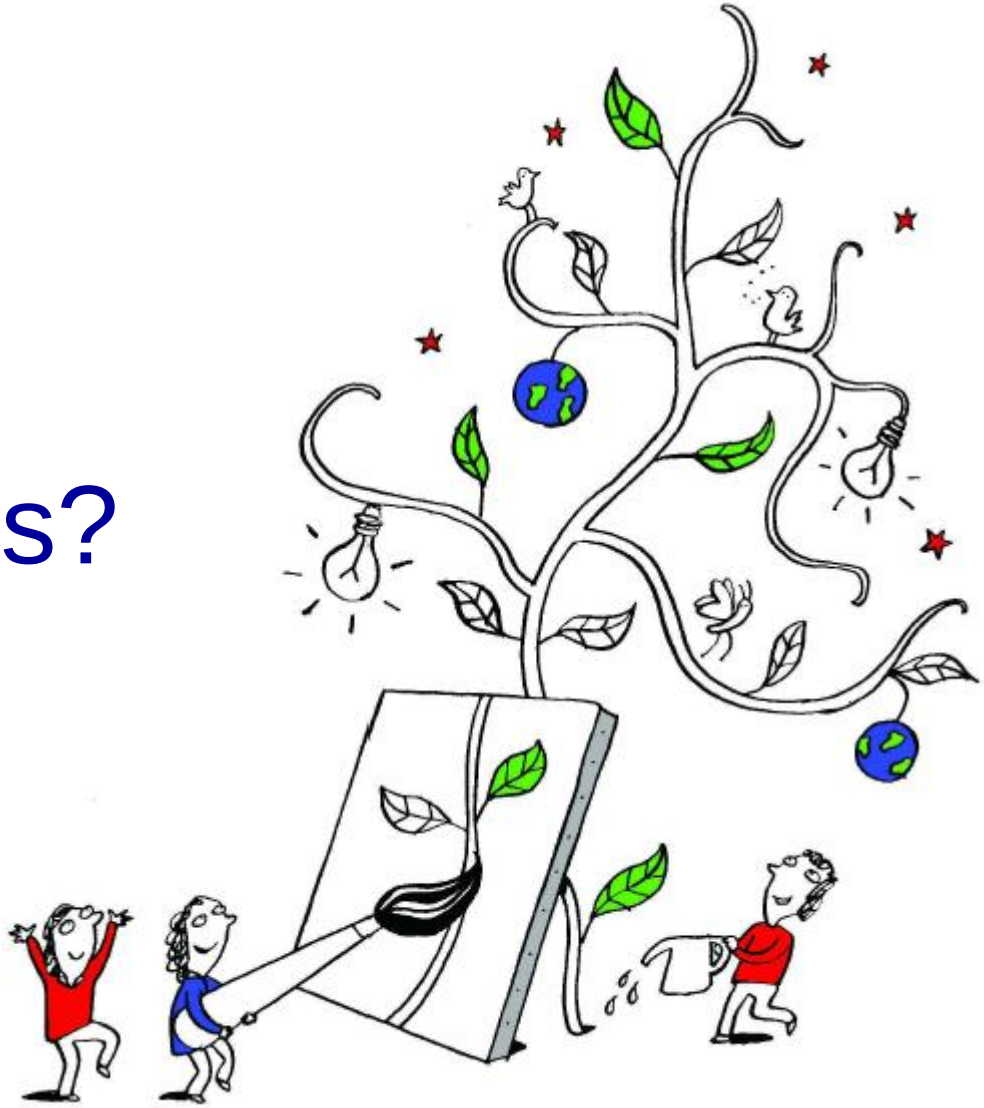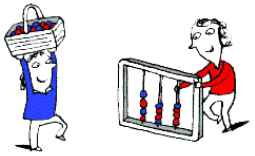
Any questions?