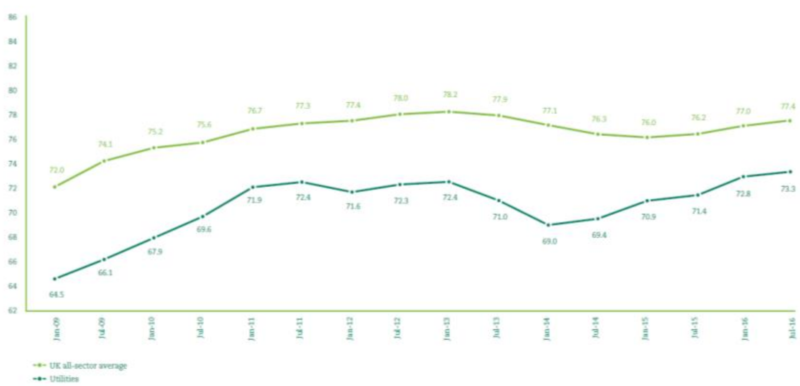
**Q6. What is your view on our development of a new customer experience measure for PR19?**

**Introduction**

SIM was introduced at a time when the Water Industry had lost its focus on customer experience and complaints were spiralling out of control resulting in the Utility Industry being the worst performing sector for Customer Satisfaction (UKCSI). Over the last 6 years since the introduction of SIM we have seen a complete turnaround with companies driving improvements in customer service, getting the basics right to reduce complaints deliver good service and investing in delight factors to really drive customer satisfaction.

Customer satisfaction in the Utilities sector has continued to improve with a CSI of 74.4 (out of 100) in January 2017 being 1.6 points higher than January 2016. The utility sector remains below the UK average but the gap has closed from 8.1 points at its widest in Jan 2014 to 3.4 points in January 2017. This has meant that the Utility sector is no longer the lowest scoring sector, it has overtaken the Telecommunications and Media sector.

Satisfaction trends in the utilities sector




Customers in the Utilities sector are the least likely to prioritise excellent service at a higher price over no frills service at lower prices. However compared to two years ago, there has been an increase in the proportion of customers seeking premium service and a decline in the numbers of those who prioritise basic, lowest priced service. Therefore expectations of utilities is increasing.

Water companies have kept pace with other utilities with both those water companies under the SIM measurement improving by 4.0 points and non-water utilities improving by 4.0 points as well over the period July 2014 to July 2016.

Severn Trent's vision is to be the most trusted water company by 2020 through delivering outstanding customer experience, the best value service and environmental leadership. We recognise that to achieve this we have to embed customers at the heart of everything to do and put customers first. Having this as our vision statement illustrates the importance customer service and customer experience has on our Boards and Executives agenda. Our internal ambition will drive improvements in customer experience but a comparable industry measure provides added focus and prevents complacency.

SIM has more than proved its worth but as with any measure it needs to evolve and respond to changes in the market in which it operates. We welcome the opportunity to input into Ofwat's thinking on the development of a new customer experience measure.

There are a number of considerations to be incorporated into any thinking around a new measure;

- Future proofed for customer behaviour changes and market changes
- Easy to measure as an ODI
- Drives insight and change as a result
- Drives long term outcomes
- Cost appropriate
- Workable for small and large companies
- Provides a comparator to other industry sectors
- Drives right company behaviour

The following review takes into account our learning over the last few years, our insight and thinking and also learning from working with other organisations and partners. We have sourced input from across our business – including our Executive Committee – along with organisations including Institute of Customer Service, Rant and Rave, Consumer Council for Water, Accenture, Baringa, Future Thinking and PWC. We have also undertaken a number of benchmarking visits and conversations to further our thinking, including with National Grid, British Gas, Ovo Energy, Barclays, EY, IBM and Argos – this list gives us insight into other wholesalers, utility retailers, digital experts, independent experts and other retailers customers interact with.

**1. The Ultimate Outcome**

All water companies have a number of customer ODIs which measure different aspects of customer service including supply interruptions, internal and external floodings and water quality complaints. It is important therefore that SIM does something different, it needs to measure customer experience, it needs to capture how it felt for a customer to interact with a water company and how easy was it to deal with us.

We feel there are a number of principles any new customer experience measure should meet;

- Every customer voice is heard
- Reflects what is important to customers
- Any requests for feedback from customers is a good experience for the customers

Trust is the ultimate outcome of a relationship between a customer and a company. In Severn Trent we use the Trust equation to understand relationships at a conceptual level:

Trust = (Reliability x Credibility x Intimacy) / Self Orientation

Trust is therefore based on doing what you say you will do, being an expert, having a relationship and making sure you are delivering for the greater good (not just personal gain). We have this built into our business improvement framework across the company.

We have undertaken some research on how to measure trust. This research has found that trust can be viewed from a number of levels, including as an organisation in terms of the value it offers and its reputation/brand, and a second example of trust is in the service that is provided and how queries/issues are resolved. The current SIM measure links into this latter trust lens. As an organisation we need to consider both angles to ensure we deliver the right outcome for our customers long term and day to day.

We have investigated ways in which we could measure trust. We have undertaken some work with PWC who have been developing thinking around this. They have developed a model defined by three trust types of trust – Competence trust, Experience trust and Values trust. The model analyses publically available data including social media interactions, however this can be difficult to quantify. We worked with them to undertake a performance review of Severn Trent however we found that information in the public domain was sometimes not relevant or could be influenced by factors other than customer experience. When we compared the results to those we get through our current voice of the customer programme we concluded that the PWC approach would not drive the right long term action for our customers. Benchmarking against other businesses is available but may be from differing data sets. We would not recommend this as an ODI measure as it does not meet the core principles we are looking to achieve, including every customer voice heard and enough data available to drive actionable insight.

We undertake a quarterly tracker survey with customers within our region and then expand this to customers outside our region twice a year. As part of this we ask customers to rate how trustworthy they feel certain organisations are, including their water company. When understanding this further it becomes apparent that the key drivers of this include day to day service, in addition to things like value for money, brand reputation and involvement in the community/bigger good. This aligns to PWCs thinking of different types of trust. Using such a question as a replacement for SIM will not drive the pace of improvement that other measures could relating to customer experience, it is more a longer term reputational measure.

Research therefore suggests that there is no clearly defined single trust measure, it is a constantly changing dynamic that can be measured from many different things. Individual organisations have different constituencies, different objectives, different culture, and therefore develop their own unique definitions to measure trust based on their own viewpoint. Using trust as a comparator measure is currently not possible across the water sector or to compare this sector to others.

The new customer experience measure needs to drive companies to get things right first time and focus on how they deliver that. Our voice of the customer feedback says that the priority for customers is for their water company to fully resolve their issue/query/request. Included in this is that the resolution is accurate and of a good quality. In addition to this they would like it done in a timely manner and be kept informed throughout. It is not until these basics are met that customers can be delighted by further factors. This insight therefore needs to drive the customer experience measurement.

A successful customer experience measure needs to provide the water sector and each company with enough data and insight to allow them to drive targeted improvements and also complement any other voice of the customer programmes to ensure customers do not get over surveyed. Most water companies already run their own voice of the customer survey or engage with the SIM survey provider to undertake additional surveys for them.  Severn Trent Water currently engage Rant and Rave to undertake surveys for us which enables us to undertake service recovery where we have not got things completely right but also to learn where we can improve and understand where we are delighting our customers so we can continue this.  A secondary reason is to give us a proxy for SIM so we can understand that our improvement actions are driving performance against the ODI.

With the vast majority of water companies investing already in their own voice of the customer programmes there is an opportunity to look at broadening out the current SIM methodology and setting it up that all companies can run the survey themselves in line with OFWAT guidance and assurance.  The current investment into the OFWAT SIM surveys could be reinvested into the assurance activity.  This will allow more customer voices to be heard and drive further insight and improvement.

**2. Wholesale to Retail**

As competition is introduced into the water industry it is critical that both the wholesale and retail operations continue to put customers at the heart of everything they do.  We would support splitting the customer experience ODI into separate wholesale and retail measures.  We would also suggest that non-household customers are included in the scope of the wholesale customer experience measure.

Splitting up customer experience into a number of measures to link to service offering/product aligns to how other sectors are measuring this.  For example the Gas Network (Wholesalers), including National Grid, have three Customer Satisfaction surveys for three core customer products: 1) Emergency – where the customer has reported an emergency, either within the home (no gas, smell of gas, concern for safety) or have identified an issue on the network (damage, gas leak, broken main); 2) Planned Works – where network company are replacing or upgrading their assets (replacing metallic mains, reinforcing the network); and, 3) Connections – where customers are requesting a new connection or an alteration to the existing connection.  Within each of these three surveys there is a series of questions that cover the end to end customer journey at which the customer can rate 1-10, and there is also the overall satisfaction with the work. This overall satisfaction question is the key one that is used for regulatory purposes.

Customer contact relating to Wholesale usually relate to service failure and are when customers ask their water company to fix a problem.  A customer experience measure therefore needs to take this into account and reflect this experience in terms of how easy was it to get the issue resolved and also ensuring the impact on their day to day lives was minimised.  Customer contact relating to retail activity frequently relate to customers requesting something or informing us of a change, e.g. moving house, making a payment or changing a name.  It is less frequent that the contact relates to a service failure for the retail side, but it does happen, for example querying a bill or reporting a faulty meter.  We therefore need to take these differences into account when considering how to measure this customer experience and we therefore propose these should be separated and measured in different ways, as such treated as different products/service offering.

Wholesale measurement – interactions in this area are generally emotive so it is important for customers that we make it easy for them to deal with us.  To reflect the experience nature of this service we propose that effort and impact are taken into account – how easy was it to deal with the company to report the issue and get it resolved, along with keeping informed and then also how much did the issue impact the customers' day to day life. Some issues cause more impact so it is good to ensure these are prioritised effectively and are given the right priority when it comes to improvement activity, e.g. hardest and most impactful would be a priority to improve.

Retail measurement – we propose to continue with a satisfaction form of measure as this will align to potential future changes around competition. Satisfaction will direct a willingness to come back and affinities to a brand. Satisfaction of a query type of contact will take into account ease of interaction but an impact lens is not required as the activity is more of a request than a problem. We have considered other forms of retail measurement but feel these are not right to use on their own. We feel having a basket of measures will drive a balanced approach.

The hidden challenge in the NPS lies in the post-measurement phase; NPS is a general indicator of the company's health, but it tells you little about where and how to improve. However using NPS will drive a more commercial mindset and make companies think beyond just satisfying their customers. MarketForce recommend that NPS is not used as a sole metric as operations teams may see a NPS result as intangible and very difficult to improve their score while specific transactional experiences may seem more in their span of control. In addition, some circles are very skeptical of the NPS, and the scientific community says that there is no proven correlation between NPS and business growth. However it will drive companies to think differently and more longer term so we feel this alongside satisfaction would give a good balance of measures.

**3. Beyond Water**

As customers it is natural that we compare customer experiences between the different companies we interact with. It doesn't matter that their products and services are completely different, it's about how they interacted with us, how they understood our needs, how easy they were to deal with and whether they fulfilled our expectations. As mentioned, unless they have moved area a water company customer has no way of comparing one water company against another. Therefore whilst there is a benefit of comparing like for like service offerings a customer in reality will compare their water supplier with their other utility providers, their bank, online purchases, high street retailers and small local businesses they use.

We have already mentioned that the Utility industry is the second lowest scoring sector in the UKCSI benchmark. Just comparing ourselves with other water or even wider utility companies will not drive the innovation and improvement needed to make the next step change in customer satisfaction and experience. Therefore in some way there needs to be a wider multi sector comparator so we truly understand how water companies are performing against those companies and sectors who are rated highest by customers. Ideally this would be through the new SIM measure(s) but this should not be at the detriment of achieving the other outcomes of this measure.

A comparator measure would allow us to benchmark experiences across sectors so we understand as a water sector how we are performing to ensure performance is keeping pace with other experiences customers have. We do not feel however it would be appropriate to do a direct comparison of metrics of specific water companies to other sector companies to an absolute value as this might drive the wrong behaviour and be disrupted by possible changes affecting specific organisations outside the influence of customers. As mentioned above our research into measuring trust has concluded that this is not a useful comparator across sectors as there are so many variables, influences and no agreed consistent way to measure this.

The consultation document refers to the UKCSI as a comparator metric. Severn Trent are the only water company to have UKCSI as an ODI and as such see the value in using it as a measure. We have sought to understand how it works at a detailed level and do have some concerns about its wider use.

UKCSI seeks views from 10,000 customers per survey. Customers self-select which companies they rate, they can rate up to 5 companies which they have had an interaction with over the last 3 months. Response rates for individual companies are relatively low (for Severn Trent 156 over the 2 surveys in 2015-16 compared to 800 SIM qualitative surveys). There is also no guarantee that an individual company will receive sufficient responses (need a minimum of 60) to be listed in the UKCSI. For example Wessex Water, Welsh Water and Northumbrian Water (all WASCs) received a result in July 2016 but not in January 2016. None of the 8 WOCs under the SIM measurement today received a result at all in January or July 2016.

We have explored with ICS whether it would be possible to increase the sample size to ensure sufficient responses but in our conversations with them they have said this is not possible using this measurement method. The other alternative we have explored is to get ICS to run a similar survey with data provided by ourselves (similar to how we provide data for the current SIM survey). Whilst this would produce a UKCSI score we do not believe it would be a true comparator against other companies and sectors in the UKCSI. In a Utility Week article in 2015 Wales and the West were quoted with having a UKCSI score of 91.8. They hadn't been listed in the published UKCSI benchmark in July 2015 and a score of 91.8 would have put them in 1st place above Amazon, John Lewis and First Direct. At the time we did check with our ICS Account Manager and discovered that this score was related to their own ICS benchmarking and not from the National benchmark.

We believe one of the reasons why an individual company's own ICS benchmark and the national benchmark is not comparable is customers would not be self-selecting whether they chose to comment on their water company rather than any other company they have had dealings with.

There are a number of other leading surveys on customer experience, including the Forrester Customer Experience Index but the results are only published for leading companies and only covers a smaller proportion of UK companies so are not practical for use as a comparator for the water sector.

Our proposal to include NPS in the basket of retail measures will allow some benchmarking/comparison with other sectors. The use of a similar suite of measures within the Wholesale basket will some comparison with other Wholesalers, e.g. energy Wholesalers.

**4. Beyond Contacts and Complaints**

We feel that a customer experience measure needs to have a quantitative element to ensure a wide range of customers have a voice but it also needs to relate back to the ultimate outcome to determine which elements should be included.

An area to consider is proactive contact. Customers more and more want companies to be proactive and advise them of things before it has become a problem or before the customer has noticed. A question to consider is how we reflect proactive contact in a customer experience metric. Should all customers who have had any interaction with their water company be considered for a customer experience survey and not just those who have had to contact their water company? This would drive companies to invest more in proactive communication and meet this demand from customers.

This demand for proactive contact or engagement, for example is evident in leakage reporting. When a customer has to report a leak, from their perspective they are doing the water company's job, they feel we should be more proactive and prevent customers even needing to inform us of this. This is partly reflected in today's SIM and the definition of wanted and unwanted contacts, with the first customer report of a leak is a wanted contact but any further customer reports being unwanted.

Whether relating to a higher than normal bill or a disruption to water supply, customers value proactive contact. We therefore would support the inclusion of customers who have received proactive contact from their water company in the qualitative measurement side of both the Wholesale and Retail measures. Due to the different nature of this type of interaction we feel it would work best to have a separate measure for this, aligned to the reactive measure but with a separate score.

**5. A multi-channel approach**

Customer methods of contact are changing and social media and digital communications are playing more of a role. Jo Causon quoted at the ICS AGM that 26% of customers will turn to social media to complain. We therefore need to ensure our future measures reflect this customer behaviour and therefore drive the right action. Quantitative and qualitative measures need to reflect, where possible, all channels of contact as choice is important to customers.

The key channels we feel are important to include in customer experience measurement are phone, email, letter, website, Twitter and Facebook. These are all now mainstream channels that customers use to interact with organisations. Other channels such as Instagram and Snapchat are used for interaction but currently are not set up in a way that would promote easy customer experience surveying and are used by a smaller population of customers so could impact the cost of undertaking surveys to bespoke a tool to these channels.

We should also consider channel when looking at how we conduct customer feedback surveys. Currently the qualitative survey is conducted over the phone, this is often not the channel of choice for customers. Could we consider a multi-channel survey? Conducting a survey across different channels will appeal to a wider audience and potentially increase response rates. Some people perceive that only a 'certain type of person' is willing to conduct a survey over the phone so we might be distorting our feedback and not addressing the needs of all our customers. Undertaking a multi-channel approach to surveying will, for example, enable us to get feedback from customers who contact us via email who we don't have their phone number for who are currently being excluded as their channel of choice is not a survey option. If we take the approach of companies running their own surveys (with the necessary assurance) this will enable this multi-channel approach to be used. Severn Trent Water already survey using SMS and are just expanding our offering to survey via email. Numerous other water companies already have a multi-channel approach to surveying.

The cost of undertaking a phone survey is between £8-£9 (source Rant and Rave). By expanding the channels in which we survey we will be able to gain feedback from more customers so more voices are heard. For example an SMS survey would cost 3p per message so potentially 9p per survey (we use 3 messages to conduct a survey based on intro message, question message and comment message). Email surveys cost approximately 0.5p to undertake and can be used to asked more questions (but still need to ensure the experience of undertaking the survey is good). By allowing more voices to be heard more insight will be gained and there will be a greater confidence in the quality of the survey scores. The current SIM survey is limited to 200 customers per survey, so 800 per year per organisation. For Severn Trent Water for example only 200 voices are being heard out of a weekly contact rate of approximately 60,000. Our current SMS approach allows us to receive feedback from 4,000 per week.

Reducing the cost per survey will also allow surveys to be conducted on a more routine basis, and not just 4 weeks out of the year. This will limit the impact of specific operational or process events on scores and give a more representative view of company performance.

**6. The role of Complaints**

Our view is that complaints should definitely be included. A customer takes the time to complain when they are felt let down by a company, when they are unhappy with how their issue has been handled or the resolution they have been offered. Currently complaints are defined as 'written complaints', however in our changing society where most people are time scarce and there are many more easy to access communications channels we feel that complaints should not be restricted to just written complaints.

The language and words we use day to day is also changing so we need to ensure that any measures reflect this and are future proofed to cultural changes. With the current definition of a 'complaint' being around any element of dissatisfaction, we often find that when we contact customers about their 'complaint' they say they haven't complained.

The effort taken to complain will vary across different channels therefore we feel this should still be reflected in any quantitative measure. For example behaviours have evolved where social media is now used commonly to put a complaint out about a company, it is quick and easy. However it takes more effort to pick up a phone, dial and speak to someone about a complaint. Lastly to take the effort to write a complaint shows the more serious nature of the issue. A scale across these channels could be introduced for rating a complaint, e.g. social media – 1 point, phone – 5 points, written - 10 points, escalated complaints – 100 points, CCW investigation 1000 points.

Complaints is both important in a retail and wholesale environment and should be considered in both sides of a customer experience measure.

**7. Incorporate vulnerability**

Supporting our vulnerable community is vitally important to us and we feel that it requires its own focus and ODI.

Under our proposal to consider impact as well as effort as part of a wholesale measure this will reflect to a certain extent a customers' vulnerability and how we support this. For example if a supply was interrupted and the customer required dialysis the impact of this event would be more severe than someone who was not suffering from such ill health. The effort side of the score would reflect how well we then handled the support of this need.

Some customers do not see themselves as vulnerable generally, it is only when there is an issue with their water or waste provision that they become vulnerable, for example a parent with a premature baby when they cannot make up milk using bottled water for their baby. These transient vulnerabilities are difficult to identify and monitor but would be taken into account by the individual customer by using an effort and impact approach.

Within the retail arena the use of satisfaction would reflect the required support. We frequently see comments within our satisfaction voice of the customer programme about the support we gave the customer when they were struggling to pay or were going through a difficult personal time.

**8. Beyond end-users**

We feel it would prove beneficial to include non-household customers in the proposed Wholesale measure as they still require the same level of service and currently are not able to feed back in a constructive way on their experience. They would fit nicely into our proposal of the wholesale measure around effort and impact for the qualitative side and the complaint side of the quantitative measure.

We would also welcome a measurement of customer experience in the Developer Services arena. As this is a different set of customers we feel this should be measured outside the core SIM measurement and form part of the existing Developer Services regulatory measure framework. We would propose this would work similar to the Gas Network measurement set up where it would be a different measure as it is a different product/service so needs its own focus. Interaction with these customers' works on a different timescale and with a different type of relationship so would not be a direct comparative measure to household customers.

**9. Our measurement recommendation**

Taking all the above into account we would propose the following approach and methodology to a future customer experience measure:

**Wholesale SIM**

Similar to today this is an index made up of two elements:

| Element | Measure | Method | Detail |
|---|---|---|---|
| Qualitative SIM<br>(75% weighting) | Reactive contact<br>Effort score x<br>Impact score | Survey | Survey undertaken at the point a problem is resolved using 2 questions then asking for verbatim comments:<br>- Severn Trent Water made it ***easy*** for me to handle my issue<br>- The issue have a significant ***impact*** on my day to day life |

| | | | |
|---|---|---|---|
| | Proactive contact Satisfaction | Survey | Survey undertaken at the point a problem is resolved asking one scored question then asking for verbatim comments:<br>- You recently received communication from Severn Trent about an issue in your area. Overall how satisfied were you with how this issue was handled? |
| | Planned work Satisfaction score | Survey | Survey undertaken at the point the work is complete asking one scored question then asking for verbatim comments:<br>Severn Trent recently undertook work in your area. Overall how satisfied were you with how this was managed? |
| Quantitative SIM (25% weighting) | Points incurred through complaints | Count | Social media – 1 point<br>Phone – 5 points<br>Written – 10 points<br>Escalated – 100 points<br>CCW investigation – 1000 points |

***Effort***

The Harvard Business Review (HBR) published research which suggests that delighting customers doesn't build loyalty, reducing their effort does. By acting on the insight in relation to effort, companies are able to improve customer service, reduce service costs and decrease customer churn

***Impact***

The level of impact an operational failure has on someone's life will significantly impact their perception, satisfaction and trust with us. By measuring perceived impact via a survey, we can understand which service failures are the highest impact on customers' lives and target resources more effectively and efficiently.

***Effort and Impact***

By having a joint understanding of both the effort and impact involved for customers during a service failure, we can start to map out higher priority jobs, improve processes, become more efficient and improve customer experience.

**Retail measure**

Again encompassing an index made up of two elements:

| Element | Measure | Method | Detail |
|---|---|---|---|
| Qualitative SIM (75% weighting) | Customer contacting water company customer satisfaction | Survey | Survey asking one question, then asking for verbatim comments:<br>- Overall how satisfied with the handling of this matter are you? |
| | Proactive contact satisfaction | Survey | Survey undertaken at the point a problem is resolved asking one scored question then asking for verbatim comments: |

| | | | |
|---|---|---|---|
| | | | You recently received communication from Severn Trent about an issue in your area. Overall how satisfied were you with how this issue was handled? |
| Net Promoter Score (5%) | NPS | Survey | A second question as part of the customer contacting water company satisfaction survey asking:<br>- How likely is it you would recommend us to a friend? |
| Quantitative SIM (20% weighting) | Points incurred through complaints | Count | Social media – 1 point<br>Phone – 5 points<br>Written – 10 points<br>Escalated – 100 points<br>CCW investigation – 1000 points |

**Survey scale**

Based on a review of survey literature, we believe that the most appropriate scale would be a 7 point scale. This allows for a middle 'neutral' response. It also enables greater granularity than a 5 point scale, but less evasiveness than a 10 point scale. It would address the current challenge with the 5 point scale of bunching around a certain score.

Much research has been done on the range of surveys, with no consensus on the optimal scale but there are some things to consider to help choose an appropriate scale. If you are purely after the most reliable score, then it is best to go for a short scale, as you can consistently score on a smaller scale e.g. if you used a scale: Agree, Neutral, Disagree then you opinion on a topic should easily fall within one of these category's. This however does not convey an detail of the individual being surveyed, so having a wider scale return greater value but this has limits as the more increments reduces the reliability of the result.

However to remain standard to how other companies run their net promoter score so we can use it as a comparison this should be undertaken on a scale of 1 to 10.

**Survey methodology**

There are pros and cons to both centrally facilitated/administered surveys and a dispersed self-run approach undertaken by water companies themselves. However both are feasible. We would recommend a self-run but centrally assured approach. This is the approach undertaken in the Gas Network Wholesale industry and has proven successful.

| Approach | Pros | Cons |
|---|---|---|
| Self-run | • Can perform as part of BAU VoC programme – easier to ensure not over surveying customers<br>• Data more accessible in timely manner to water companies to drive pacier action<br>• Easier to survey immediately after interaction – improved customer survey experience & | • Risk of inconsistency and greater need for correct level of assurance<br>• Not all water companies have facilities to undertake surveys – may increase costs for these companies |

| | | |
|---|---|---|
| | reduces chance of customer forgetting about the interaction<br>• Surveys can be conducted using contact channel – links to channels offered by the company<br>• Companies can undertake more than minimum number of surveys to gain additional data without risk of surveying customers twice | |
| Centrally administered | • Level of assurance already accounted for<br>• Greater consistency across methodology | • Cost to ensure coverage to hear broad range of customer voices<br>• Limited to volume and frequency of surveys (i.e. quarterly)<br>• Reduced chance of innovation in surveying as managed by one supplier only<br>• Rely on contact files being sent in stages |

Using the suite of questions for the two surveys suggested the survey can be conducted over numerous channels, including phone, IVR, email, online and social media. Costs can be managed to ensure they are not too high as cheaper channels for surveying can be used if required. It will allow a greater sample size than today reducing the amount of potential variation in scoring.

Rather than undertaking surveys four weeks a year, surveys can be undertaken daily and be more reflective of overall performance and all more customer interactions, both reactive and proactive. For example if proactive messaging is undertaken in association with a supply interruption then a survey can be sent following the event to obtain feedback.

Surveys can be undertaken timely after the contact. The current approach can result in a survey being undertaken at least 2 weeks after contact and listening to the survey calls it can be difficult for a customer to remember the contact.

Guidance will need to be put in place to set expectations around the minimum number of surveys to be completed and how so as to ensure consistency across companies and allow companies to scale the surveys as they see fit.

Having this changed approach will allow us to meet the principles and considerations set out earlier in our response, including ensuring more voices are heard, promoting action into customer priority areas and building on learning from the current approach.

**Final comments**

We recognise that the above still leaves some questions that need further investigation to ensure the measures work across all water companies and that an assurance process can be developed to ensure consistency. We would be very interested in further discussing our thinking with you and getting your thoughts to further work the options and a proposal.