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Northumbrian Water Ltd

Brand Values 2019 - The survey findings

Our ref. J3043
[redacted]

DEFINING THE CLEAREST DIRECTION

A

Contents

Introduction

✳ What drives perceptions of the brand, and how is it seen by customers?

This report details the findings of the 2019 survey designed to track consumer perceptions of NWG's brand values – a total of 750 interviews were conducted by phone between 19 November 2019 and 16 January 2020 (with fieldwork having to pause over the Christmas/New Year festive season).

The total spread across the sub-regions was as follows:

Location	Interviews
North	450
Essex	188
Suffolk	112
TOTAL	**750**

Sample was provided by NWG, and we removed any customers who are TPS registered, before use. To qualify to take part, respondents had to be the person in the household who would deal with NWG (either solely or jointly). Note that this survey covers home-owners only; in the case of households renting their property, it will often be the landlord rather than the tenant who deals with water and sewerage bills.

The mean average interview length was 16 minutes, and the response rate (interviews as a proportion of interviews plus refusals) 25%.

We set age quotas, and have achieved the desired overall sample spread, with an age profile in line with the national home-owner population (as detailed in the Labour Force Survey).

Headlines

Headlines (1)

Brand recognition

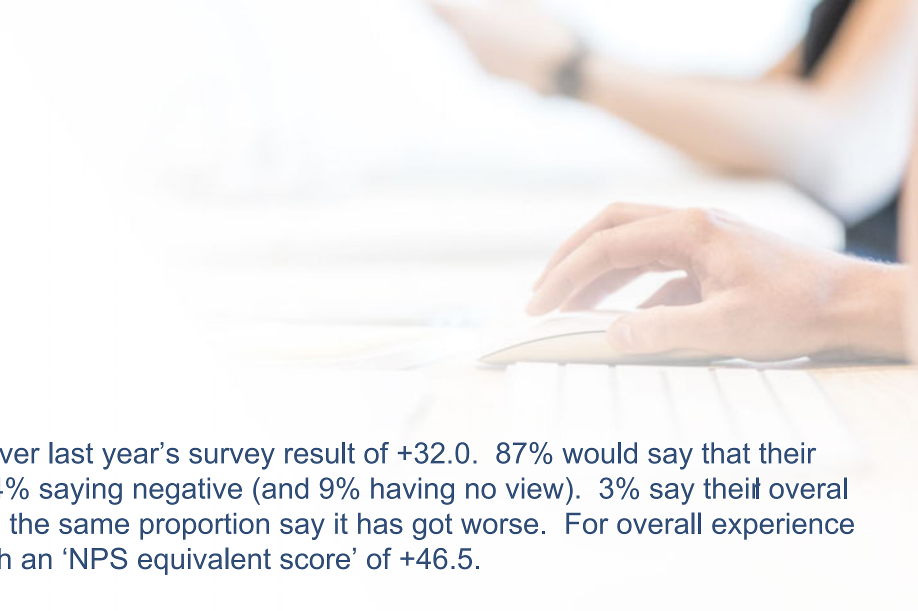
Respondents had to be informed at the outset that this survey was being carried out on behalf of NW/ESW (in order to secure co-operation at a cost-effective rate), so it was to be expected that the brands most commonly associated with their region would be NW/ESW, and that NW/ESW would be brands that come to mind most readily when they think of water. The results show, however, that recognition is far more clear cut in the north, while Anglian and Thames muddy the waters in the south.

Comms recall

A healthy majority in both regions recall having seen or heard anything about the company in the last 6 months (83% north, 78% south).

Customer service excellence

27% of respondents could give an instance of having experienced what they would consider to be excellent customer service, with utility companies (water, energy, phone/broadband), retailers and financial services companies heading the list. A third of customers have contacted NW/ESW within the last 12 months, and these respond particularly positively when asked to rate the company for customer service excellence – as do those who may be in vulnerable circumstances, who are also more likely to have contacted recently. The overall mean score out of 10 for CS excellence was 8.0, and the 'NPS equivalent score' (9-10s minus 0-6s) was +27.6.



Headlines (2)

Overall satisfaction/perceptions

The NPS score recorded was +42.0 overall, an improvement over last year's survey result of +32.0. 87% would say that their overall perceptions of the company are positive, compared to 4% saying negative (and 9% having no view). 3% say their overal opinion of NW/ESW has improved over the last 12 months and the same proportion say it has got worse. For overall experience of the company, mean score satisfaction was 8.5 out of 10, with an 'NPS equivalent score' of +46.5.

Brand values

Being 'a company I can trust', 'easy to deal with' and 'organised and efficient' are key values that relate to the overall experience measure, so performance on these (healthy at present but still with room for improvement) should be maintained.

Customer priority areas

As far as customers are concerned, the primary issues for the business plan to prioritise should be constant access to clean water, improving the environment and affordable bills, along with the service aspects of the company doing what they say they will, and providing help where it is needed.

Respondents and their households

Demographics and billing profile

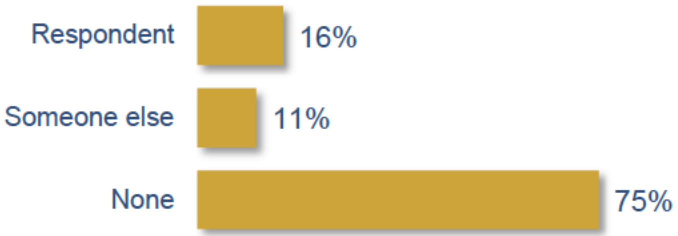
Sample profile	Total	NW	ESW
Male	48%	48%	50%
Female	52%	52%	50%
18-34	10%	10%	10%
35-44	17%	18%	16%
45-54	23%	24%	22%
55-64	22%	24%	19%
65+	28%	25%	33%
AB	19%	19%	17%
C1	34%	33%	35%
C2	18%	19%	16%
D	12%	12%	13%
E	14%	13%	16%
Information refused	4%	4%	4%

The sample profile this year is very similar to that achieved on the previous wave of this survey, carried out in 2018.

Billing profile	Total	NW	ESW
Metered	60%	51%	73%
Not metered	40%	49%	27%
Direct debit	78%	81%	73%
Not direct debit	22%	19%	27%

Disability and benefits

In a quarter of households there is at least one person affected by a long-term illness or disability:

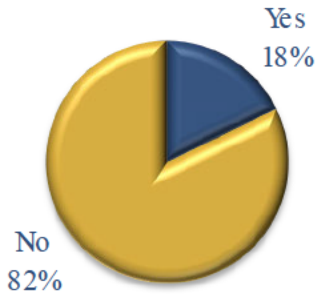


Base: all respondents, where answer given (733)

The incidence of long-term illness or disability rises with age. The level is highest (44%) in the DE socio-economic groups.

Households where there is someone with a disability are less likely to be paying their water bills by direct debit (65% vs 82% where there are no disabilities or long-term conditions).

Nearly one in five respondents are in receipt of income support or any other benefits:



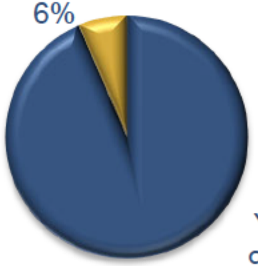
Base: all respondents, where answer given (732)

Women are more likely than men to be on benefits (26% vs 10%). Almost half (43%) of the DE socio-economic group are on benefits, and 46% of those with anyone in the household with a disability or long-term illness.

Q17/19

Language, and overall vulnerability

In most cases, English is the respondent's first language, although there is a significant minority for whom it is not:



Base: all respondents, where answer given (740)

The proportion where English is not their first language is significantly higher in Essex (10%) than Suffolk (2%). These customers are typically younger, in the under 45 age bracket.

The proportion of respondents meeting any of these 3 criteria for vulnerable circumstances (in receipt of benefits, having anyone in the household with a disability or long-term condition, and/or not having English as their first language) is 36%. This is similar to the equivalent 2018 result, of 38%.

60% of those in the DE socio-economic group fall into this category, and 41% of those aged 65+.

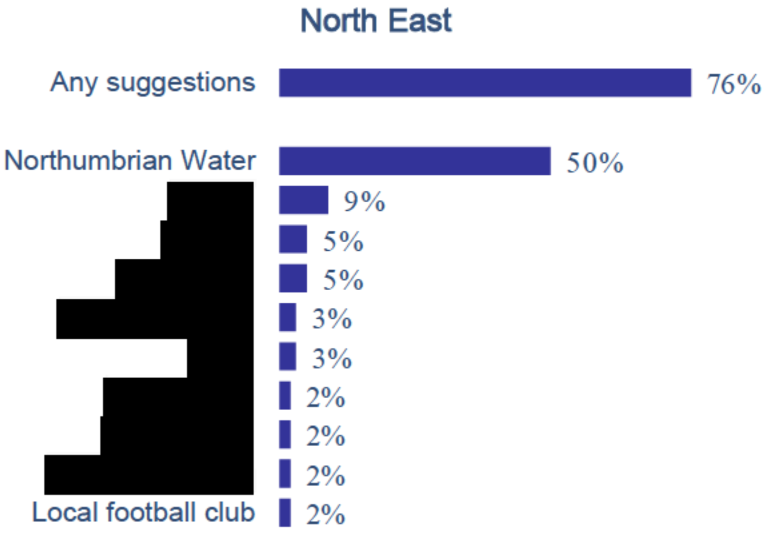
Only 68% of customers in vulnerable circumstances pay their water bills by direct debit, compared to 84% of the rest.

Q18

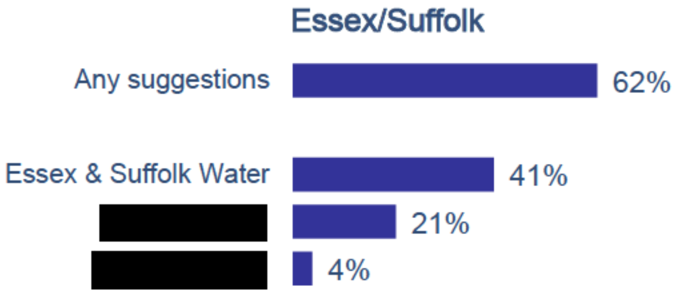
Brand recognition

Brands associated with the area

Which companies do you most associate with [the North East/ Essex/Suffolk]? (unprompted)



Base: all respondents (450)



Base: all respondents (300)

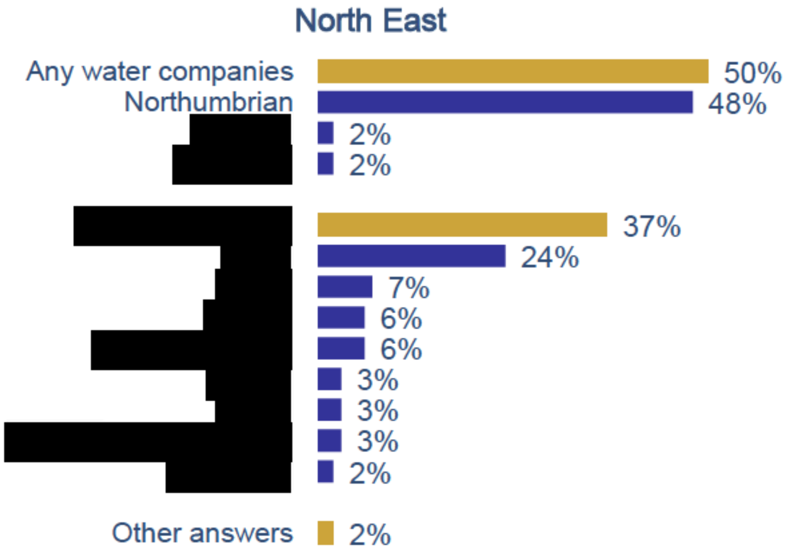
Water companies predominate – we have of course put the idea in respondents' minds when introducing the survey as being on behalf of NW/ESW.

Respondents in the North, though, are much more likely to be able to think of strong local brand associations.

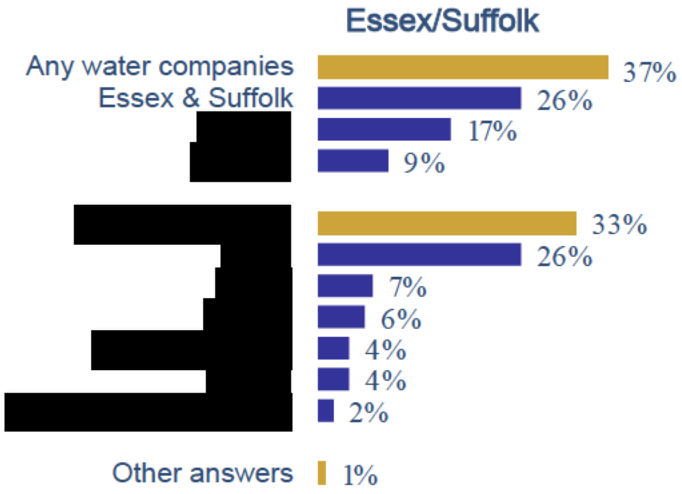
Top of mind water brands

In the North, respondents are more likely than those in the South to think of a water company in this context, but for around a third in both regions it is bottled water brands that come to mind.

When you think of water, what brands come to mind?(unprompted)



Base: all respondents (450)



Base: all respondents (300)

Q2

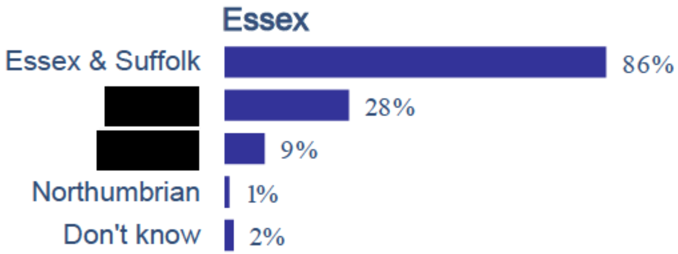
Water company name recognition

The survey is sampled from lists of actual customers of NW/ESW. All of those in the North know that their company is NW; in the South, where water and sewerage are split between providers, name recognition for ESW is less strong.

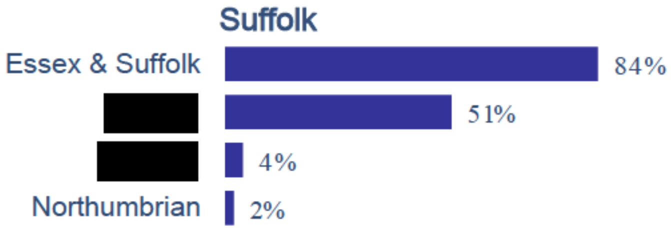
Which of the following do you recognise as being your water company?

(read out)

Base: all respondents (450)



Base: all respondents (188)



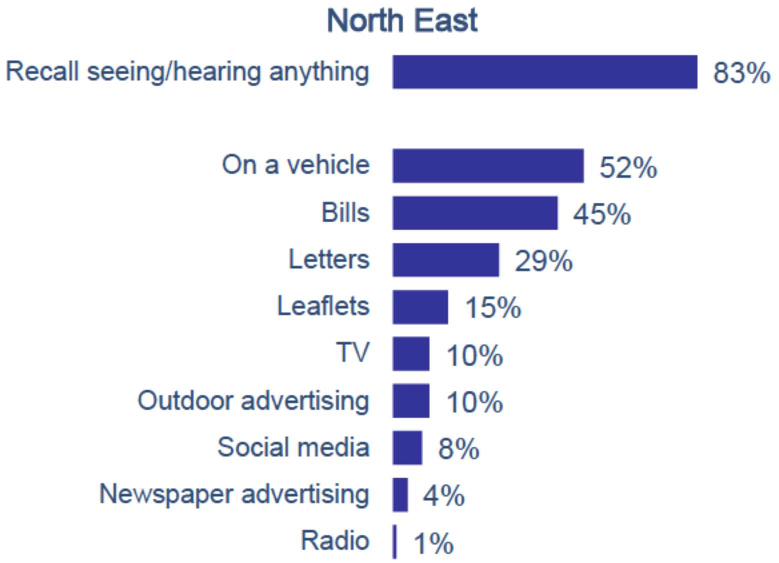
Base: all respondents (112)

Q3

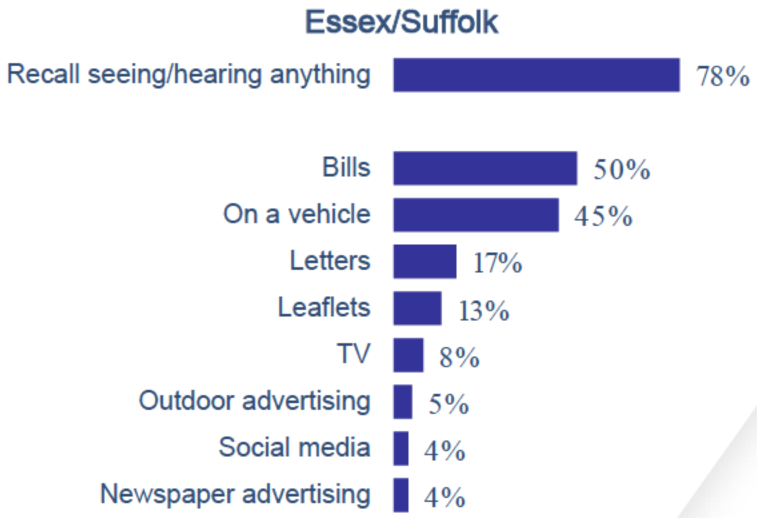
Comms recall

Comms activity recall

Can you recall seeing or hearing anything about NW/ESW in the last 6 months or so, on any of the following? (prompted)



Base: all respondents (450)



Base: all respondents (300)

Q11

Customer service excellence

Examples of excellent customer service

Can you think of an instance when you have experienced what you would say is excellent customer service from a company?

27% could suggest such an instance

- 8% in the north named Northumbrian Water
- And 4% in the south named Essex & Suffolk Water

The main other categories of business mentioned were:

- Mobiles/phone/broadband – especially Sky with 8 votes, 6 each for EE and Vodafone, 5 for Three
- Retailers – especially Amazon with 10 votes, 6 for John Lewis
- Energy suppliers – especially British Gas with 14 votes
- Financial services – insurance and banks
- Car dealers and garages
- Holiday companies

Top themes in these cases were:

- Easy to deal with
- Prompt query/problem resolution
- Keeping the customer informed if something could not be resolved immediately
- Low cost/good value for money
- No quibbles
- Offering good information/advice
- Knowledgeable and helpful staff who listen to the customer

Q4

Contact

When did you last have any contact with NW/ESW –apart from receiving a bill?

Base: all respondents (750)

Those in the NW region are more likely ever to have contacted (82%) than those in ESW (73%), as are 16-44 year olds (85%) than those older (76%). Customers on benefits and those with anyone in the household with a disability are the most likely to have contacted most recently – 25% and 23% respectively within the last 3 months.

Q5

Customer service excellence

Using a scale of 10 to 0, where 10 is very likely and 0 is very unlikely, how likely are you to describe the customer service you receive from NW/ESW as being excellent?

CS excellence rating (638)

NB: 15% could not answer

Mean score : 8.0
'NPS equivalent score' (9-10's minus 0-6's) : +27.6

Base: all respondents, where answer given (as shown)

Q6a

CS subsample differences

Customers in vulnerable circumstances score NW/ESW particularly on customer service excellence– as do those who have had recent experience of actually contacting the company.

Differences in the 'NPS equivalent scores' for customer service excellence by respondent sub-group are listed below. Figures shown in green are significantly better than those in red:

Total (638)	**27.6**

NW (390)	32.1
ESW (248)	20.6

Essex (154)	24.0
Suffolk (94)	14.9

Direct debit (491)	23.8
Not (147)	40.1

Metered (385)	28.3
Unmetered (253)	26.5

Men (315)	21.9
Women (323)	33.1

16-44 (169)	28.4
45-64 (286)	23.4
65+ (183)	33.3

AB (103)	24.3
C1 (203)	21.2
C2 (110)	31.8
DE (168)	39.3

On benefits (118)	44.1
Not on benefits (506)	24.3

Disability in household (162)	40.1
Not (461)	23.9

English is first language (586)	28.0
Not (42)	28.6

Last contacted NW/ESW:	
In last 3 months (124)	42.7
3-12 months ago (116)	44.8
Longer/don't know (285)	19.6
Never have (111)	13.5

Base: all respondents, where answer given (as shown)

Q6a

Top reasons for CS excellence scores

9-10s (193)
Had no problems – 34%
Prompt issue/query resolution – 21%
Polite – 15%
Helpful – 14%
Proactive – 11%
Informative/clear – 10%

5-6s (65)
Have no contact with them – 15%
Okay/not outstanding – 9%
Poor previous experience – 6%
Slow issue/query resolution – 5%
Poor quality water – 5%
Too expensive – 5%

7-8s (115)
No problems – 23%
Proactive – 9%
Prompt issue/query resolution – 6%
Helpful – 5%

0-4s (25)
Slow issue/query resolution – 28%
Have no contact with them – 24%
Poor quality water - 8% (= 2 respondents)
Don't read meters regularly - 8% (= 2 respondents)

Base: all respondents giving each score (as shown)

Q6b

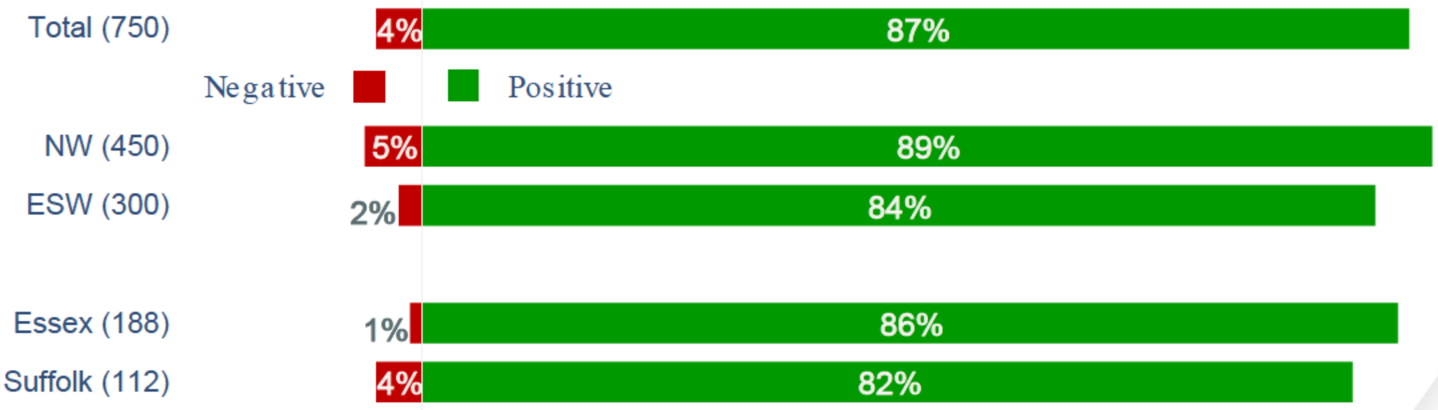
Overall satisfaction/ perceptions

Overall perceptions

Would you say that your overall perceptions of NW/ESW are generally positive or negative?

Most likely to be positive:
- C2 (91%)
- Contacted in last 12 months (92%)
- On benefits (92%)

Least likely to have a view (9% neither/don't know overall):
- ESW (13%)
- 45-64s (11%)
- C1 (12%)
- Contacted longer than a year ago/never (11%)
- Not on benefits (10%)



Base: all respondents (as shown)

Q7a

How this opinion is formed

Positive (290)

Had no problems – 38%
Proactive communication/keep you up to date – 14%
Reliable supply – 13%
Good customer service – 8%
Quick response – 8%
Helpful – 7%
Polite/friendly staff – 6%
Responsive/handle issues well – 6%
Bills are clear – 5%
Good/fair prices – 4%

Negative (12)

Too expensive – 2
Should not be private company – 2
Do not resolve problems – 2
Slow to respond - 2

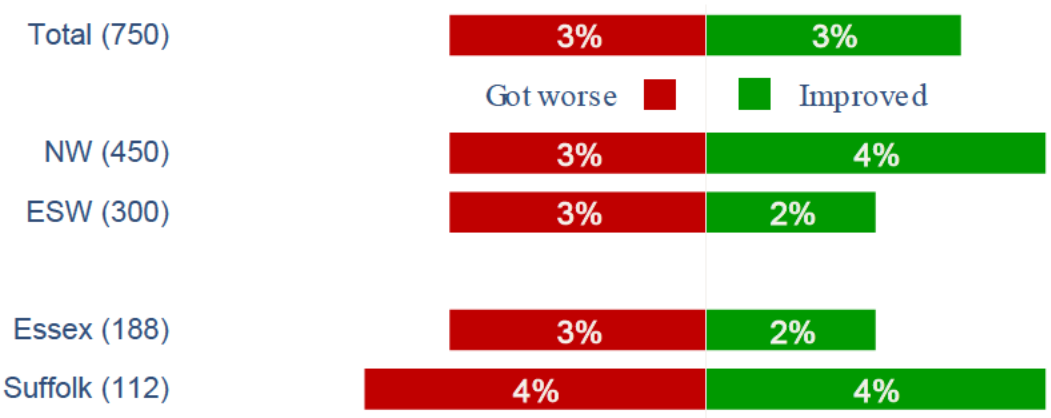
Base: all respondents answering each way (as shown)

Q7b

Opinion change

Most likely to be improved:
- Men (5%)
- Contacted in last 12 months (6%)

Has your overall opinion of NW/ESW changed at all, over the last 12 months or so?

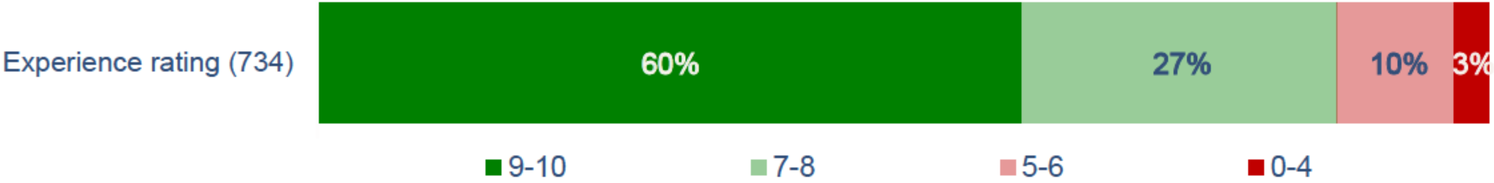


Base: all respondents (as shown)

Q8

Overall experience

Using a scale of 10 to 0, where 10 is very satisfied and 0 is very dissatisfied, how satisfied are you with your experience of NW/ESW?



Mean score : 8.5
'NPS equivalent score' (90's minus 06's) : +46.5

Base: all respondents, where answer given (as shown)

Q9

Experience subsample differences

Differences in the 'NPS equivalent scores' for satisfaction with experience, by respondent sub group, are listed below. Figures shown in green are significantly better than those in red:

Total (734)	**46.5**
NW (443)	49.0
ESW (291)	42.6
Essex (183)	44.8
Suffolk (108)	38.9
Direct debit (570)	45.4
Not (164)	50.0
Metered (440)	49.1
Unmetered (294)	42.5

Men (355)	38.6
Women (379)	53.8
16-44 (201)	47.8
45-64 (330)	47.0
65+ (203)	44.3
AB (129)	42.6
C1 (234)	40.6
C2 (124)	59.7
DE (187)	58.3

On benefits (129)	63.6
Not on benefits (588)	44.6
Disability in household (178)	46.1
Not (539)	47.7
English is first language (677)	47.0
Not (47)	48.9

Last contacted NW/ESW:	
In last 3 months (125)	55.2
3-12 months ago (119)	53.8
Longer/don't know (334)	41.3
Never have (154)	45.5

Base: all respondents, where answer given (as shown)

Q9

Words and phrases

'Excellent/very good' – 18% of C2DE
'Satisfactory/adequate' – 23% in Suffolk

What 3 words or phrases would you use to describe NW/ESW?

- Reliable supply (17%)
- Excellent/very good (12%)
- Efficient (12%)
- Good customer service (8%)
- OK/satisfactory/adequate (8%)
- Good (8%)
- Helpful (7%)
- Water company (7%)
- Good quality water (6%)
- Good/fair prices (4%)
- Responsive/timely/prompt (4%)
- Polite (3%)
- Friendly (3%)
- Professional (3%)

Base: all respondents (750)

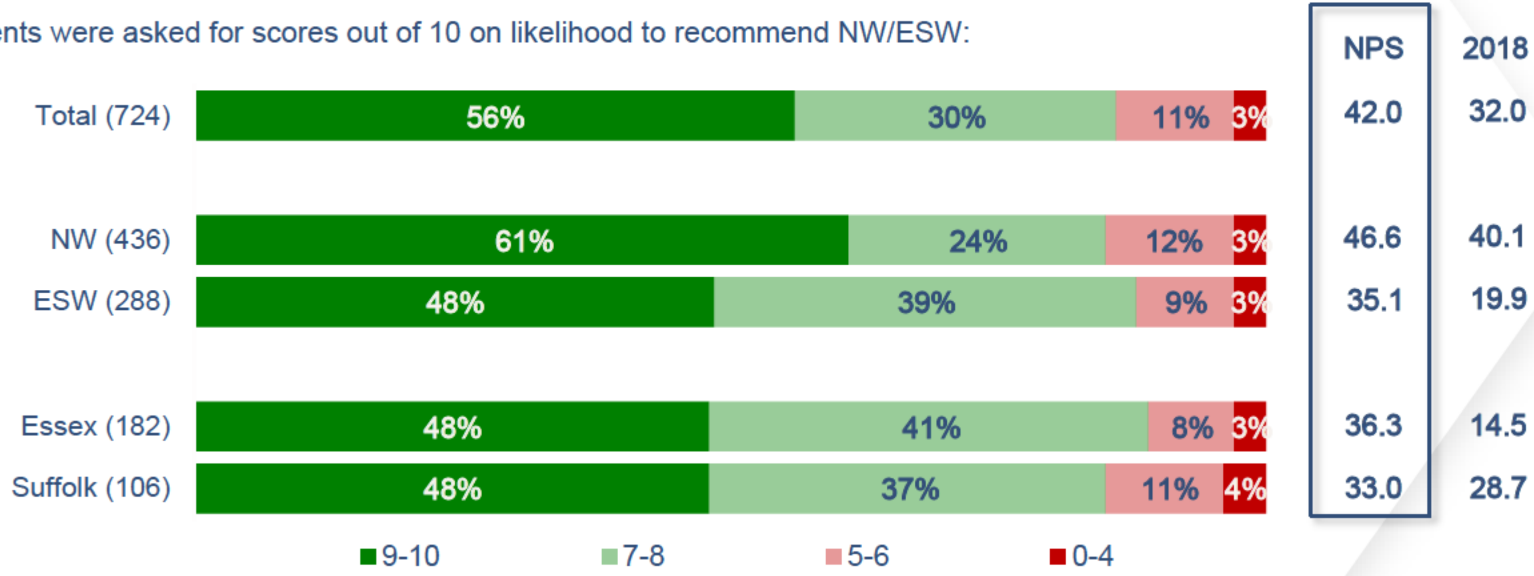
Q10

Overall satisfaction/ perceptions - NPS

NPS

The NPS result this year is better than that seen in 2018, with particular improvement in Essex.

Respondents were asked for scores out of 10 on likelihood to recommend NW/ESW:



Base: all respondents, where answer given (as shown)

Q15a

NPS subsample differences

Differences in the NPS score by respondent sub-group are listed below.
Figures shown in green are significantly better than those in red:

Total (724)	42.0
NW (436)	46.6
ESW (288)	35.1
Essex (182)	36.3
Suffolk (106)	33.0
Direct debit (559)	39.5
Not (165)	50.3
Metered (432)	42.1
Unmetered (292)	41.8

Men (346)	32.1
Women (378)	51.1
16-44 (201)	39.3
45-64 (327)	44.6
65+ (196)	40.3
AB (123)	27.6
C1 (235)	34.0
C2 (122)	48.4
DE (184)	63.6

In vulnerable group (262)	54.2
Not (443)	35.9
On benefits (126)	69.0
Not on benefits (580)	37.2
Disability in household (178)	49.4
Not (529)	40.1
English first language (668)	40.9
Not (46)	63.0

Biggest improvements vs last year:

- Not paying by DD (30.8 in 2018)
- Unmetered (29.1)
- Men (19.7)
- C2 (32.1) and DE (42.5)
- On benefits (51.8), disability in HH (30.0), English not first language (26.0)

Base: all respondents, where answer given (as shown)

Q15a

Lowest propensity to recommend

While getting rid of 0-4 scores entirely is unrealistic, it is heartening to see that there are no customer groups who are especially disgruntled.

Scores of 5-6 on the NPS scale are often not indicative of actively poor perceptions, but 0-4 generally are. Overall, 3% of customers gave a low score of 0-4 against likelihood to recommend NW/ESW if they had the choice of supplier. Proportions of 0-4 scores by sample sub-group are shown below; again statistically significant differences are shown in green (better) and red (worse).

Total (724)	3%
NW (436)	3%
ESW (288)	3%
Essex (182)	3%
Suffolk (106)	4%
Direct debit (559)	3%
Not (165)	4%
Metered (432)	3%
Unmetered (292)	4%

Men (346)	5%
Women (378)	2%
Under 45 (201)	2%
45-64 (327)	3%
65+ (196)	5%
AB (123)	2%
C1 (235)	5%
C2 (122)	3%
DE (184)	2%

In vulnerable group (262)	3%
Not (443)	3%
On benefits (126)	2%
Not on benefits (580)	3%
Disability in household (178)	4%
Not (529)	3%
English first language (668)	3%
Not (46)	0%

Base: all respondents, where answer given (as shown)

Q15a

Top reasons for NPS scores

9-10s (406)
Had no problems – 47%
Good customer service – 15%
Happy with them/good experience – 13%
Good/fair prices – 10%
Good quality water – 9%
Helpful – 8%
Prompt issue/query resolution – 8%

5-6s (78)
Don't hear from them/they don't bother me – 13%
Too expensive/comes down to cost – 12%
Okay/middle of the road – 8%
Poor previous experience – 5%
Poor water pressure – 4%
Do not recommend – 4%
No problems – 4%

7-8s (216)
No problems – 39%
Happy with them/good experience – 12%
Reliable water supply – 9%
Good customer service – 6%
Okay/satisfactory – 6%

0-4s (24)
Poor previous experience – 17%
Too expensive/comes down to cost – 13%
Poor customer service - 8% (=2 respondents)
Don't like having separate suppliers for water and waste - 8% (=2 respondents)
No problems - 8% (=2 respondents)

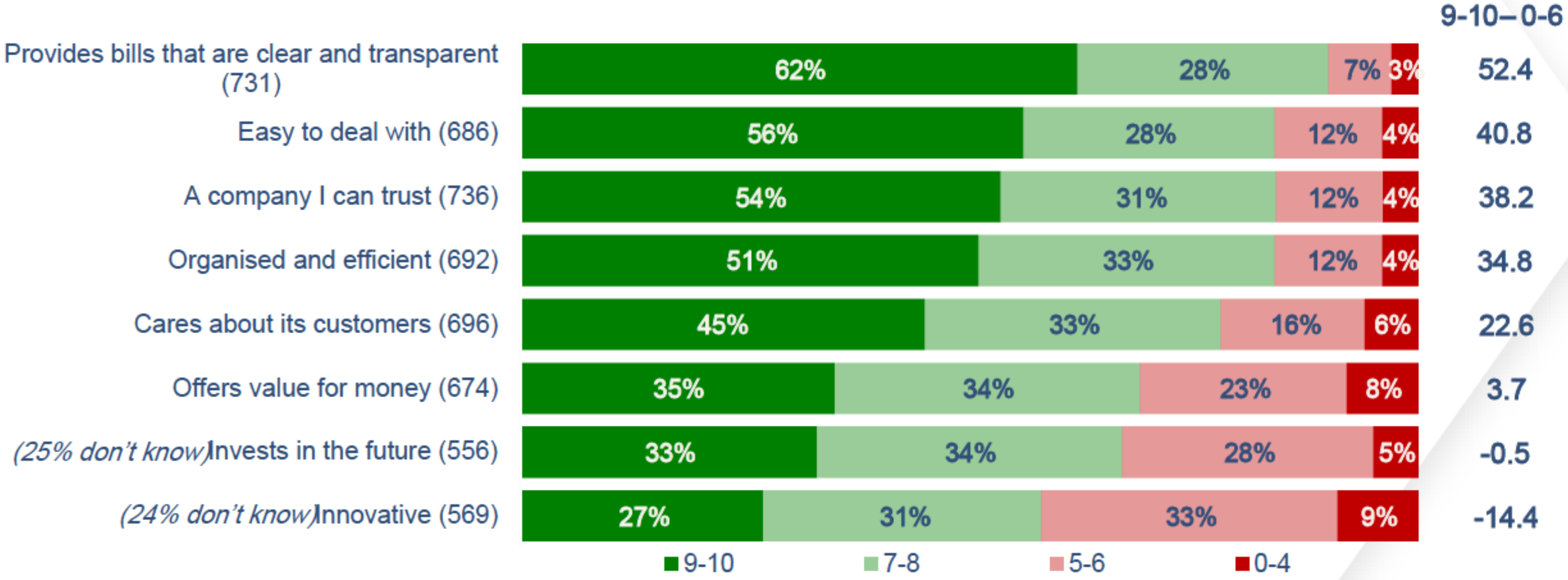
Base: all respondents giving each score (as shown)

Q15b

Impressions of the brand

Brand values

Scores given from 10-0 on each of these elements (10 being the most positive) were as follows:

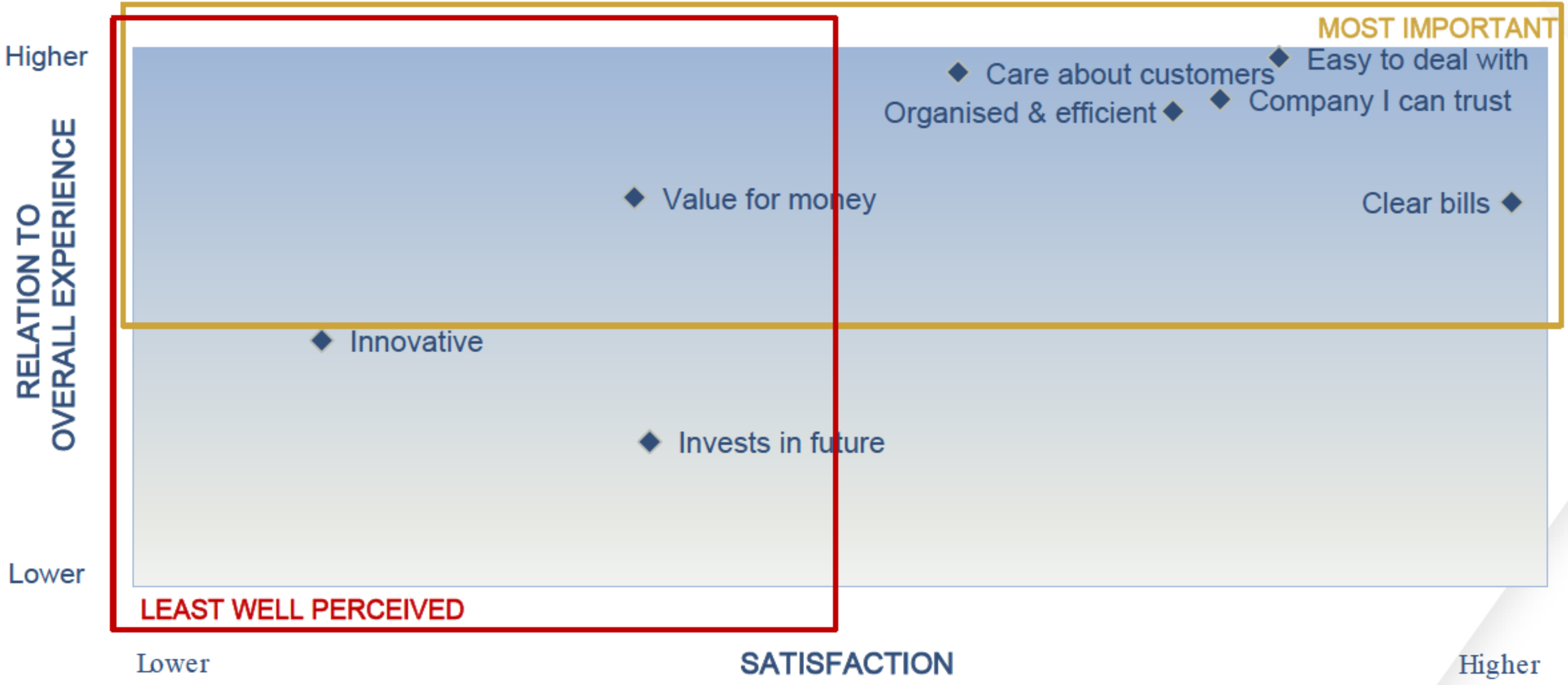


Base: all respondents, where answer given (as shown)

Q12

Values prioritisation- NW

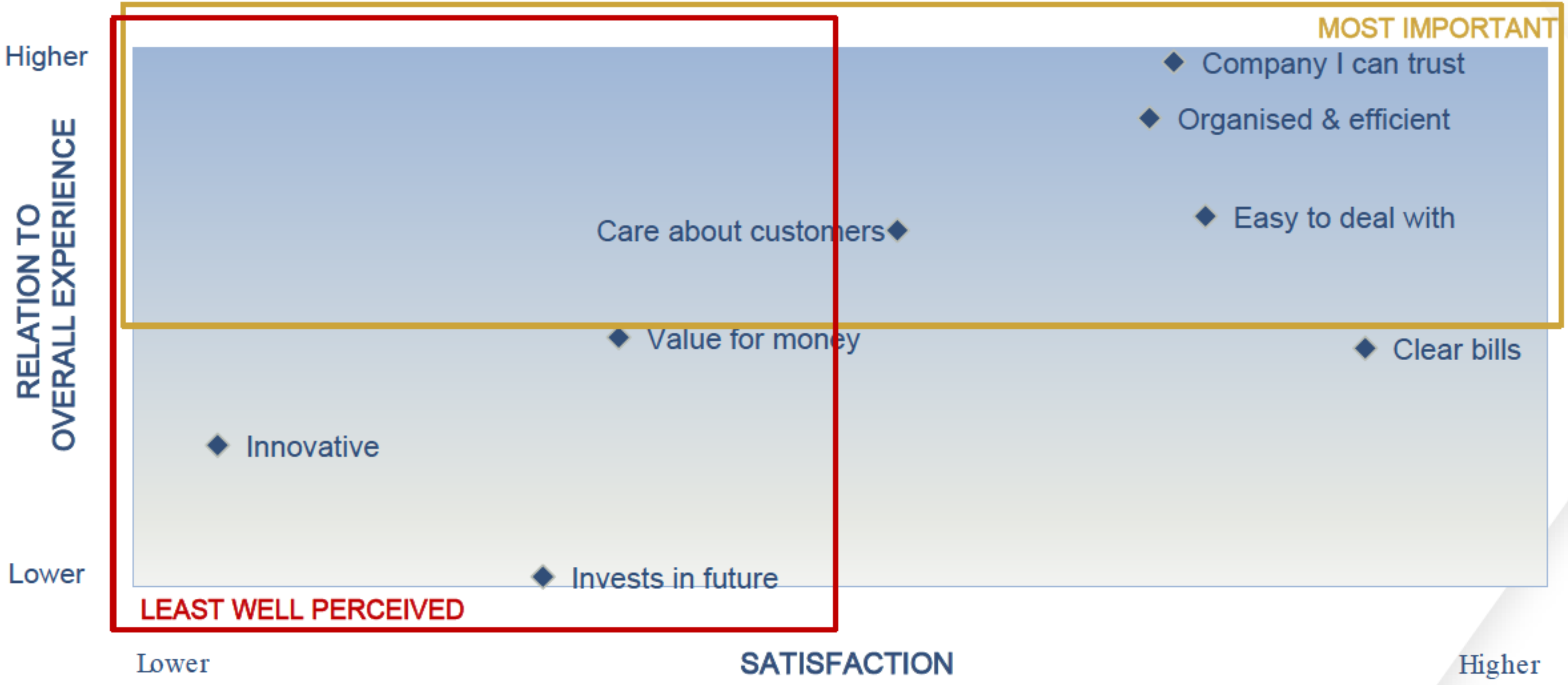
Brand values correlating most closely to overall experience can be seen in the top half of the grid, and those where satisfaction is lowest are shown towards the left. Any factors in the top left quadrant (greater impact coupled with lower satisfaction) are priorities to focus on; those in the top right must be maintained.



Q12

Values prioritisation- ESW

In ESW, satisfaction that the company cares about its customers, is innovative and invests in the future score rather lower than in the North– particularly in Suffolk.



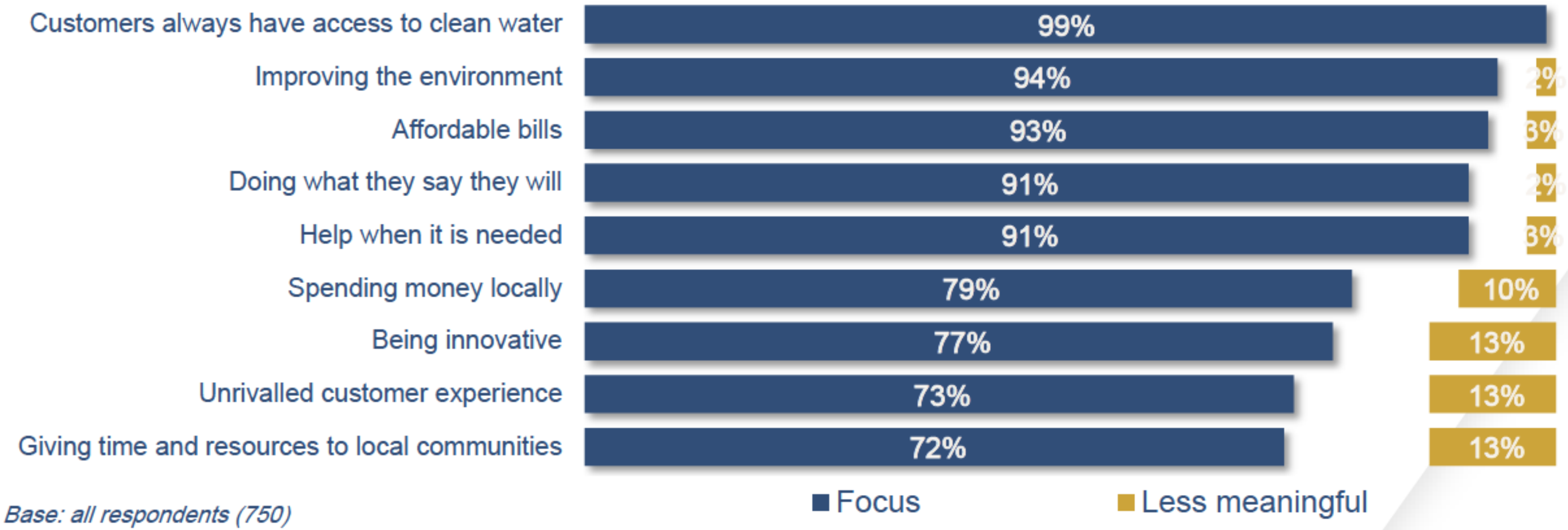
Q12

Customer priority areas

Priority areas to focus on

The list of themes broadly splits into two, with clear sets of primary and secondary priorities from customers' point of view – with no differences between the regions.

I'm now going to read out some broad themes that NW/ESW is looking at in their business plan for 2020-2025. I'd like you to tell me which of these you think should be priority areas for them and which, if any, you think are less meaningful for them to focus on.



Base: all respondents (750)

Q14

Allto

DEFINING THE CLEAREST DIRECTION

THANK YOU

Northumbrian Water Ltd

TELEPHONE |+44 (0)113 237 5590

WEBSITE |www.allto.co.uk

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All of our work is carried out in accordance with the requirements of the international quality standard specific to the market research industry, ISO 20252